

## Corporate social responsibility best practice principles

### **Chapter 1 General Provisions**

[Article 1](#) In order to fulfill the social responsibility initiatives and to promote economic, social and environmental balance and sustainable development, the company hereby adopts the Principles to be followed.

[Article 2](#) The Principles applies to the company, including the operations of headquarter and branch companies  
The Principles encourages the company to actively fulfill their corporate social responsibility in the course of their business operations so as to achieve a balance among environmental concerns, social responsibility, and corporate governance to follow the international trend.

[Article 3](#) In fulfilling corporate social responsibility initiatives, the company shall, in its corporate management and operations, give due consideration to the social mores and the rights and interests of the interested parties and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

[Article 4](#) To implement corporate social responsibility initiatives, the company shall follow the principles below:

1. Exercise corporate governance.
2. Foster a sustainable environment.
3. Preserve public welfare.
4. Enhance disclosure of corporate social responsibility information.

[Article 5](#) The company shall comply with relevant laws, regulations, their articles of incorporation, agreements entered into with the TWSE or GTSM, and other relevant rules. Further, they are advised to take into consideration the development of domestic and international corporate social responsibility principles and the operation of individual companies.

### **Chapter 2 Exercising Corporate Governance**

[Article 6](#) The board of directors of the company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.

The board of directors of the company are advised to uphold corporate social responsibility by:

1. making corporate social responsibility the guiding principle of the company's operations and development;
2. identifying the company's corporate social responsibility mission (or vision, values) and declaring its corporate social responsibility policy; and
3. enhancing the disclosure of corporate social responsibility information.

[Article 7](#) For the purpose of managing corporate social responsibility initiatives, Public Relationship Office of PSC will be in charge of proposing and enforcing the corporate social responsibility policies and to report the executed result of all units to the board of directors on the final 4 month before the end of the year.

[Article 8](#) The company shall respect the rights and interests of any interested parties, identify and understand the reasonable expectations and demands of such parties through proper communication with them and allowing their participation, and shall adequately respond to the important corporate social responsibility issues which such parties are concerned about.

[Article 9](#) The company shall identify Ethical Corporate Management Best Practice Principles, to establish effective corporate governance framework and relevant ethical standards so as to enhance corporate governance.

[Article 10](#) The company shall comply with relevant laws and regulations and observe the following guidelines to maintain a fair competition environment:

1. Avoid engaging in unfair competition.
2. Faithfully fulfill tax-related obligations.
3. Not tolerate bribery or corruption and establish appropriate management systems.

Corporate endowments should be made in accordance with the company's internal procedures.

[Article 11](#) The company shall, on a regular basis, organize training on business ethics and promotion of matters prescribed in the preceding Article for directors, supervisors and employees.

### **Chapter 3 Fostering a Sustainable Environment**

[Article 12](#) The company shall follow relevant environmental laws and regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business activities.

[Article 13](#) The company shall endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.

[Article 14](#) Delete

[Article 15](#) Delete

[Article 16](#) The company shall take into account the effect on ecological efficiency, promote and educate consumers on the concept of sustainable consumption, and in accordance with the following principles to reduce the impact on the natural environment from their business operations:

1. Reduce resource and energy consumption of their products and services.
2. Dispose of waste properly.
3. Maximize the sustainability of renewable resources.

4. Improve efficiency of financial products and services.

[Article 17](#) To improve water use efficiency, the company shall properly and sustainably use water resources and establish relevant management measures.

[Article 18](#) The company shall monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon reduction and minimize the impact of their business operations on the natural environment.

#### **Chapter 4 Preserving Public Welfare**

[Article 19](#) The company shall comply with relevant labor laws and regulations, protect the legal rights and interests of employees, respect internationally recognized principles of the labor force's human rights, including the freedom of association, the right of collective bargaining, caring vulnerable groups, forbidding child labors, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, etc., and shall not commit violations against the fundamental labor rights. The human resources policies of The company shall be founded on the principles of the labor force's human rights and shall contain appropriate management methods and procedures.

The company shall ensure that their employment policies do not contain differential treatments based on gender, race, age, marital and family status , and shall achieve equality in terms of compensation, employment conditions, and training and promotion opportunities.

[Article 20](#) The company shall provide information for their employees so that the employees have knowledge of their rights under the labor laws of the countries where the companies have business operations.

[Article 21](#) The company shall provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.

The company is advised to organize training on safety and health for their employees on a regular basis.

[Article 22](#) The company shall create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.

[Article 23](#) The company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.

[Article 24](#) To maintain financial product responsibility and uphold marketing ethics, the company shall establish and disclose policies on consumer rights and interests and enforce such consumer rights and interests policies.

[Article 25](#) The company shall ensure the quality of their financial products and services by following the laws and regulations of the government and relevant standards of their industries.

The company shall follow the laws and regulations of the government and relevant international guidelines when marketing or advertising their financial products or services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

[Article 26](#) The company shall provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with relevant laws and regulations for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

[Article 27](#) The company shall assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly foster a stronger

sense of corporate social responsibility.

[Article 28](#) The company shall pay close attention to social weakness group constantly, and to participate in the public welfare activities like charity donation aggressively.

## **Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information**

[Article 29](#) The company shall disclose information according to relevant laws and regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM-Listed Companies and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which The company shall disclose includes:

1. The management scheme, strategy, policy and management guidelines for corporate social responsibility initiatives resolved by the board of directors.
2. Exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies.
4. Result of implementing corporate social responsibility initiatives.
5. Other information relating to corporate social responsibility initiatives.

[Article 30](#) The company shall produce corporate social responsibility reports disclosing the status of their implementation of the corporate social responsibility policy. The reports are advised to include:

1. The framework, policy and proposal of implementing corporate social responsibility initiatives.
2. Major interested parties and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment and

preservation of public welfare.

4. Future improvements and goals.

## **Chapter 6 Supplementary Provisions**

[Article 31](#) The company shall at all times monitor the development of domestic and international corporate social responsibility framework and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.