

Taishin International Bank Co., Ltd.
ABN 30 165 085 638

Modern Slavery Statement

Reporting Entity

This Statement is prepared on behalf of the Taishin International Bank Co., Ltd. ABN 30 165 085 638 (“the Bank”, “Reporting Entity”). This Statement describes the risks of modern slavery in the operations and supply chains and includes information about actions taken to address those risks during reporting period of 1 January to 31 December 2021.

Structure, Operations and Supply Chains of the Bank

Structure

Taishin International Bank Co., Ltd. has its headquarters at 1F and B1, No. 44, Jhongshan N. Rd., Sec. 2, Taipei City, Taiwan. The Bank has 101 domestic branches, 5 overseas branches (including the Hong Kong, Singapore, Japan, Brisbane and Labuan branches), and 4 overseas representative offices. The Brisbane Branch opened in Australia on July 31, 2017 as a foreign authorised deposit-taking institution (ADI).

The Bank is a wholly owned subsidiary of Taishin Financial Holding Co., Ltd. (“We”, “the Company”). Taishin Financial Holding Co., Ltd. is a Taiwan-based financial holding company listed on the Taiwan Stock Exchange Corporation (TWSE), with its headquarters at No. 118, Sec. 4, Ren-ai Rd. Taipei City, Taiwan.

Operations

The Bank has three major business department: retail banking, wholesale banking, and financial market. Major business lines include deposit products, retail and corporate lending, digital banking, credit card services, wealth management, factoring services, share administration services, and provision of a wide range of financial products, such as exchange rate, interest rate, equity, credit, commodities, derivatives, and structured products.

Supply Chains

The Company engages a wide variety of suppliers including system developers, telecommunication carriers, insurance companies, fund companies, card manufacturers, overseas investment consultants, financial information suppliers, advertising companies, media, printing companies, and office consumables suppliers.

Risks of Modern Slavery Practices in Operations and Supply Chains of the Bank

After reviewing Bank’s operating model, we have identified employees, customers (including borrowers) and suppliers to be one of the most relevant stakeholders as far as human right is concerned. We have devised separate policies, statements and guidelines to serve as the ultimate guiding principle for human rights protection. In addition, we adopt communication,

protection and supervision practices to secure the rights of all stakeholders, which provide the foundation of corporate ethics within the Company.

Actions taken to Assess and Address Risks, Including Due Diligence and Remediation

The Company is dedicated to upholding human rights, and shares the value of international human rights rules including Universal Declaration of Human Rights, International Labour Organization, The UN Guiding Principles on Business & Human Rights and Equator Principles, and complies with regulations of Taiwan and all locations it operates in.

Taishin Financial Holding Co., Ltd. - Corporate Social Responsibility Best Practice Principles

To enhance the overall corporate sustainable practices, the Company has adopted the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies. One of the key guidelines of these best practices is the preservation of public welfare. The Principles apply to the Company and its subsidiaries.

The Bank shall comply with relevant labour laws and regulations, and respect principles of the labour force's human rights, and shall enact appropriate management methods in accordance with the following principles:

1. Protect the legal rights of employees, without conditions adversely affecting the fundamental labour rights.
2. Exercise to achieve equality and ensure the employment policies do not contain any differential treatments based on gender, race, age, marital status, family situation, etc.
3. Provide information for the employees so they have knowledge of their rights under the labour laws of the countries where the companies have business operations.
4. Provide safe and healthful work environment for the employees and shall endeavour to curb dangers to employees' safety and health and to prevent occupational accidents. The Company should conduct educational activities and training on a regular basis to prevent occupational hazards.

Taishin Financial Holding Co., Ltd. - Statement on Human Rights

The Company is committed to creating a safe and healthy workplace. Pursuant to the laws of the Republic of China and internationally accepted practices, the Company adheres to the following principles regarding protection of labour and human rights:

1. Adhere to the Labour Standards Act and all employment regulations in the Republic of China as well as local employment regulations in different countries, international labour standards, and declarations of human rights.
2. Protect the rights of all workers and enforce rules regarding work hours, break time, leave of absence, salary and benefits; and prohibit all forms of forced labour.
3. Treat all employees equally and make decisions such recruitment, compensation, job offering, reward, and discipline free of discrimination.
4. Value the growth of its employees, take steps to ensure suitable working/living conditions for workers and a work-life balance, and implement measures to protect child and female workers. Uphold health and safety in the workplace and invest in promoting a healthy workplace.
5. Maintain open channels for employees to report illegal conduct or infringement of rights. Protect the safety of plaintiffs and informants and confidentiality of their personal information against unfair treatment and retaliation.

