

Taishin FHC's Participation in the Management System of Trade Association Activities

Definition: The trade association referred to in this system is a NPO or a juridical association that has been approved by the competent authorities and established in accordance with the law.

Scope: The application scope of this system includes involvement in the activities of trade associations in which the Company and its subsidiaries participate.

Commitment: Taishin FHC upholds the corporate core values of integrity, commitment, innovation and cooperation to promote sustainable development. In response to the Paris Agreement's goal of keeping global warming within 1.5°C, the Company has established the "Sustainable Financial Policy" and set emission reduction targets for the scope 3 assets in accordance with the SBT method. In addition, the "Management Guidelines for Participation in Trade Association Activities" has also been established in order to fulfill the responsibility of stakeholder engagement and promote joint climate actions. The Company aims to achieve the long-term goal of net zero by 2050 and realizes the target of coexistence between an enterprise and the environment.

Management system: In order to ensure that the trade association in which Taishin FHC participates is consistent with the Company's climate position, the management system has been established as follows:

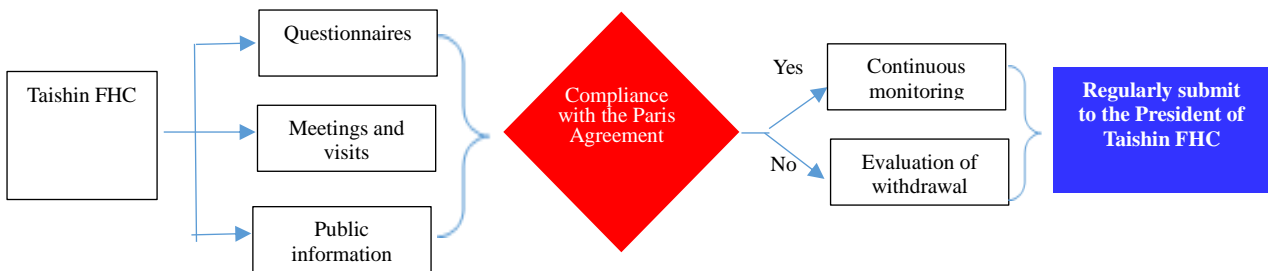
- Establish the purpose of the Company's participation in the trade association and whether there is any violation of the Paris Agreement.
- Appoint suitable member representatives, directors and supervisors.
- Reasonably evaluate the sponsorship of the association's activities.
- Continuously evaluate the effectiveness of participation in the trade association.
- Ensure that the trade association complies with the relevant laws and regulations.
- Properly manage and maintain the documents related to the participation in trade association.

Review and monitoring system: When Taishin FHC participates in various trade association activities, it should actively identify whether its climate-related activities or potential positions are in line with the Paris Agreement and prepare a review report. The monitoring system includes:

- Sending questionnaires on a regular basis.
- Actively monitoring the public information of the trade association.
- Arranging meetings and visits on an irregular basis.

Taishin FHC is politically neutral and does not participate in international or domestic public policy lobbying.

Review and monitoring process



Handling system for inconsistent climate positions: The Company should establish diversified communication channels. For the trade association that clearly violates the Paris Agreement, Taishin FHC will state its position and urge the association to make adjustments. If the association continues to violate the Paris Agreement, the Company will evaluate whether to withdraw from the association and present such issue to the President of Taishin FHC. The Company plans to fully withdraw from the trade association that are in clear violation of the Paris Agreement by 2030.

Accountability system: In order to achieve the goal of climate action engagement, the Company regularly submits review reports to the President of Taishin FHC. Any association that is in clear violation of the Paris Agreement will be reported to the Board of Directors for approval.

Appendix: Whether the trade association is in consistent with Taishin FHC’s climate position in 2022

Name of trade association	Whether it is in consistent with Taishin FHC’s climate position
Chinese National Association of Industry and Commerce	Yes
The Third Wednesday Club	Yes
Taoyuan Enterprise Chamber	Yes
Taiwan-Turkey Business Association	Yes
Cross-Straits Common Market Foundation	Yes
Cross-Strait CEO Summit	Yes
Chinese International Economic Cooperation Association	Yes
Chinese East Asian Economic Association	Yes
Taiwan Chamber of Commerce and Industry	Yes
ROC-USA Business Council	Yes
Mountain Jade Science and Technology Association of Taiwan	Yes