

Mega Financial Holding Co. Ltd., Supplier Sustainability Management Guidelines

Formulated on March 28, 2019 and approved by the general manager.

Amended on June 15, 2021 and approved by the general manager.

Amended on May 24, 2022 and approved by the general manager.

Article 1 Purpose

The Supplier Sustainability Management Guidelines (hereinafter the “Management Guidelines”) are formulated to assist suppliers in promoting sustainable development on environmental, social and governance, and implement corporate sustainability.

Article 2 Responsible Unit

The Administration department is the responsible unit for the Management Guidelines.

Article 3 Scope and Applicants

The Management Guidelines is applied to suppliers who cooperate with the Company and the subsidiaries.

The Subsidiaries that mentioned above refer to those the Company has 100% shareholdings; the Suppliers refer to those who provide products or services to the Company or the Subsidiaries.

Article 4 Labor Rights and Human Rights

The Suppliers shall comply with the labor laws and regulations, respect internationally recognized basic human rights (including UN Universal Declaration of Human Rights, Guiding Principles on Business and Human, the ILO Declaration on Fundamental Principles and Rights at Work etc., universal recognized standards), prohibit child labor, prohibit any form of discrimination, prohibit forced labor, prohibit human trafficking, implement equal pay policy and protect employees' rights of association and collective bargaining.

1. Prohibit child labor: Suppliers shall not employ any person below the age of 16, and shall not have employees below the age of 18 to perform any legally dangerous or harmful work.
2. Prohibit any form of discrimination: Suppliers shall consider one’s experience and skills on the basis of employment, training and promotion,

irrespective of race, region, gender, religion, age, marital status, class, language, ideas, appearance, sexual orientation, family background, political affiliation etc., during recruiting.

3. Prohibit forced labor: Suppliers are prohibited to any forms of forced labor, including punish, imprison, threat, violate, withhold wages or identity cards. Employees have rights to freely apply for holidays and terminate labor contracts under the notice period in compliance with the regulations.
4. Prohibit human trafficking: Suppliers are prohibited to illegal practice of human trafficking.
5. Implement equal pay policy: Suppliers shall ensure employees with different genders have equal pay and chances, and have the same resource to develop career-related expertise and skills.
6. Rights of association: Suppliers shall not interfere employees in the establishment or participation of the labor union.
7. Collective bargaining: Suppliers shall communicate, negotiate between business and labor, provide sufficient time for discussion and solve common issues, to reach a reasonable consensus on working conditions.

Article 5 Occupational Safety and Health

The Suppliers shall comply with laws and regulations relating to labor health and occupational safety, provide employees with a safe and healthy working environment, provide appropriate training and preventive measures, keep track and manage occupational injuries and diseases etc., to ensure that their business activities do not directly or indirectly harm employees or others.

1. Safe and healthy working environment: Suppliers shall provide employees with safe and healthy working environment, tracking, evaluating and managing the potential occupational risks in daily procedures and environment. For working environment with high risks, one shall deliver precaution announcements and correct engineering management procedures, provide personal protective equipment, to avoid and eliminate the impact of occurred hazards.
2. Training and preventive measures: Suppliers shall offer employees with regular occupational safety and health relative training and precaution measures (e.g. notification process, escape plan, fire drill etc.), to enhance employees' ability of emergency response and medical care.
3. Occupational injuries and disease: Suppliers shall systematically manage, track and report incidents of occupational safety and health, record employees' type and cause of occupational disease regularly, and provide necessary treatments and consulting, to assist employee's recovery and

return to work.

Article 6 Environmental Sustainability

The Suppliers shall comply with environmental laws and regulations and take various measures, including implementing assessment and management on environmental impact, climate change and GHG emissions reduction, green procurement etc., to reduce the impact and pollution on natural environment.