Work Rights

For the protection of work rights for all employees, the Company not only adheres to the principles announced by International Labour Organization (ILO) regarding prohibition against forced labour, minimum employable age, work hours, weekly breaks and recommended practices, but also complies with relevant regulations of the Republic of China, including "Labour Standards Act," "Act of Gender Equality in Employment" and "Employment Service Act." Internal work rules and personnel policies have been created based on the principles and regulations above.

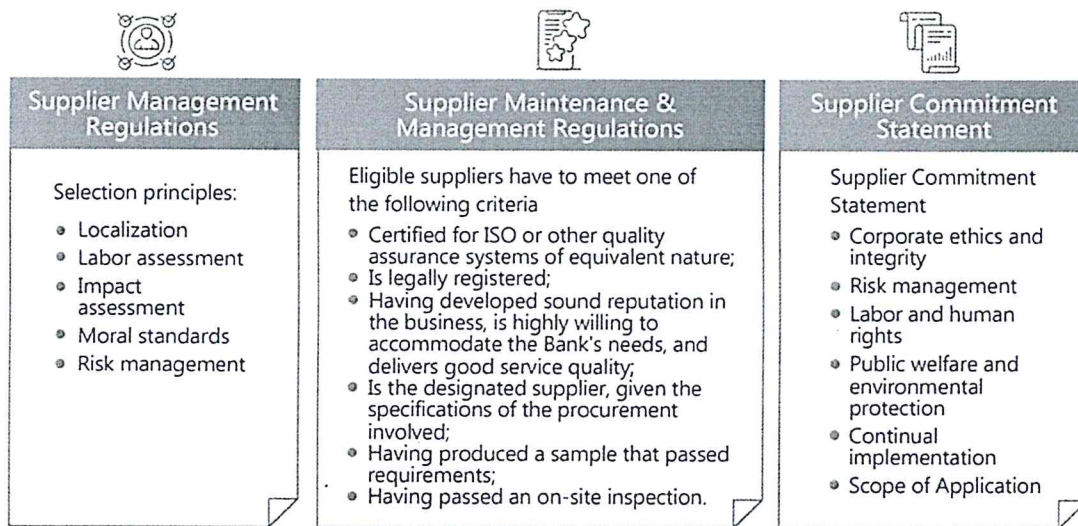
Meanwhile, the Company also takes steps to ensure that all overseas locations (including branches, offices and preparatory offices) are able to comply with local labour regulations and set reasonable work terms to protect the rights of local employees.

Equal Treatment in the Workplace

For the purpose of creating a fair, safe and enjoyable workplace, the Company treats employees equally and prohibits all forms of discrimination (such as ethnicity, gender, sexual orientation, age, disability etc.) in its recruitment, compensation, promotion, reward and disciplinary decisions. All forms of sexual harassment and intimidation are strictly prohibited in the workplace. The Company and all its subsidiaries have published "Employee Code of Conduct," "Sexual Harassment Prevention, Reporting and Disciplinary Policy" and "Sexual Harassment Prevention, Reporting and Investigation Guidelines" over their intranet and Internet websites.

Supplier Management Policies

Suppliers' contributions to our corporate social responsibility is an important point of consideration during our selection process. To strengthen suppliers' efforts to fulfil their corporate social responsibilities, the Company is taking a systematic approach and has formulated "Supplier Management Regulations". To implement sustainable supplier management, the Company follows our "Supplier Maintenance & Management Guidelines" to categorize and rate suppliers based on the content and amount of purchase each year. Suppliers also sign a "Supplier Commitment Statement".



Supplier Management Regulations

The Supplier Management Regulations ("the Regulations") have been established to ensure that suppliers comply with and fulfil corporate social responsibilities to the benefit of the stakeholders. The Regulations apply to all suppliers of the Company and its subsidiaries.

When selecting suppliers, the Company and its subsidiaries shall conduct assessment on the following aspects:

1. Labour Assessment

When selecting suppliers, the Company and its subsidiaries shall evaluate the following labour issues:

- i. Child labour.
- ii. Forced labour and human trafficking.
- iii. Compliance with regulations concerning working hours and remuneration.
- iv. Non-discrimination and anti-harassment.

- v. Freedom of association and collective bargaining.
- vi. Existence of rules related to health and safety.

2. Impact Assessment

When selecting suppliers, the Company and its subsidiaries shall evaluate the impacts of the business activities from suppliers on the society and to the environment.

3. Ethics Code

When selecting suppliers, the Company and its subsidiaries shall evaluate each supplier's ethical conducts, including but not limited to business integrity, fair trade, information transparency and avoidance of improper gains and false advertising, and compliance with rules related to intellectual property rights.

4. Risk Management

When selecting suppliers, the Company and its subsidiaries shall evaluate each supplier's risk management policy, including but not limited to trade secrets, information security, confidentiality measures, product manufacturing, transport safety and crisis management.

Supplier's Commitment Statement

The Company has included "Supplier Commitment Statement" as part of the contract, which is to be signed whenever a contract is renewed or newly established. The statement outlines suppliers' commitment to issues such as corporate social responsibility and protection of basic human rights.

Human Rights Policy

To control human rights supervision and improve supplier management, the Company has designed a supplier human rights risk questionnaire based on Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact, ISO 26000, International Labour Organization, Social Accountability 8000, Code of Conduct of Responsible Business Alliance (RBA), and ISO 27001-Information Security System requirements pertaining to financial industries to serve this purpose.

Supplier Training

The Company provides training through supplier conferences where we will exchange experience with suppliers and convey our attention to human rights issues in greater depth.

Customer - Equator Principles

The Equator Principles is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and is primarily intended to provide a minimum standard for due diligence and monitoring to support responsible risk decision-making.

Since 2015, the Bank has adopted the spirit of the Equator Principles (EPs) for project financing cases/project-related financing cases, established an audit evaluation mechanism, and disclosed the results in the Corporate Social Responsibility (CSR) report.

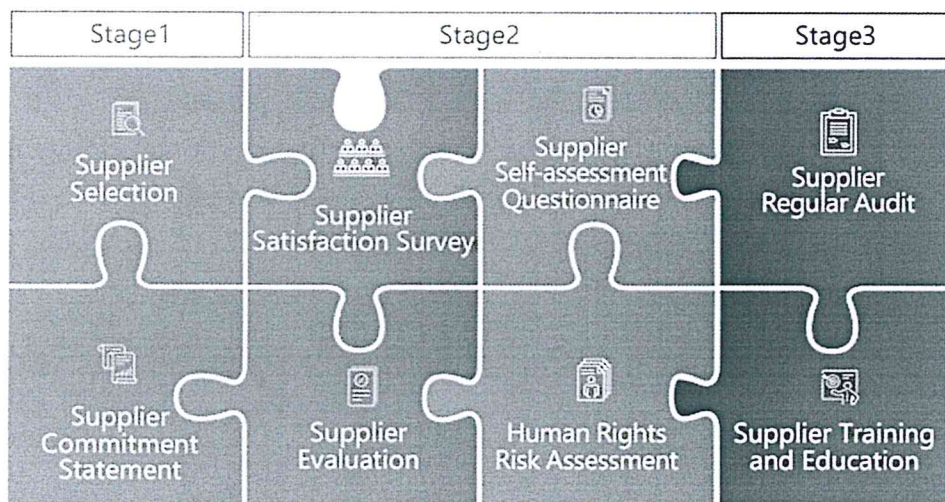
The Bank joined the Equator Principles Association in November 2019 and has established operating regulations that meet the Equator Principles to fulfill its obligations as a member. The Bank have created comprehensive assessment and compliance mechanisms for project financing and strengthened the environment, social, and governance risk assessments of transaction counterparties. The Bank also created a checklist for loan applications from sensitive industries and adopted enhanced KYC to control risks.

The Bank has established a specific team and appointed an external professional institution to serve as a consultant for interviews and reviews of the credit extension process. The Bank has formulated the "Guidelines for Loan Applications Applicable to the Equator Principles" and the "Environmental and Social Risk Assessment Form" for evaluating cases. The evaluation of financing projects based on Equator Principles include risk ratings for environmental sensitivity, ecology, environmental pollution, communities, labour, regulations, and management mechanisms. The Bank also implement the EPs through multiple rounds of education and awareness campaigns for the business and review units.

