

The Shanghai Commercial and
Savings Bank, Ltd.
Environmental, Health and Safety
Management Guidelines
(ISO 14001 / ISO 45001)

The Shanghai Commercial and Savings Bank, Ltd.

Environmental, Health and Safety Management Guidelines

Established by the Administration Management Department

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Chapter 1 Introduction

To implement effective management on the environmental, occupational safety and health (hereinafter referred to as “EOSH”) of activities and service processes of the verification scope of the Shanghai Commercial & Savings Bank, Ltd. (hereinafter referred to as “the Bank”), the Bank constructs the EOSH management system based on the international standards of ISO 14001 and ISO 45001, in order to facilitate the continuous improvement of the EOSH performance of the Bank.

This Management Guidelines are established according to the standards listed in Chapter 2 References, in order to systemize the EOSH management activities of the Bank, and to further establish, implement, maintain and improve the EOSH management system, thereby ensuring conformity with the EOSH, and energy and water policies announced by the Bank and achieving the expected EOSH performance.

The applicable scope of the EOSH management system of the Bank includes the “EOSH Management System Boundary Form” (Attachment V) which is to be filled out by the Administration Management Department, the EOSH issues related to activities and service processes of all employees, contractors and visitors within the scope of the address and the verification scope of “commercial banking business, life insurance agent, non-life insurance agent, bill finance business, securities firm business.”

Chapter 2 References

- I. ISO 14001:2015 Environmental Management System—Requirements with guidance for use
- II. ISO 45001:2018 ; Occupational Health and Safety Management Systems - Requirements

Chapter 3 Implementation and Amendment

- I. The Management Guidelines shall be approved by the Board of Directors before implementation. The same requirement shall be applied to amendments thereof.

Chapter 4 Organization Situation

I. Understand Organization and Situation

Regarding the external and internal issues of the Bank directly related to the operational purpose and capable of affecting the capability of the Bank to achieve the expected result of EOSH management system and to improve its EOSH performance, such issues include EOSH criteria capable of affecting the Bank or being affected by the Bank. After the Administrative Management Division collects the EOSH performance external and internal issues and the process information of the Bank's EOSH related meetings and internal/external communication operation, before the annual management review operation, the information is registered in the "Form 1: Management System Situation Identification Analysis and Required Risk and Opportunity Handling Assessment Planning Form," following which it is handled in accordance with the provisions of Article 1 of Chapter 6 of this Management Guidelines.

II. Understand Interested Party's Demand and Expectation

The Bank and interested parties related to the EOSH performance and EOSH management system as well as the identification of their demands and expectations are handled in accordance with the provisions of Article 1 of Chapter 4 of this Management Guidelines. In addition, the aforementioned requirements identified are satisfied through the operation of the EOSH management system of the Bank.

III. Determination of Scope of EOSH Management System

The Bank considers the function of each unit, the physical boundary scope of the Bank, the activities and service processes in "commercial banking business, life insurance agent, non-life insurance agent, bill finance business, securities firm," the control power and impact capability on EOSH matters, along with the reference to the content of internal/external issues and required obligations described in the aforementioned Articles 1 and 2 of the Chapter 4, in order to determine the boundary and applicability of the EOSH management system. Presently, the scope established is as described in Chapter 1 of this Management Guidelines.

IV. EOSH Management System

The Bank establishes, implements, maintains and continuously improves the EOSH management system, including necessary processes and interactions according to

the requirements of relevant standards described in Chapter 2 and the knowledge obtained from the aforementioned Articles 1 and 2 of Chapter 4. The EOSH Management System Flowchart (as shown in Attachment 1) of the Bank is provided to allow all units of the Bank to execute works according to relevant procedures during the continuous improvement process, thereby achieving the expected result and improvement of the EOSH performance of the Bank.

Chapter 5 Leadership

I. Leadership and Commitment

The highest management level, such as President, of the Bank demonstrates the leadership and commitment on the EOSH management system through the following actions:

- (I) Bear the full responsibility and absolute liability for the effectiveness of the EOSHE system and prevention of work related injuries and health hazards and provision of safe and healthy workplace and activities.
- (II) Ensure that the EOSH policy and EOSH goal have been established, and are compatible with the strategy direction and situation of the Bank.
- (III) Ensure that the requirements of the EOSH management system have been integrated into the operation process of the Bank.
- (IV) Ensure that the resources necessary for the EOSH management system have been prepared properly.
- (V) Communicate the importance of effective EOSH management and compliance with the requirements of the EOSH management system internally and externally.
- (VI) Ensure that the EOSH management system realizes the expected outcome.
- (VII) Direct and support personnel making contribution to the effectiveness of the EOSH management system.
- (VIII) Promote continuous improvement.
- (IX) Support other relevant management roles, in order to demonstrate their leadership for applying to their own responsible fields.
- (X) Develop, lead and promote the Bank to support the culture of the expected result of the EOSH management system.
- (XI) Protect workers from any revenges against them in case of any report of incidents, hazards, risks and opportunities.