1. Assessment and management on environmental impact: Suppliers should assess and manage the consumption of operational resource and waste. In addition to reducing resource consumption and waste, effluent and waste generated from manufacturing or service process should be properly and legally disposal.
2. Climate change and GHG emissions reduction: Suppliers should identify the impact caused by the climate change, conduct energy-saving and carbon reduction action plans according to the operating situation, in order to reduce the GHG emissions.
3. Green procurement: Suppliers should prioritize using products with green certificate, commit to local and in-season products while purchasing, in order to reduce environmental impact from transportation, and promote local business development.

Article 7 Operational Integrity

The Suppliers shall operate with integrity and prohibit illegal practice, respect intellectual property right (IPR), protect personal data and individual privacy, comply with laws and regulations related to fair competition, avoid conflicts of interest, and establish a whistleblowing system.

1. Prohibit illegal practice: Suppliers are strictly prohibited to illegal practices, such as bribery, fraud, money laundering, corruption and concealment, and etc.
2. Respect intellectual property right (IPR): While purchasing is related to tangible property or IPR, Suppliers shall respect stakeholders' rights of land, copyrights, trademarks, design, patents and trade secrets etc., and shall not involve in property infringement activities.
3. Protect personal data and individual privacy: Suppliers shall prevent the personal data from downloading, disclosing, using and tampering without authorization, in order to protect stakeholders' personal data and privacy.
4. Comply with laws and regulations related to fair competition: Suppliers shall avoid behavior of unfair competition, trusts, monopoly, dumping, and shall not gain profit from unfair advantage of market society and economics conditions.

5. Avoid conflicts of interest: Suppliers shall avoid conflicts of interest, and shall not directly or indirectly benefit itself or its related parties.
6. Establish a whistleblowing system: Suppliers shall establish a reporting mechanism and communication channel for stakeholders to report on illegal practices.

Article 8 Evaluation and Selection of Suppliers

Before conducting business, Mega Holdings should evaluate whether the suppliers have negative environmental and social records, so as to avoid transacting with suppliers whom violated the Management Guidelines.

Article 9 Contract Signature and Supplier Management

The Supplier shall comply with the Management Guidelines and sign the "Supplier Sustainability Statement" when signing the contacts with Mega Holdings.

Mega Holdings and Subsidiaries should understand the Management Guidelines implement situation of the Supplies, by means of on-site visit, training or engagement meetings etc.

If the Suppliers violate the matters specified in the Management Guidelines, and cause material impacts on environmental and social to the Suppliers' community, Mega Holdings may terminate or rescind the contract at any time, and make them into the blacklist.

Article 10 Others

Matters not specified in the Management Guidelines, if any, should be conducted in accordance with the regulations of the authority and other relevant rules of the Company.

Article 11 Approval Level

The Management Guidelines is valid after the approval of the president of Mega Holdings, amendment or abolishment shall follow the same procedures.

Attachment: Supplier Sustainability Statement

Attachment:

Supplier Sustainability Statement

To fulfill sustainability, the Company promises to implement the following terms:

- I. Comply with the labor laws and regulations, respect internationally recognized basic human rights (including UN Universal Declaration of Human Rights, Guiding Principles on Business and Human and the ILO Declaration on Fundamental Principles and Rights at Work etc., universal recognized standards), prohibit child labor, prohibit any form of discrimination, prohibit forced labor, prohibit human trafficking, implement equal pay policy and protect employees' rights of association and collective bargaining.
- II. Comply with laws and regulations relating to labor health and occupational safety, provide employees with a safe and healthy working environment, provide appropriate training and preventive measures, keep track and manage occupational injuries and diseases etc., to ensure that their business activities do not directly or indirectly harm employees or others.
- III. Comply with environmental laws and regulations and take various measures, including implementing assessment and management on environmental impact, climate change and GHG emissions reduction, green procurement etc., to reduce the impact and pollution on natural environment.
- IV. Operate with integrity and prohibit illegal practice, respect intellectual property right (IPR), protect personal data and individual privacy, comply with laws and regulations related to fair competition, avoid conflicts of interest, and establish a whistleblowing system.

To:

Mega Financial Holdings Ltd., Co

Company Name:

Person in Charge:

Address:

Date: