

Fubon Financial Holdings Human Rights Framework

1 Policy and Framework

1.1 Human Rights-related Policies

Fubon Financial Holdings Human Rights Policy	Fubon Financial Holdings and its subsidiaries are committed to upholding fundamental human rights and eliminating any behavior that infringes on or violates the human rights of others so that everyone is treated fairly and with dignity. This Statement referred to the United Nations Guiding Principles on Business and Human Rights in advocating an environment that safeguards human rights based on a “protect, respect and remedy” framework. It also supports and complies with the Universal Declaration of Human Rights, the Global Compact, International Labor Organization conventions, the Principles for Responsible Investment, the Equator Principles, and local laws and regulations.
Fubon Financial Holdings Sustainable Development Best Practice Principles	Fubon Financial Holdings and its subsidiaries established the “Fubon Financial Holding Co., Ltd. Sustainable Development Best Practice Principles” based on the Sustainable Development Best Practice Principles for TWSE/TPEX-listed Companies and the United Nations Sustainable Development Goals to help them fulfill their corporate social responsibility, achieve their sustainability goals, and manage the impact of economic, environmental and social risks.
Supplier Sustainable Development Code of Conduct	Fubon Financial Holdings and its subsidiaries have established a “Supplier Sustainable Development Code of Conduct” to encourage their suppliers to put in place sustainable practices. The Code of Conduct covers the rights and interests of workers and worker-related human rights. It specifically requires suppliers to oppose discrimination, prohibit cruel treatment and harassment, forced labor, and child labor, and offer reasonable working hours, time off, and compensation based on existing laws and regulations. All suppliers are also required to sign a “Supplier Standard of Conduct Pledge” that commits them to complying with the provisions in the Code of Conduct and statutory requirements and stipulates that if they violate their pledge, the parent company or its subsidiaries can terminate or revoke contracts or partnerships and request punitive damages.

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>Fubon Financial Holdings Responsible Investment Management Guidelines</p>	<p>Fubon Financial Holdings and its subsidiaries all comply with the “Responsible Investment Management Guidelines” and incorporate ESG related criteria in the assessment and analysis of investment targets. They have also established concrete ESG assessment procedures for different asset classes based on the type of investment and practicality issues and codified them into rules, guidelines or standard operating procedures. In addition, the oversight methods of discretionary investment institutions and other financial institutions have been incorporated into ESG action plans to encourage investors to accept and implement the PRI. On the credit side, measures are in place to identify and assess the ESG-related risk of each credit customer’s approach to environmental protection, climate change, human rights issues and CSR, and other rules echo the Equator Principles. Following international sustainable lending trends and strengthening related processes will continue to be high priorities in the future.</p>
<p>Fubon Financial Holdings Sustainable Finance Policy</p>	<p>Fubon Financial Holdings has established a Sustainable Finance Policy based on the United National Principles for Responsible Investment and Principles for Sustainable Insurance as well as the Equator Principles, a voluntary code of conduct for global financial institutions to guide it in carrying out sustainable finance. Based on the Policy, Fubon Financial Holdings and its subsidiaries incorporate environmental, social, and corporate governance (“ESG”) factors into their business development decisions and devise related investment and credit/insurance business strategies and implementation plans.</p>
<p>Fubon Financial Holdings Personal Information Protection Policy</p>	<p>Fubon Financial Holdings and its subsidiaries are committed to strengthening the protection and management of personal information, lowering operational risk, and safeguarding the rights of those the information belongs to. The Personal Information Protection Policy has two main goals: 1) to ensure compliance with all laws and regulations on personal information protection, customer contracts and other related standards and guidelines; and 2) to safeguard the legal rights of those the personal information belongs to.</p>

1.2 Guidelines Referred to in Drafting Human Rights Policies

<ul style="list-style-type: none"> ■ United Nations Universal Declaration of Human Rights ■ Global Compact ■ International Labor Organization conventions ■ Labor Standards Act (Taiwan) ■ Act of Gender Equality in Employment (Taiwan) ■ Occupational Safety and Health Act and Fubon’s four major worker health protection plans (Taiwan) ■ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies (Taiwan) 	<ul style="list-style-type: none"> ■ Equator Principles ■ United Nations Principles for Responsible Investment ■ United Nations Principles for Sustainable Insurance ■ Financial Supervisory Commission Green Finance Initiative (Taiwan) ■ Financial Supervisory Commission Corporate Governance 3.0 – Sustainable Development Roadmap (Taiwan) ■ Stewardship Principles for Institutional Investors (Taiwan) ■ Treating Customers Fairly Principles for the financial sector ■ Personal Data Protection Act (Taiwan) ■ Cyber Security Management Act (Taiwan)
--	--

1.3 Human Rights Management Framework and Responsible Unit

Human rights issues involve several different business departments and units. Fubon Financial Holdings relies on its ESG Task Force, set up under the Corporate Governance and Sustainability Committee, to conduct due diligence surveys of vulnerable groups and human rights issues and manage human rights risks.

Target Group	ESG Task Force Team
Employees	Employee Care Team
Suppliers	Environmental Sustainability Team
Investments, Loan Clients	Responsible Investment Team
Customers	Innovative Services Team

2. Human Rights Due Diligence Surveys

2.1 Due Diligence Process

Fubon Financial Holdings has established a three-phase, seven-step human rights due diligence process based on the “United Nations Guiding Principles on Business and Human Rights” framework that is aimed at maintaining and protecting Fubon’s human rights foundation. The steps consist of: statement, identification, assessment, action, tracking, reporting and correction.

Fubon Human Rights Due Diligence Process

Phase	Step	Methodology
Phase 1: Commitment	Statement	Comply with and reconcile international norms and local regulations, establish a human rights statement and policy
Phase 2: Management	Identification	Confirm the salient human rights issues and vulnerable groups related to the organization and the nature of its business
	Assessment	Assess on a regular basis the human rights impact caused by and the level of risk exposure of employees, suppliers, customers and service processes
	Action	Devise different action plans and mitigation measures based on the level of human rights risk found in the regular assessments
	Tracking	Track the execution and results of the action plans, and also communicate with vulnerable groups to ensure that the human rights management system is effective
	Reporting	Engage in internal discussions and reporting on human rights management, and publicly disclose human rights management approaches and results
Phase 3: Remedy/Mitigation	Correction	Respond to human rights violations by carrying out remedial and mitigation measures at several levels, whether system improvements, material compensation, or psychological counseling.

2.2 Identifying Major Human Rights Issues

Fubon Financial Holdings’ management of human rights focuses primarily on employees, employees of joint ventures, companies invested in, loan clients, customers, and communities. It identifies major human rights issues and the risks they can create based on problems that have arisen in the past in Fubon operations or in the financial sector and the serious hazards those problems have posed for people.

A. Employees of Fubon, Joint Ventures or Companies that May Be Acquired

Fubon’s Role	Material Human Rights Issue	Vulnerable Groups	Description of the Risk
Owner	Forced labor	Employees who work 40 or more extra hours a month	Employees may often work overtime to cope with market changes or the demands of their job, resulting in excessive work hours every month and an inability to achieve a sound work-life balance. Over the long term, this could jeopardize an employee’s physical and mental health.
	Workplace safety	All employees	Employees may get hurt while working, get into an accident commuting to and from work, or get sick, injured, or disabled or even die from an occupational hazard.
	Workplace equality – Discrimination, – unlawful harassment – in the workplace	All employees	An employee may be subject to unlawful harassment, such as physical violence, verbal abuse, and psychological violence, from a supervisor, colleague or customer while carrying out his or her duties in a place of work that leads to physical or emotional harm. The Company strives to maintain pay equity by referring to market pay standards and creating pay structures based on the skills and experience required for each position.

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

	Harassment	All employees	Any behavior, including but not limited to being related to sex or gender, faced by an employee while on the job that is against his or her will (including from managers at any level, employees or customers)
	Protection of women	Female employees who are pregnant or have given birth in the past year	Job duties that through telephone interviews or questionnaires are found to entail long periods of standing, long periods of sitting, or the carrying of heavy objects constitute Tier 2 and Tier 3 levels of risk.
	Workplace health	All employees	Employees who work overtime, rotate shifts, or work nights can easily face hazards to their health.
	Child labor	Interns	Interns, who generally lack workplace experience, may have trouble getting acclimated to a workplace, causing physical and mental stress.
	Freedom of association	All employees	Employees should have the right to participate in a union and benefit from all conditions obtained through collective bargaining.