- (XII) Ensure that the Bank establishes and implements the worker consultation and worker participation process.
- (XIII) Support the establishment and operation of the EOSH Committee.

II. EOSH Policy

The President of the Bank integrates the various systems of the bank and formulated the policies (as shown in Attachment 2), and further implements, maintains, periodically reviews the policy within the scope defined by the various management systems and also communicates with the internal and external interested parties. Relevant focuses considered during the establishment process include:

- (I) Determine that the nature, scale, environmental impact, occupational safety and health risk, occupational safety and health opportunity of the purpose and content on the activities and service processes of the verification scope of the Bank are appropriate.
- (II) Provide a structure for establishing the EOSH goal.
- (III) Commit to provide safe and healthy working conditions, in order to prevent work related injuries and health hazards.
- (IV) Commit to implement environmental protection, pollution prevention and other specific commitments for internal and external situations.
- (V) Fulfilling the commitments made against the corresponding compliance obligations, including other requirements for the signing.
- (VI) Commit to eliminate hazard and to reduce occupational safety and health risk.
- (VII) Commit to continuously improve the EOSH management system, in order to improve the EOSH performance.
- (VIII) Provide commitment to the participation and consultation of workers and worker representatives, and ensure that they have time and resource to participate in activities of all processes of the EOSH management system.

III. Role, Responsible and Authority

The President of the Bank assigns the Administrative Management Division designated supervisor to be the management representative, and to ensure that the EOSH related responsibilities of each unit described in Attachment 3 are assigned and communicated in order to promote effective EOSH management and to achieve:

- (I) Ensure that EOSH complies with the requirements of the international

standards.

- (II) Report the performance and improvement opportunities of the EOSH management system to the highest managerial officer.
- (III) When any change to the EOSH management system is planned and implemented, ensure that the integrity of the EOSH management system is maintained.

VI. Consultation and Participation of Workers

The Bank utilizes the method described in “Form 2. Internal and External Consultation and Communication Planning Overview Table” to ensure that workers of all levels and relevant units are able to effectively participate and consult the establishment, planning, implementation, performance evaluation and improvement action of the EOSHE management system. The focuses include:

- (I) Provide mechanism, time, training and resource necessary for the consultation and participation.
- (II) Obtain clear, understandable and relevant information of the EOSHE management system timely.
- (III) Determine and remove participation hindrance or obstacles, and reduce participation obstacles or hindrance that cannot be removed.
- (IV) Enhance the consultation and participation of workers of non-management role, including contractors.

Chapter 6 Planning

I. Actions Corresponding to Risks and Opportunities

(I) General Rules

The Bank periodically performs planning according to relevant internal/external issues, demand and expectation content of interested parties within the scope of the management system according to “Form 1. Management System Situation Identification Analysis and Required Risk and Opportunity Handling Assessment Planning Form,” and based on the environmental aspect, including emergency situation, hazard and the issues of occupational safety and health risk and other risks, occupational safety and health opportunities and other

opportunities, required obligations, etc., risks and opportunities required to be handled are identified. In addition, after deployment through planned measures, the expected result of EOSH management system can be confirmed to be achieved, thereby preventing accidents or reducing negative impacts of the interaction between the Bank and the environment as well as guiding the continuous improvement, in order to maintain the continuous improvement of the EOSH management system.

Furthermore, according to “Form 10. Change Operation Control Form,” for change already planned, before the implementation of the change, determination and assessment on the risks and opportunities related to the expected outcome of the EOSHE management are performed according to the aforementioned method.

(II) Environmental Aspect and Environmental Safety and Health Hazard

Identification and Risk Assessment

All units of the Bank perform relevant environmental aspect identification and risk assessment according to the notices of the Administrative Management Department and the responsibilities for the activities and service processes in the verification scope of the Bank. In addition, “Form 3, Environmental Aspect Identification Assessment and Management Planning Form” is filled out.

Relevant focuses include:

- (1) Scope: the scope includes routine and non-routine activities; consideration of relevant environmental impact based on the perspective of life cycle; environmental management system operation, process and activity or various changes, etc.
- (2) Method: establish active environmental aspect identification and risk assessment mechanism, and identify major environmental aspects according to the risk determination standard assessment, in order to use it to determine the priority sequence for the risk management.
- (3) Update: the Bank will maintain the documentation of the environmental aspect information and continue to update the information, including environmental aspect identification and risk assessment performed on the planned or newly developed, new or revised operational management activity and service items periodically and during appropriate timely complying with the change requirements of “Form 10. Change Operation

Control Form.”

