

# **U-Ming Marine Transport Corporation**

## **Corporate Sustainable Development Policy**

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### **Chapter I      General Principles**

Article 1      To fulfill the social responsibility initiatives of U-Ming Marine Transport Corporation ("the Company") and to promote economic, environmental, and social advancement for the purposes of sustainable development, the Company hereby promulgates our Sustainable Development Policy in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2      While engaged in business operations, the Company actively practices sustainable development to align with international trends and enhance our role as a corporate citizen. We aim to contribute to the national economy while improving the quality of life of our employees, communities, and society, with sustainable development as our ultimate goal.

Article 3      This Policy applies to the operations of the Company and its subsidiaries as a whole.

Article 4      The Company shall adopt the materiality principle in conducting risk assessments of environmental, social, and corporate governance issues related to Company operations. Furthermore, we shall adopt relevant risk management policies or strategies to manage our economic, environmental, and social risks and impacts.

Article 5      To implement corporate sustainable development initiatives, the Company sets out the principles below:

1. Implementation of corporate governance.
2. Development of a sustainable environment.
3. Protection of employee rights and interests.
4. Management of customers and suppliers.
5. Promotion of social welfare.
6. Enhanced disclosure of corporate sustainable development information.

### **Chapter II      Exercising Corporate Governance**

- Article 6 The board of directors of the Company shall exercise their duty of care in managing the Company and overseeing the implementation of sustainable development. It shall review the effectiveness of implementation and continuously improve to ensure fulfillment of the Sustainable Development Policy. In promoting sustainable development goals, the Board of Directors shall fully consider the interests of stakeholders, including the following:
1. Establishing a sustainable development mission or vision, and formulating sustainable development policies, systems, or related management guidelines.
  2. Incorporating sustainable development into the Company's operations and development direction, and approving specific implementation plans for sustainable development.
  3. Ensuring the timeliness and accuracy of information disclosure with respect to sustainable development.
- For economic, environmental, and social issues arising from business operations, the Company shall authorize senior management to handle and report to the Board of Directors with regard to the processing status. The operating procedures and responsibilities of relevant personnel shall be clear and specific.
- Article 7 The Company shall respect the rights and interests of stakeholders, identifying such stakeholders and establishing a stakeholder section on the Company's website. Through appropriate communication methods, the Company shall understand the reasonable needs and expectations of stakeholders and respond appropriately to important sustainable development issues that are of concern to them.
- Article 8 The Company shall comply with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies. It shall accordingly establish an effective corporate governance framework and related ethical standards and matters to ensure sound corporate governance.
- Article 9 The Company shall organize sustainability education and training programs to be held on an intermittent basis. Their content shall include the promotion of those matters stipulated in Article 6, Paragraph 1. These programs shall be integrated with the employee performance evaluation system, and shall establish clear and effective incentive and disciplinary mechanisms.

### **Chapter III      Fostering a Sustainable Environment**

- Article 10      The Company shall comply with environmental laws and regulations and relevant international standards to protect the natural environment appropriately. In carrying out its business activities and internal management, the Company shall strive to achieve goals connected to environmental sustainability.
- Article 11      The Company shall strive to improve resource use efficiency, and shall use renewable materials with low environmental impact so that the Earth's resources can be sustainably utilized.
- Article 12      The Company shall establish an appropriate environmental management system. Such systems are to include the following tasks:
1. Collecting and assessing sufficient and timely information on the impact of operational activities on the natural environment.
  2. Establishing measurable goals for environmental sustainability and regularly reviewing their sustainability and relevance.
  3. Adopting enforcement measures that include concrete plans or action plans, and regularly examining the results of their operations.
- Article 13      The Company shall establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environmental management systems and concrete action plans. Furthermore, environmental education courses shall be held for relevant personnel on an intermittent basis.
- Article 14      The Company shall consider the impact of operations on ecological benefits and engage in services and other business activities. Such consideration shall be based on the following principles to reduce the impact on individuals and the natural environment:
1. Reduce the consumption of resources and energy in our services.
  2. Reduce emissions of pollutants, toxic substances, and waste while ensuring proper waste treatment.
  3. Enhance the recyclability and reusability of vessel equipment.
  4. Maximize the sustainable use of renewable resources.
  5. Extend the durability of vessel equipment.
  6. Increase the efficiency of services.
- Article 15      The Company shall properly use and sustainably utilize water resources to improve water resource utilization efficiency. The Company shall construct and strengthen relevant environmental

protection and treatment facilities to prevent water, air, and ground-based pollution in its operations. The Company should also make every effort to minimize adverse effects on human health and the environment, and adopt the best feasible pollution prevention and control technologies.

Article 16

The Company should adopt widely implemented domestic and international standards or guidelines to conduct corporate greenhouse gas inventory and disclosure, including:

1. Direct greenhouse gas emissions: greenhouse gas emissions sources that are owned or controlled by the Company.
2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heat, or steam.
3. Other indirect greenhouse gas emissions: emissions from Company activities that are not from energy sources but originate from sources owned or controlled by other companies.

The Company should assess the potential risks and opportunities of climate change on its operations. Based on operating conditions and greenhouse gas inventory results, it should develop energy-saving and carbon reduction strategies and undertake measures to address climate-related issues. The Company should push for action to reduce the climate change impact of its operations.

**Chapter IV**

**Protecting Employees' Rights, Customer and Supplier Management, and Preserving Social Welfare**

Article 17

The Company should comply with relevant laws and regulations and follow international human rights conventions, such as those covering gender equality, labor rights, and the prohibition of discrimination.

Article 18

The Company's human resources policies should adhere to internationally recognized labor rights principles. These include freedom of association, collective bargaining rights, caring for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, and elimination of discrimination in employment and hiring based on gender, race, socioeconomic status, age, and marital and family status. We ensure that our policies do not create any form of differential treatment in employment conditions, compensation, benefits, training, performance evaluation, and promotion opportunities.

To address any potential violation of labor rights, the Company should

provide effective and appropriate complaint mechanisms to ensure the complaint process is fair and transparent. Complaint channels should be clear, convenient, and accessible, and appropriate responses should be made to employees' complaints.

Article 19 The Company shall provide employees with information enabling them to understand labor laws in the countries where operations occur and their rights under those laws.

Article 20 The Company shall provide employees with a safe and healthy working environment, including necessary health and first-aid facilities. To prevent occupational injury, it shall conduct safety and health education and training on an intermittent basis to mitigate factors that may endanger employees' safety and health.

Article 21 The Company should create an environment conducive to developing employees' careers and establish effective training programs to foster career skills. The Company should also appropriately reflect business performance or results in employee compensation policies to ensure recruitment, retention, and encouragement of human resources, thereby achieving sustainable management goals.

Article 22 The Company should establish channels for communication and dialogue with employees, allowing them the right to access information and express opinions regarding the Company's management activities and decisions. The Company should also respect the right of employee representatives to negotiate working conditions and provide necessary information and hardware facilities to promote negotiation and cooperation between employers and employees. Additionally, employees shall be given reasonable notification when operational changes may significantly impact them.

Article 23 The Company shall ensure service quality in accordance with government regulations and relevant industry standards. The Company shall follow relevant laws, regulations, and international standards regarding the marketing and labeling of services, and shall not engage in any behavior that deceives, misleads, defrauds, or otherwise harms customer trust and rights. Customers should be treated fairly and reasonably, including fair and honest contracting, attention and fiduciary duties, truthful advertising and solicitation, service suitability, disclosure and transparency, balanced compensation and performance, complaint protection, and professionalism of salespersons. The Company shall establish relevant implementation strategies and specific measures.

- Article 24 The Company should assess and manage various risks that may cause operational disruptions and reduce their impact on customers and society. The Company shall also provide transparent and effective complaint procedures to service customers and fair and timely processing of complaints. It shall furthermore comply with relevant laws such as the Personal Data Protection Act to ensure customers' privacy rights and protect their personal information.
- Article 25 The Company shall assess the impact of procurement on the environment and society with respect to the supply source community, and shall work with suppliers to promote sustainable development. Before conducting business transactions, the Company shall assess whether its suppliers have a record of affecting the environment and society. It shall avoid transactions with suppliers not complying with the Company's Corporate Sustainable Development Policy.
- When signing contracts with major suppliers, the content shall include provisions stipulating compliance with the sustainable development policies of both parties. A contract may be terminated or rescinded at any time if the supplier has violated such policies and caused a significant negative impact on the environment and society connected to the supply source community.
- Article 26 The Company shall evaluate the impact of its business operations on the community and hire the local workforce appropriately to enhance community identity. Investing resources through business models to solve social or environmental problems and participating in civic organizations, charitable organizations, and government agencies related to community development and community education activities is also advisable. The Company should participate in community development through donations, sponsorships, investment, purchasing, strategic cooperation, corporate volunteer technical services, or other support models.
- The Company is recommended to continuously inject resources into cultural and artistic activities or into cultural and creative industries through donations, sponsorships, investments, strategic cooperation, corporate volunteer technical services, or other support models to promote cultural development.
- Chapter V** **Enhancing Corporate Sustainability Information Disclosure**
- Article 27 To enhance information transparency, the Company shall disclose

sustainability-related information in accordance with relevant laws as well as the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. The Company's sustainability report shall adopt widely recognized international standards or guidelines to disclose the status and performance of its sustainable development implementation. Furthermore, it shall obtain third-party verification or assurance to enhance the reliability of the information. The report should include the following:

1. The implementation of sustainable development policies, systems, or related management guidelines, and specific implementation plans.
2. Major stakeholders and their concerns.
3. The Company's performance and review in implementing corporate governance, developing a sustainable environment, maintaining social welfare, and promoting economic development.
4. Future improvements and goals.

## **Chapter VI      Supplementary Provisions**

Article 28      The Company shall monitor the development of sustainable development standards both domestically and in foreign countries as well as changes in the business environment. It shall do so to examine and improve its established corporate sustainable development framework and thereby enhance the effectiveness of its sustainable development promotion efforts.

Article 29      This Policy shall take effect after gaining approval of the Board of Directors and being reported to the shareholders' meeting. The same shall apply with respect to any amendment.