B. Suppliers

Fubon's Role	Material Human Rights Issue	Vulnerable Groups	Description of the Risk
Purchaser	Force employees to work extra hours and not pay them for the extra time or give them compensatory leave as required by law	Employees of information equipment/services providers	Suppliers often engage in forced labor or demand that employees work extra hours, which can affect the quality of service (such as installation work) and lead time and hurt Fubon's interests. If such actions lead to a deterioration in the health of the suppliers' employees or even the loss of life, it may be exposed by the media, hurting Fubon's reputation.
	Material labor-management dispute	Employees of manpower agencies	A supplier faces a material labor-management dispute that leads to a strike or other serious form of labor protest, hurting the quality of service and Fubon's operations.
	Employment of child labor	Employees of renovation and decoration contractors	A supplier employs child labor, which could be exposed by the media along with the supplier's list of clients, casting a shadow on Fubon's reputation as a long-time advocate of sustainability.

C. Investments and Loan Clients

Fubon's Role	Material Human Rights Issue	Vulnerable Groups	Description of the Risk
Taipei Fubon Bank – provider of loans and financing	Illegal employment of child labor	Employed child labor in all sectors	Legal risks arising from the illegal employment of child labor or reputation risk arising from occupational accidents, which could have a major adverse effect on a customer's operations
	Incident that harms worker health and worker safety	Employees and contractors in all sectors	The occurrence of incidents that harm worker health and safety, such as accidents from occupational negligence, occupational accidents resulting in death, and violations of occupational safety and health regulations, and which result in legal risks, work stoppages, suspensions of operations or other major adverse effects on clients' businesses
	Labor-management disputes	Employees in all sectors	Reputation risks and major adverse effects on clients' businesses caused by labor disputes, strikes, layoffs without advance notice, forced labor or other labor-management disputes
	Various types of discrimination and harassment	Employees (female employees, employees with disabilities) in all sectors	Reputation risks and major adverse effects on clients' businesses caused by incidents involving various forms of discrimination or harassment
	Human rights risks related to Indigenous Peoples	Indigenous employees in all sectors	According to the Equator Principles, if a client is developing a project that could have a major impact on lands and natural resources used by Indigenous Peoples based on their traditional culture or customs, an impact assessment should be carried out and there should be communications with the affected

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

			Indigenous groups. If the situation is not handled properly, it could lead to reputation risk and have a major adverse effect on the client's business.
Fubon Life – Investor	Climate change	The communities and environment surrounding steel and petrochemical facilities	The operations of a company invested in could have an adverse effect on the local community and natural environment, and result in fines for violating the law or added costs to finance the company's transition to cleaner practices or the purchase of pollution reduction equipment. All of these situations could lead to a fall in the company's stock price.
	Work hours, child labor, labor-management disputes	Employees in all sectors	A fall in the valuation of the company invested in because of fines for violations of labor regulations and damage to the company's reputation
	Water pollution	Communities and residents in areas around electronics, textile and petrochemical facilities	The operations of a company invested in could have an adverse effect on the local community and natural environment, and result in fines for violating the law or added costs to finance the company's transition to cleaner practices or the purchase of pollution reduction equipment. All of these situations could lead to a fall in the company's stock price.

D. Customers

Fubon's Role	Material Human Rights Issue	Vulnerable Groups	Description of the Risk
Service provider	Anti-money laundering and combating the financing of terrorism	All customers	The failure to carry out standard AML/CFT procedures could affect the stability of financial markets and cause serious harm to global human rights
	Personal information protection, privacy rights	All customers	The failure to properly store customer information or to use it legally could affect the rights and interests of customers and result in the risk of customers' personal information being stolen, altered, destroyed, leaked or abused
	Information security risk	All customers	The failure to properly store information, or a cyberattack by a hacker, could result in the leakage of a company's business information and customer information
	Misappropriation of customer funds	Wealth management customers	Misappropriation of customer funds and illicit dealings with customers

2.3 Human Rights Risk Assessment and Matrix

2.3.1 Human Rights Risk Matrix

Fubon’s human rights risk assessment matrix is as follows:

Risk Level		Severity		
		3. Serious Infringement	2. Medium Infringement	1. Mild Infringement
Likelihood	3. Likely (Could happen within a year)	9 High risk	6 High risk	3 Medium risk
	2. Unlikely (Could happen after a year has passed)	6 High risk	4 Medium risk	2 Low risk
	1. Very Unlikely (Will never happen)	3 Medium risk	2 Low risk	1 Low risk

(1) Risk level: Equals likelihood*severity; for example, a scenario that is likely = 3 and medium infringement = 2 gives risk level of 3*2=6.

(2) A risk level of 1-2 is low risk, of 3-4 is medium risk and of 6 and above is high risk.

2.3.2 Human Rights Risk Assessment

A. Employees of Fubon, Joint Ventures or Companies that May Be Acquired

Risk Assessment Methods	Risk Assessment Frequency	Assessment Factors	Sources of Information
<p>Fubon focuses on core principles in ILO conventions – including banning forced labor, opposing discrimination, allowing freedom of association and open communications, and fostering a safe and healthy work environment – to conduct human rights risk assessments of its workforce. Major human rights issues and measurement indicators are identified based on human rights risks employees may encounter, and then used to assess the degree of risk and the proportion of people in the vulnerable group affected. The results are then used to carry out control and mitigation measures to ensure that employees’ human rights are protected.</p>	<p>Annually</p>	<ul style="list-style-type: none"> - Excessive work hours: People who work an average of 40 extra hours a month/total no. of employees at the end of the year (not including outside sales agents) - Unlawful workplace harassment: No. of employee complaints and reactions/total no. of employees at the end of the year (not including outside sales agents); workplace unlawful harassment surveys - Sexual harassment: No. of formal sexual harassment cases/total no. of employees at the end of the year (not including outside sales agents) - Protection of women: No. of female employees who are pregnant or have given 	<ul style="list-style-type: none"> - Statistics on total hours worked - Occupational accident reports - Employee complaint channels - Results of four major occupational safety surveys - Physical checkup self-assessment questionnaire

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

		<p>birth in the past year and people with Tier 2 and Tier 3 risk levels/ total no. of employees at the end of the year (not including outside sales agents)</p> <ul style="list-style-type: none"> - Workplace health: No. of people who say in ergonomic hazard self-assessment questionnaires that they feel musculoskeletal symptoms or pain/ total no. of employees at the end of the year (not including outside sales agents) - Child labor: No. of people identified as being under 12 years of age on their resumes or information when they report for work/total no. of employees at the end of the year (not including outside sales agents) - Freedom of Association: The right of all employees to take part in all benefits obtained through collective bargaining agreements; extent to which employees participate in unions 	
--	--	---	--

B. Suppliers and Contractors

Risk Assessment Methods	Risk Assessment Frequency	Assessment Factors	Sources of Information
<ul style="list-style-type: none"> - Supplier sustainability assessments (which cover human rights issues related to workers) assess each supplier’s level of human rights risk and tracks improvements being made - Supplier sustainability assessments: Suppliers meeting a certain threshold for sales to Fubon are asked to fill out a self-assessment questionnaire designed based on international guidelines; written reviews and on-site inspections also conducted 	<p>Annually</p>	<p>CSR self-assessment questionnaire questions related to management of human rights:</p> <ul style="list-style-type: none"> - Does the supplier have written labor-related human rights policies or statements in place? (including commitments to prohibit child labor and discrimination, offer equal pay for equal work, not to engage in forced labor, and provide compensatory leave or added pay for overtime as required by law) - Does the supplier provide training for employees on the above issues and maintain training records? - Does the supplier hold labor-management meetings as required by law and keep minutes of the meetings? 	<ul style="list-style-type: none"> - CSR self-assessment questionnaire - Annual on-site inspections of suppliers - Records of government penalties

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

		- Does the supplier conduct due diligence surveys that cover: the level of understanding of the company’s human rights issues or rules, confirmation that the company’s human rights policy complies with existing regulations, whether incidents infringing on workers’ human rights occurred and how they were managed and corrected?	
--	--	---	--

