

Capital Securities Corporation Corporate Social Responsibility Policy

Date of establishment: July 23 2015

Amendment for the 1st instance: March 28 2016

Article I The Company and all subsidiaries (hereinafter collectively known as “the Group”) will persist with the philosophy of ethical management, stable growth, and sustainable development in running its business, and spare no effort in the performance of corporate social responsibility thereby established this policy as the guide.

Article II The Group shall spare no effort in the performance of corporate social responsibility and explain to the following stakeholders the topics of social responsibility as follows:

Customers

The Group shall offer financial services at high additional value beyond the expectation of the customers, and emerge as the long-term business partner of the customers.

Tasks to be accomplished:

- (I) Policy of protecting the rights of the consumers in transparency.
- (II) Complete information on the products and services provided and effective channels for customer complaints.
- (III) Duly observe applicable legal rules governing personal information and take proper protection of customer information.

Employees

The Group shall duly observe legal rules governing the labor force and international convention for the recognition of basic human right of the employees to protect their legitimate rights and provide them positive work environment.

Tasks to be accomplished:

Provide good compensation policy and fringe benefits.

Provide a safe and heavy work environment.

- (I) Provide equal employment opportunity for the protection of the legitimate rights of the employees.
- (II) Value human right of the employees and establish proper function for communication.
- (III) Provide education and training for the employees.
- (IV) Value the health of the employees, and organize seminars on health and free health examination.

Shareholders

The Group shall continue to fortify corporate governance and enhance operation performance to provide additional value to the shareholders.

Tasks to be accomplished:

- (I) Fortify the function of the Board to reinforce the protection of shareholders' equity and enhance the communication with shareholders.
- (II) Intensify the disclosure of financial and non-financial information for higher transparency.
- (III) Value product innovation and intensify risk control.
- (IV) Provide training and education on ethical management for the Directors and the employees.

Environmental protection

The Group will move towards the goal of sustainability in environment under the corporate philosophy of sustainable corporate development.

Tasks to be accomplished:

- (I) Advocacy of carbon reduction and energy saving policy to reduce the consumption of electricity and fuel.
- (II) Advocacy of digitization of the operation process to reduce the use of paper.
- (III) Green purchase is the top priority and use products from firms with Eco-labels.
- (IV) Advocacy of recycling of resources and proper handling of solid wastes.

Community participation

Maintain positive relations with respective local communities through the service locations of The Group.

Tasks to be accomplished:

- (I) Organize arts and cultural events, seminars on health and finance to upgrade the quality of living for the residents of the communities.
- (II) Implement the corporate volunteer system to encourage employees to actively participate in local community service.

Social charity

The Group advocates various forms of social charities.

Tasks to be accomplished:

- (I) Take care of the social misfortunes to help them to improve their lives and learn to make a living.
- (II) Work in cooperation with other social charity groups of Taiwan to advocate different social rescue programs.
- (III) Support ecological education to alert people of environmental protection.

Ethical management

The Group shall develop the corporate culture of ethical management on the basis of integrity and responsible business operation.

Tasks to be accomplished:

- (I) Duly observe applicable legal rules of the government and realize the principle of ethical management. ◦
- (II) Prohibition of corruption and bribery or accept commission, kickback from the counterparties or customers by taking the job position for granted, and other illicit benefits.
- (III) All business activities shall be carried out in accordance with the principles of fairness and honesty.

Article III The President of the Company shall be responsible for the establishment and the advocacy of corporate social responsibility and related matters for the Group.

Article IV The Company shall compile its Corporate Social Responsibility Report for the disclosure of the pursuit of corporate social responsibility, and post at the official website of the Company.