

## **Supply Chain Management Policy of Yang Ming Marine Transport Corporation**

Approved at the 392<sup>nd</sup> Board Meeting on May 10, 2024

In order to create an operating environment for sustainable development, Yang Ming Marine Transport Corporation (hereinafter referred to as "Yang Ming" or the "Company") actively promotes energy conservation, emission reduction, and environmental protection measures. Yang Ming also implements management mechanisms for business integrity, labor rights, and occupational safety and health, and strengthens corporate governance to align with international initiatives, sector-specific regulations, and the laws and regulations of the competent authorities. This is aimed at achieving the goal of sustainable enterprise operations. Since the collaboration with our suppliers is indispensable to the promotion of sustainable operations, Yang Ming has extended the ESG (Environmental, Social and Governance) sustainability concept to the supply chain management mechanism, and has established the "Supply Chain Management Policy of Yang Ming Marine Transport Corp." (hereinafter referred to as the "Policy") to be followed by all suppliers in the supply chain to promote the sustainable development of the supply chain and fulfill the corporate social responsibility together.

1. The Policy serves as a guiding principle for Yang Ming in promoting supply chain management to ensure that suppliers are aligned with the Company's goal of sustainable development in terms of quality, cost, environmental protection, labor rights, business ethics and business integrity.
2. The Company has established a supplier management mechanism, which includes the evaluation of new suppliers and the classification/grading of existing suppliers to identify significant governance, environmental and social risk issues. It enables the Company to understand the operating status of suppliers and prevent adverse impacts on the Company.
3. The Company maintains a fair, transparent, and healthy business environment. In its corporate operations and commercial dealings, the Company complies with laws and follows business ethics and moral standards, including the elimination of illegal benefits, anti-bribery and anti-corruption, and the prohibition of unfair competition.
4. The Company supports the international pathway to net zero and is committed to maintaining biodiversity and deforestation operations. Therefore, the products or services provided by suppliers shall be in compliance with national or regional carbon reduction standards and reduce energy consumption to minimize the impact on the environment and reduce the carbon footprint. Supplier shall avoid the use of hazardous substances to minimize the negative impact on the environment, and work together to protect biodiversity and

maintain natural capital.

5. The Company prioritizes labor rights protection in its management decisions and attaches importance to a safe and healthy environment. Therefore, suppliers shall commit to upholding the fundamental human rights of employees and comply with international and local labor standards, including but not limited to reasonable salary and benefits, working hours, prohibition of forced labor, elimination of child labor and discrimination, and protection of the freedom of association. Suppliers shall also ensure a safe and healthy working environment, and are encouraged to provide necessary training to enhance their employees' skills, avoid occupational accidents, and build a safe and healthy workplace.
6. The Company attaches importance to the protection of information security. Therefore, suppliers shall establish information security control mechanisms to avoid the improper use of confidential or sensitive information. Suppliers shall comply with the laws and regulations of each country when collecting, processing, storing, and transmitting personal data to ensure that there is no risk of information leakage.

The Policy, and any amendments hereto, shall be promulgated after approval by the Board of Directors.