

" Stewardship Principles for Institutional Investors " Compliance Statement

SinoPac Securities (hereinafter referred to as "the Company") is engaged in securities brokerage, proprietary trading, and underwriting business and acts as an asset owner. The Company's Statement complies with " Stewardship Principles for Institutional Investors ", and the compliance based on the six principles is as follows:

Principle 1 Establish and disclose stewardship policies

The Company's operating objective is to achieve the best interests of shareholders through the business of securities brokerage, proprietary trading and underwriting. To achieve this goal, the Company has formulated the Stewardship Policy approved by the Board of Directors and disclose the Stewardship Policy on the Company's website, and the Company has drawn up business regulations related to proprietary trading and underwriting according to Securities and Exchange Act and related regulations to implement stewardship actions and participate in shareholders' meeting of the investees to enhance the value of the investment and the overall interests of the Company and its shareholders.

Principle 2 Establish and disclose policies on managing conflicts of interest

To ensure that the Company performs its business based on the interests of shareholders, the Company formulates related management regulations and policies targeting at conflict of interest from employees, including management approaches for matters such as prohibition against conflict of interest with the Company or other clients.

Principle 3 Regularly monitor investee companies

As the investment scope continuously expands, in addition to stocks, the Company will extend the scope of stewardship by the importance of investment to other asset classes, such as bonds, etc. The Company will also consider the risks and opportunities in terms of environment, social and governance (ESG), and integrate them into the investment evaluation process. To ensure that the Company obtains sufficient and effective information to evaluate the nature, time and extent of dialogue and interaction with the investees and establish a good foundation for the Company's investment decisions, the Company is focused on items about the investees including related news, financial performance, industry general situations, management strategy, environmental protection measures, social responsibility and labor rights as well as corporate governance issues.

Principle 4 Maintain an appropriate dialogue and interaction with investee companies

Through appropriate dialogue and interaction with the investees, the Company further understands and communicates the risks faced by the industry and strategies from the perspectives of its management. The Company communicates with the management of the investees through telephone conferences, interviews, participation in institutional investors' conferences, shareholders' meetings or major special shareholders' meetings with attendance of our personnel. When the investee has a major violation of corporate governance principles or may damage the long-term value of the Company's shareholders on a specific issue, the Company will from time to time inquire the management of the investees about the handling situation, and does not rule out the collaboration opportunity with other investors to demand the response, to protect the rights of shareholders and promote the sustainable development of investee companies. The Company may also participate in relevant advocacy organizations for specific ESG issues to jointly expand and leverage its influence as an institutional investor.

Principle 5 Establish and disclose clear voting policies and voting results

Based on the best interests of the shareholders, the Company formulates voting policies, actively participates in the voting of proposals in the shareholders' meeting, and does not necessarily support motions proposed by the investees' management. The summary of each year's voting activities, including votes cast in favor, against or abstaining from various types of motions made by investee companies, and the reason for in favor, against or abstaining of the important motion, is disclosed on the Company's website.

Principle 6 Periodically disclose the status of fulfillment of stewardship responsibilities

The Company publish a stewardship report on a regular basis every year to disclose the implementation of stewardship on the Company's website (<https://securities.sinopac.com/>), including the Compliance Statement and explanations for failure to comply with part of the Principles, situations of attendance at shareholders' meeting of the investees and voting, information of the Company's internal resources to implement stewardship, contact channels for each stakeholder, and all major issues. If there are any other new enhanced stewardship matters, the Company will also update it from time to time.

Signatory SinoPac Securities

July 16, 2018 endorsed

Sep 30, 2020 updated