

# Supplier Sustainability Guidelines of O-Bank

Amended and approved by the Board of Directors on December 25, 2024.

## Article I Basis and Purpose of Formulation

To implement sustainable corporate management, we hope that our suppliers can promote sustainable development in the three major aspects of environmental protection, social responsibility, and corporate governance. We have established these principles based on our Sustainable Development Best Practice Principles.

## Article II Application Scope and Objectives

This guideline applies to suppliers who provide goods and services to the Company.

## Article III Labor Rights and Human Rights

Suppliers shall comply with local laws and respect internationally recognized basic labor rights (including but not limited to the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization's Declaration of Fundamental Principles and Rights at Work).

- (I) Prohibition of human trafficking: Prohibition of human trafficking and employing trafficked individuals.
- (II) Prohibition of forced labor, corporal punishment and improper discipline: Prohibition of forced labor by threatening, coercion, binding or other illegal means. Prohibition of corporal punishment and improper discipline, sexual exploitation and other forms of slavery.
- (III) Prohibition of child labor: In compliance with relevant international standards and domestic regulations, the employment of children under the age of 16 is strictly prohibited.
- (IV) Freedom of association: Employees have the right to collectively express, negotiate, pursue, and defend their common interests, including the right to form trade unions.
- (V) The right to collective bargaining: Employees have the right to engage in collective bargaining with their employer, ensuring the protection of their human rights, freedoms, and autonomy, and providing them with an opportunity to influence the formulation of workplace rules.
- (VI) Implementing equal pay for equal work: The wages paid to workers exceed the minimum living wage and minimum wage requirements,

ensuring equal opportunities for salary remuneration, training, and promotion.

- (VII) Prohibition of employment discrimination: No discrimination or differential treatment shall occur based on gender, sexual orientation, race, color, social class, age, marital status, language, ideology, religion, political affiliation, nationality, appearance, or physical and mental disabilities.
- (VIII) Protect the right to life and health of local residents: The Company's operations and provision of goods and services shall comply with local laws and regulations, ensuring that the rights to survival and health of local residents are not adversely affected.

#### **Article IV Labor Occupational Safety and Health**

Suppliers shall comply with labor health and occupational safety regulations, providing a sound working environment for their employees and ensuring the safety and health of workers.

- (I) Occupational safety: Suppliers shall provide a safe and healthy working environment for their employees, paying attention to potential occupational safety risks in daily operations and the environment. For high-risk working environments, preventive education, proper management measures, and the provision of personal protective equipment should be implemented to prevent and minimize the impact of hazards.
- (II) Training and preventive measures: Suppliers shall regularly provide employees with appropriate occupational safety and health training and measures, such as reporting procedures, evacuation plans, and fire drills, to enhance employees' disaster response and emergency rescue capabilities.
- (III) Occupational injuries and occupational diseases: Suppliers shall systematically manage, track, and report occupational safety and health-related incidents. They should regularly record the types and causes of occupational injuries and diseases that employees experience, and provide necessary treatment and counseling to assist employees in recovery and returning to their work positions.

#### **Article V Environmental Protection and Sustainability**

Suppliers shall pay attention to environmental protection and comply with relevant legal regulations. They should promote sustainable procurement, green procurement, and local procurement policies, aiming to build a sustainable supply chain that reduces the impact and pollution on the natural environment.

- (I) Energy conservation: Suppliers shall reduce various forms of resource waste by adopting energy-saving measures or recycling

methods to achieve energy efficiency.

- (II) Environmental protection: Suppliers shall hold the necessary environmental permits for the waste gases, wastewater, waste, toxic, and hazardous chemicals emitted during their business activities and comply with relevant regulations.
- (III) GHG reduction: Suppliers shall address the impacts of climate change by promoting energy-saving and carbon-reduction plans to reduce GHG emissions.
- (IV) Green procurement and local procurement: Suppliers, when making purchases, shall prioritize products with relevant green certification labels and local sourcing to reduce the environmental impact caused during the manufacturing and transportation processes.

#### **Article VI Ethical Corporate Management**

Suppliers should adhere to the principles of integrity, transparency, and responsible management, implementing the principle of ethical corporate management.

- (I) Prohibition of illegal activities: Suppliers are strictly prohibited from engaging in bribery, accepting bribes, providing illegal political donations, improper charitable donations or sponsorships, offering or accepting unreasonable gifts, hospitality, or other improper benefits.
- (II) Protection of intellectual property rights: Suppliers must not engage in actions that infringe upon business secrets, trademark rights, patent rights, copyrights, or other intellectual property rights.
- (III) Fair competition: Suppliers should avoid engaging in unfair competition practices.
- (IV) No harm to the rights and interests of others: Suppliers' products and services, during R&D, procurement, manufacturing, provision, or sales, must not directly or indirectly harm the rights, health, or safety of consumers or other stakeholders.

#### **Article VII Supplier Management**

When conducting procurement for business needs, the bank should evaluate whether suppliers have any records that may be detrimental to the environment, society, and corporate governance. The Bank should avoid engaging in transactions with suppliers that conflict with its sustainability policies. If a supplier is found to violate the bank's "Sustainable Development Best Practice Principles", "Promoting Suppliers' Implementation of Sustainable Development Guidelines", or this Guideline, and their activities cause significant impact to the environment and society of the sourcing community, the bank may terminate or cancel the contract at any time.

The Bank should establish ESG risk assessment standards for suppliers and

regularly monitor and review the risk classifications of suppliers. The ESG risk assessment standards, risk classifications, and measures such as issuing improvement notices and providing guidance and assistance to high-risk suppliers will be defined separately in the Bank's "Promoting Suppliers' Implementation of Sustainable Development Guidelines".

### **Article VIII Implementation and Amendment**

This Guideline shall be implemented after approval by the Board of Directors, and the same applies to any amendments.

Version of formulation/ amendment	Approval date	Explanation of the formulation/amendment	Responsible unit	Approval level
V1	June 27, 2024	This Guideline shall be implemented after the approval of the Board of Directors	General Affairs Department	Approved and established by the 10th meeting of the 9th Board of Directors
V2	December 25, 2024	This guideline revises the description of suppliers' payment to workers to align with the relevant description in the "Promoting Suppliers' Implementation of Sustainable Development Guidelines" and adjusts the name of relevant key points to comply with internal regulations.	General Affairs Department	Approved and amended by the 14 meeting of 9th Board of Directors