C. Investments and Financing

Risk Assessment Methods	Risk Assessment Frequency	Assessment Factors	Sources of Information
Taipei Fubon Bank			
Business departments conduct checks using a “Sustainability Risk Assessment Checklist”	Done for every loan application	Handled based on Fubon’s “Credit Risk Management Operating Guidelines – Institutional Banking”	- Fubon’s “Credit Risk Management Operating Guidelines – Institutional Banking”
Fubon Life			
1. Before an investment is made, an assessment is done based on ESG risk control indicators (including human rights-related indicators), and the result is disclosed in the investment analysis report 2. After an investment is made, indicators on an ESG review checklist (including	1. Every time a potential investment has to be assessed 2. Checks conducted once per year	- Labor-management disputes - Human rights violations - Incidents that endanger public safety and people’s lives and property	- Records of government penalties - Results of different organizations’ ESG ratings - Company CSR reports and annual reports - Bloomberg

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>human rights-related indicators) are checked</p> <p>3. If a particular stock violates ESG principles or the Principles for Sustainable Insurance, the company is put on an ESG blacklist</p> <p>4. A human rights blacklist should be created based on human rights-related indicators</p>	<p>3. Blacklist is updated as necessary</p> <p>4. Human rights blacklist updated annually</p>	<ul style="list-style-type: none"> - Degree of honesty/Control of corruption 	<ul style="list-style-type: none"> - News reports - Indicators published by the World Bank
<p>Fubon Asset Management</p>			
<p>1. Investment Management Group conducts reviews based on human rights-related ESG indicators and standards (relies on investment assessment procedures used by public and private equity funds and discretionary investment accounts)</p> <p>(1) The last 3 years of records on Control of Corruption in the World Governance Indicators (WGI)</p> <p>(2) Countries ranked in the bottom 10% in the WGI indicators for 3 consecutive years placed on the human rights-related ESG blacklist</p> <p>(3) To get a country/entity removed from the human rights-related ESG blacklist, a “report on managing exceptions” must be submitted and approved by managers at the appropriate level of responsibility and the president</p>	<ul style="list-style-type: none"> - Every time an investment is assessed - Irregular checks (whenever the FATF updates its list of high-risk and other monitored jurisdictions that have strategic deficiencies in countering money laundering and terrorist financing) 	<ul style="list-style-type: none"> - Degree of honesty/control of corruption - Countering money laundering - Combating the financing of terrorism 	<ul style="list-style-type: none"> - World Governance Indicators published annually by the World Bank - List of high-risk and other monitored jurisdictions that have strategic deficiencies in countering money laundering and terrorist financing published and updated by the Financial Action Task Force (FATF)

<p>(4) Evaluations are done every October, and take effect after being approved by managers of the Investment Management Group’s different departments and sections, the Risk Management Division, and the president</p> <p>2. AML/CFT assessment factors</p> <p>(1) Funds and discretionary investment accounts must not invest in those countries and jurisdictions identified by the Financial Action Task Force (FATF) as having strategic deficiencies in combating money laundering and the financing of terrorism (AML/CFT).</p> <p>(2) Before new funds and new discretionary investment accounts make investments, they must submit an assessment of “countries or jurisdictions that do not comply or do not fully comply with recommendations made by international anti-money laundering organizations,” and it should be approved by department heads, the chief investment officer, and managers responsible for AML/CFT compliance.</p> <p>(3) When the FATF issues an updated list of high-risk and other monitored jurisdictions that have strategic deficiencies in countering money laundering and terrorist financing, funds</p>			
---	--	--	--

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>and discretionary investment accounts must update their assessments of existing holdings and have them approved by department heads, the chief investment officer, and managers responsible for AML/CFT compliance.</p>			
--	--	--	--

D. Customers

Risk Assessment Methods	Risk Assessment Frequency	Assessment Factors	Sources of Information
Risk Assessment Methodology			

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>Regularly review regulations related to personal information protection</p>	<p>Assessed annually</p>	<ul style="list-style-type: none"> - Changes in laws and regulations - Actual practices - Review issues 	<ul style="list-style-type: none"> - Announcements of changes in laws and regulations - Actual information protection practices based on the “plan-do-check-act” process - Operational risk events - Review issues (based on issues found in personal information protection standard certification processes, inspections by regulatory authorities, and internal and external audits)
<ul style="list-style-type: none"> - Personal information protection impact analyses and self-assessments: - Self-assess the security and maintenance of personal information to identify the risks associated with that personal information; the process, which includes establishing the value of personal information assets and assessing the vulnerability of personal information assets and the types and potential impact of threats to those assets, is designed to weigh the level of risk of personal information assets and inform appropriate responses to that risk. 	<p>Monthly, annually, or when there are changes to a business, i.e.:</p> <ul style="list-style-type: none"> - Addition of a new type of business that collects, processes, and uses personal information files in its operations - Major change in business or information operations processes 	<p>Management of personal information protection self-assessments</p> <ul style="list-style-type: none"> - Inventory taken of personal information used in a company’s business processes; control measures and internal control mechanisms related to personal information protection set up and implementation assessed monthly based on pre-established risk triggers and key risk indicators - Analysis of information flow in personal information files 	<p>Personal information management impact assessments</p>