Describe how the reporting entity assesses the effectiveness of such actions

The Company views supply chain management a critical step for enhancing competitiveness and continues to commit resources into sustainable supplier chain management. The Company takes a systematic approach in the maintenance and management of suppliers which helps move ahead with sustainable development.

Management Methods



Supplier Satisfaction Survey

Each month, the Company will request each supplier to complete the “Supplier Satisfaction Survey”, which is used for audits and annual supplier evaluations.

Supplier Human Rights Risk Assessment Survey

Each year, the Company will conduct a Human Rights Risk Assessment Survey on all suppliers. The Company uses risk assessment survey, past disputes, and methods for handling violations to confirm the risks of suppliers. For major suppliers with high risks, the Company shall conduct phone interviews and onsite visits based on the mitigation measures for addressing human rights issues of suppliers. The Company shall also regularly follow up on the improvement status and assess restrictions for future tenders.

Supplier Self-Assessment Questionnaire

Each year, the Company will request major suppliers to complete a self-assessment questionnaire to understand the efforts made by suppliers on related issues. The self-assessment questionnaire for suppliers was expanded from the Tier 1 major suppliers to Tier 2 major suppliers in 2019.

Supplier Evaluation

Each year, the Company will perform supplier assessment and request improvements from suppliers, based on the assessment outcomes of the above-mentioned questionnaires to ensure risk reduction.

CSR Committee

For the purpose of managing corporate social responsibility (CSR) initiatives, the Company establish a dedicated CSR unit that is in charge of proposing and enforcing the corporate social responsibility policies and systems of the Company. The President of Taishin Financial Holdings Co., Ltd. serves as chairman of the CSR Committee, the CFO and President of the Bank serves as vice-chairmen, while representatives from various business groups/subsidiaries/foundations serve as executive members. The Committee is responsible for establishing CSR strategies and goals, examining annual CSR plans, and reviewing each CSR projects and their results.

The CSR Committee meet at least twice a year and may hold a meeting at any time if necessary. The CSR Committee held 3 meetings in 2020 with issues including plans from the six functional CSR team in 2021, material matrix, enhancement of risk culture awareness, real estate analysis for corporate banking under the Task Force on Climate-related Financial Disclosures (TCFD) framework, establishment of the "Environmental and Social Risk Management Guidelines for Individual Industries", adoption of the Equator Principles, and the ISO 45001 Occupational Safety Management System.

The Committee presents performance reports and major plans to the board of directors. The chairman and executive members are invited to participate in regular board meetings, during which they may communicate with the board CSR-related issues.

CSR Report

The Corporate Social Responsibility Report ("the CSR Report") is produced in accordance with the AA1000AS (2008) Type II moderate level by British Standards Institution Taiwan Branch (BSI Taiwan). The report has also been structured based on the IR framework stipulated by the International Integrated Reporting Council (IIRC). The Taishin Financial Holding Co., Ltd. CSR Report is publically available on our website.

Information of the CSR Report is publically disclosed in accordance with core options of Global Reporting Initiative's sustainability reporting standards (GRI Standards), the Financial Services Sector Supplement, "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies," and policies or guidelines of relevant authorities.

We believe that along with the pursuit of profit, companies must also consider long-term sustainable development. While demonstrating our profitability through financial reporting, we transparently report Environmental, Social, and Corporate Governance relevant efforts and achievements through our annual corporate social responsibility (CSR) report. The Company is dedicated to upholding human rights and will continue to provide training, exchange experience with suppliers and convey our attention to human rights issues in greater depth, and invite them to join our cause.

Yours sincerely,



CHUN-MING (Steven) CHANG
Senior Officer Outside of Australia
Taishin International Bank Co., Ltd.

This statement was approved by Chun-Ming (Steven) Chang in his role as principal governing body of Taishin International Bank Co., Ltd. Brisbane Branch on 23rd of June 2022.

Appendix

Mandatory Reporting Criteria Under Australian Modern Slavery Act 2018 (Cth)	
Modern Slavery Act Mandatory Criteria	TSIB Modern Slavery Statement
Identify the reporting entity.	Page 2
Describe the structure, operations, and supply chains of the reporting entity.	Page 2
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	Page 2
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	Page 3 -7
Describe how the reporting entity assesses the effectiveness of such actions.	Page 7 - 10
Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement.	Nil
Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Nil