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<ul style="list-style-type: none"> - Confirm that the collection, processing and use of personal information files in operating processes all comply with internal guidelines and statutory requirements, and that these actions are all properly monitored and safeguarded - All departments that handle personal information are responsible for monitoring their personal information practices and conduct monthly self-assessments to effectively manage risk 	<ul style="list-style-type: none"> - Major change in the structure of an organization - Occurrence of a major personal information breach <p>Assessment of implementation conducted monthly</p>	<p>(shown in BIF business information framework chart), personal information inventory worksheets (by department), and personal information file lists (company-wide)</p>	
Information Security			
<ul style="list-style-type: none"> - Renewal of ISO27001 certification - Assessment of computer system's information security - Mobile apps - Review of overall information security execution (based on the Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises) 	<p>Annually</p>	<ul style="list-style-type: none"> - Storage, processing, transmission, and preservation of customer information; personnel and equipment security - Security of networks, systems, and websites - Security of mobile apps, protection of customers' rights and interests - Company's overall information security 	<ul style="list-style-type: none"> - Third-party certification - Third-party inspection/audit - Third-party inspection/audit - Third-party inspection/audit
Other			

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>Self-review of AML/CFT practices</p>	<p>Annually</p>	<ul style="list-style-type: none"> - Related processes reviewed to see if they are in compliance with regulatory authorities' annual AML/CFT inspection priorities - Checks for deficiencies similar to the main deficiencies in AML/CFT practices identified by regulatory authorities in their review of life insurance companies 	<p>Working paper on self-reviews of AML/CFT practices</p>
<p>Misappropriating customer funds: Controls in place to prevent bank staff from having improper or illicit dealings with customers based on Taipei Fubon Bank's "Guidelines for Strengthening Measures to Prevent Bank Employees from Misappropriating Customer Funds"</p>	<p>Daily</p>	<ul style="list-style-type: none"> - When managers of bank branches review the list of suspicious transactions on the daily internal control statement, they must write in a description of the transaction, why it raised a red flag, and the customer's background or relationship with the bank. - Bank branch managers must be more alert when reviewing the list of suspicious transactions in the statement and strengthen their reviews of the lists generated by those 	<ul style="list-style-type: none"> - Internal control worksheet - Complain mechanism

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

		statements.	
<p>Misappropriation of customer funds or accounts: To standardize penalties for major acts of misconduct by salespeople, Fubon has established Principles for Employee Honesty and Credibility that establish marketing norms and set guidelines for the behavior of brokerage business personnel. They also provide for a monthly branch office review mechanism to implement operational controls.</p>	Monthly	<ul style="list-style-type: none"> - Monthly checks and interviews with salespeople done based on a “Branch office manager self-management mechanism” to identify any abnormalities that may need to be reported - Inspection mechanism activated monthly for customers whose losses hit a certain threshold - Confirmation letter system used to check customers who make more than NT\$50 million in trades in a month - Fubon Securities website has set up a “tip-off mailbox” for people to file complaints. 	<ul style="list-style-type: none"> - Internal management mechanisms - External tip-off mailbox

3. Human Rights Management

3.1 Mitigation and Remedial Measures

Vulnerable Group	Mitigation Measures	Remedial Measures
<p>Employees</p>	<p>Training:</p> <ul style="list-style-type: none"> - Unlawful harassment: Provisions of “Guidelines for Investigating Sexual Harassment Complaints and Disciplining Offenders” incorporated into required digital courses for new hires - Occupational hazards: Basic occupational health training organized every year; annual evacuation drills held; environmental tests conducted by a third party every six months; four major internal safety plans promoted <p>Communications:</p> <ul style="list-style-type: none"> - Excessive work hours: Overtime hours of each department reviewed on a monthly basis and supervisors reminded through internal channels to help employees who are working longer hours to rearrange their workload - Unlawful harassment: When a case emerges, Fubon establishes the facts amicably, rationally, and lawfully and brings cases to satisfactory conclusions within established deadlines. All cases are handled by dedicated personnel and confidentiality guidelines are respected to protect the system’s credibility. - Labor-management disputes: Training programs for new hires encourage them to join a union; labor-management 	<p>Systems:</p> <ul style="list-style-type: none"> - Excessive work hours: <ul style="list-style-type: none"> (1) Fubon’s “Work Rules” limit regular working hours to no more than 8 hours a day and no more than 40 hours a week in principle, and employees can apply for overtime pay or compensatory leave. (2) Subsidiary Fubon Insurance designates every Wednesday and the first Friday of every month as “Family Day,” encouraging employees to get off work on time. - Unlawful harassment: “Employee Complaint and Handling Guidelines,” “Guidelines for Investigating Sexual Harassment Complaints and Disciplining Offenders,” and the “Anti-Harassment Statement” are complied with; a “Plan to Prevent Unlawful Harassment in the Workplace” is also in place requiring that those people at highest risk are given priority assistance and that control measures be carried out and checked and reassessed on a regular basis. <p>Remedy: A mediation and negotiation process arranged based on internal procedures</p>

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

	<p>consultations held on a regular basis and collective bargaining agreements continue to be signed.</p> <ul style="list-style-type: none"> - Occupational hazards: Most personal injury leaves result from traffic accidents. Given that trend, Fubon has strengthened publicity on traffic safety do's and don'ts to reduce the number of accidents employees have when out on business or commuting to and from work. 	<p>Penalty: A mediation and negotiation process arranged based on internal procedures https://www.youtube.com/watch?v=crUg71XTunw</p>
Suppliers	<p>Training:</p> <ul style="list-style-type: none"> - Instill in suppliers an awareness of the importance of human rights protections for workers through supplier education and training and provide guidance on actual human rights practices to lower worker-related human rights risk <p>Communications:</p> <ul style="list-style-type: none"> - Annual Supplier CSR Conference: Results of CSR assessments are announced and the top performers are commended; concrete suggestions for improvement also provided <p>System:</p> <ul style="list-style-type: none"> - A CSR self-assessment questionnaire for supplier sustainability assessments has been designed based on international guidelines such as PAS 7000, CERES, GRI Standards and the ISO 20400 standard on sustainable procurement. It is part of the annual supplier sustainability assessment (which covers worker-related human rights issues) that follows up on measures taken by suppliers to mitigate human rights risk. 	<p>System:</p> <ul style="list-style-type: none"> - A supplier reward and penalty mechanism has been established to ensure that suppliers maintain a high level of service and a safe workplace environment. A "Supplier Reward/Penalty Reporting Form" is used to track whether they are implementing the CSR-related indicators (including worker-related human rights indicators) they committed to in the "Supplier Sustainable Development Code of Conduct." <p>Remedy:</p> <ul style="list-style-type: none"> - If a supplier is guilty of a material human rights incident, Fubon can terminate or revoke a contract or a cooperative arrangement and ask for damages <p>Penalty:</p> <ul style="list-style-type: none"> - If a material human rights incident occurs, Fubon can lower the rating of the supplier concerned or end its eligibility to be a Fubon supplier
Loan Clients/ Investments	<p>Communications:</p> <ul style="list-style-type: none"> - If a company being considered for an investment or loan is involved in an incident that has a material adverse impact on 	<p>System Adjustments:</p> <ul style="list-style-type: none"> - If a client request for financing is covered by the Equator Principles, the bank shall assess the environmental

	<p>environmental or social sustainability and is put on a blacklist, the transaction should not go through.</p> <ul style="list-style-type: none"> - If a potential loan deal is covered by the Equator Principles and the client is not willing to make improvements based on those Principles, the loan should not be made. - If a company that has received a loan or is applying for a loan from Fubon is indicted for a sustainability-related incident and is found guilty in the first trial, and the head of the Institutional Credit Management Division confirms it as a serious incident, there are repercussions. If the company is a new client, its loan application will be rejected. If the company already does business with Fubon, its case will be handled as a special case based on the opinions of senior managers. 	<p>measures, occupational safety measures, disaster response measures, and employee management measures the client has in place for the project. It shall also assess the project’s environmental and social impact on the surrounding area, and if the project is expected to generate medium or high environmental or social risks, the customer should be asked to adopt risk mitigation measures as required by the Equator Principles to reduce the project’s environmental and social footprint.</p> <ul style="list-style-type: none"> - The amount of the loan or investment can be adjusted depending on how serious the situation is and whether improvements are being made. <p>Penalties:</p> <ul style="list-style-type: none"> - If discovered after an investment is made and the country involved has been put on Fubon’s “Human Rights ESG Blacklist,” the investment should be divested within 20 working days. If because of special circumstances the investment cannot be divested that quickly, a “report on management exceptions” should be submitted for approval to the managers responsible and the president. - Before an investment is made, it should be checked based on ESG investment risk indicators, and the amount to be invested can be reduced depending on how serious the issue is and whether improvements are being made. If the problem is very serious, no investment should be made. - No investment should be made in companies that are blacklisted
--	--	---

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>Customers – Leakage of Personal Information</p>	<ul style="list-style-type: none"> - According to the guidelines for personal information protection self-assessments, the self-assessments should be aimed at assessing the value of personal information assets, their vulnerability, and the potential impact of threats to those assets, and mitigation measures should be devised depending on the assessment’s quantitative results. - A personal information maintenance plan should be drawn up at the beginning of every year, and tasks should be carried out based on the schedule laid out in the plan to ensure that the system continues to run normally and effectively. The tasks should include personal information inventories done based on personal information worksheets and BIF flow charts, personal information breach preparedness drills, self-checks of internal controls, regular internal audits, reviews of personal information contractors, analyses of personal information masking practices, and certification to international standards of the personal information management system. 	<p>System Adjustment:</p> <ul style="list-style-type: none"> - Strengthen employee education to raise awareness of the importance of personal information protection <p>Remedy:</p> <ul style="list-style-type: none"> - Explain the situation to customers and consider compensatory measures on a case-by-case basis <p>Penalty:</p> <ul style="list-style-type: none"> - Taipei Fubon Bank: Points are deducted for the customer complaint KPI in the performance evaluation of the negligent bank associate and operations supervisor, and the associate is disciplined. - Fubon Insurance, Fubon Life: For such offenses, salespeople are barred from soliciting business - Fubon Securities: For salespeople found to have been negligent, they are reported to the Human Resources Evaluation Committee to decide if the individual should be disciplined.
---	---	---

3.2 Complaint/Grievance Mechanism

Employees	<ul style="list-style-type: none"> - Employee feedback/grievance section on website - HR+ APP “We Care” mailbox - Grievance hotline: 02-6602-7597
Suppliers	<ul style="list-style-type: none"> - Corporate social responsibility mailbox csr.fhc@fubon.com
Customers (Fubon Life)	<ul style="list-style-type: none"> - Customer rights hotline: 0809-000-120 - 24-hour customer service hotline: 0809-000-550 - Customer rights mailbox: complaints.life@fubon.com - Leaving a message on the website: https://www.fubon.com/life/eservice/service-center/contact/ (For type of service, click on “File a complaint”) - Written complaints
Customers (Taipei Fubon Bank)	<ul style="list-style-type: none"> - 24-hour customer service hotline - Customer service mailbox - Digital customer service - Taipei Fubon Bank has set up a “Bank HQ complaint hotline” and “Real-time feedback QR code”

富邦金控人權管理框架 Fubon Financial Holdings Human Rights Management Framework

<p>Customers (Fubon Insurance)</p>	<ul style="list-style-type: none"> - 24-hour policyholder service hotline: 0800-009-888 - Leaving a message on the website: Fubon Financial Holdings – Service Center – Contact Fubon (fubon.com) (For type of problem, click on File a Complaint) - Digital customer service: “Fubon Bro” chatbot services; Fubon LINE account - Written complaints
<p>Customers (Fubon Securities)</p>	<ul style="list-style-type: none"> - 24-hour customer service hotline: 0800-073-588 - Branch office locations - Customer service mailbox: service.sec@fubon.com - Leaving a message on the website: https://www.fubon.com/member/quest/quest.jsp?buCate=S (For service type, click on “Suggestions or complaints”)