1. Hazard Identification

Each unit of the Bank, according to the notices of the Administrative Management Division, utilizes the change matters specified in the “Form 4. Safety and Health Hazard Identification Risk and Opportunity Assessment Form” and “Form 10. Change Operation Control Form” annually to implement continuous and active hazard identification, and each unit shall consider but not limited to the following matters:

- (1) Work arrangement method, social factor (including work load, working hours, harm, harassment and bullying), leadership and culture.
- (2) Routine and non-routine activities and situations.
- (3) Past internal or external relevant events, including emergency situations and their causes.
- (4) Potential emergency situations.
- (5) Personnel under the control of the Bank, personnel entering the workplace of the Bank and their activities, personnel at the surrounding of the workplace that may affect the activities of the Bank.
- (6) Actual or expected change to the structure, operation, process, activity and occupational safety and health management system of the Bank.
- (7) Change related to hazard information or knowledge.
- (8) Other relevant issues.

2. Assessment of Occupational Safety and Health Risk and Other Risks of

Occupational Safety and Health Management System

The Company establishes, maintains and preserves the documented information of the occupational safety and health risk assessment method and rules according to the following systematic method, and provides definition according to the scope, nature and timing of the Bank, in order to ensure that the implementation is active rather than passive:

- (1) Each unit considers the effectiveness of the current control measures for the occupational safety and health hazards identified according to “Form 4. Safety and Health Hazard Identification Risk and Opportunity Assessment Form” in order to assess occupational safety and health risks.
- (2) The Administrative Management Division performs decision and assessment on the establishment, implementation, operation and maintenance process of the occupational safety and health management

system as well as other relevant risks according to “Form 1. Management System Situation Identification Analysis and Required Risk and Opportunity Handling Assessment Planning Form.”

3. Assessment of Occupational Safety and Health Opportunity and Other

Opportunities of Occupational Safety and Health Management System

The Bank performs opportunity assessment according to the following method:

- (1) Each unit considers the planned change for the occupational safety and health hazards identified according to “Form 4. Safety and Health Hazard Identification Risk and Opportunity Assessment Form” in order to improve the occupational safety and health performance, to increase the opportunity of eliminating hazards and reducing occupational safety and health risks;
- (2) The Administrative Management Division performs decision and assesses the improvement opportunities with respect to other risks of the occupational safety and health management system according to “Form 1. Management System Situation Identification Analysis and Required Risk and Opportunity Handling Assessment Planning Form.”

(III) Required Obligations

After the Administrative Management Division of the Bank periodically obtains the required compliance matters of EOSH related laws and other requirements, it then prepares “Form 5. Regulatory and Other Requirements Directory Overview Table” and “Form 6. Regulatory and Other Requirements Content Overview Table.” Relevant application and communication focuses include:

1. For any non-compliance with the requirements, the responsible unit is requested to improve and to follow up. When it is considered necessary, it shall be used as the basis for the establishment of EOSH goal and improvement solution.
2. For compliance with the requirements, the responsible unit is requested to continue the follow-up management. When it is considered necessary, it shall be used as the basis for the establishment of the EOSH daily management regulations.
3. In addition to continuing to update the identified information, perform necessary communication on relevant information of required obligations

with workers and other interested parties.

(IV) Planning Measures

For the control planning of the aforementioned risks and opportunities required for handling, major environmental aspect, high-risk safety and health hazards, required obligations, emergency condition preparation and response identified, the Administrative Management Division follows the “Form 1. Management System Situation Identification Analysis and Required Risk and Opportunity Handling Assessment Planning Form” and each unit follows “Form 3. Environmental Aspect Identification Assessment and Management Planning Form” and “Form 4. Safety and Health Hazard Identification Risk and Opportunity Assessment Form” to consider the technical feasibility and the directions of financial, operational aspect and operational demands. In addition, the improvement priority sequence of elimination, replacement, project control, label warning, management control, hardware or personal protection equipment, etc. shall also be considered at the same time, in order to improve or control the planning of actions and to assess the effectiveness of such actions. Relevant focuses include:

1. Goal management: adopt the environmental safety and health goal and solution for improvement established, in order to reduce, eliminate or control environmental impact and occupational safety and health risk.
2. Daily Management: adopt the effective methods of educational training, operation control, response measure or monitoring and measurement, etc. to perform the daily management control method.

II. Planning of EOSH Goal and Realization of Such Goal

(I) Environmental, safety, and health goals

For the items of major environmental aspect, high-risk safety and health hazards, required obligations, other risks and opportunities required to be handled, all units of the Bank shall describe the consultation result with the workers and worker representatives and the goal management considered to be adopted in “Form 8. EOSH Management Solution Planning Form” and submit to the Administrative Management Division for summarization and preparation of “Form 7. EOSH Management Plan Content Overview Table,” in order to establish, maintain and update measurable documented goals consistent with the EOSH and energy and water resource policies, and to perform communication and appropriate update.

(II) Plan How to Achieve EOSH Goal

To achieve the EOSH goal established, EOSH improvement solutions are stipulated according to “Form 8. EOSH Management Solution Planning Form” and relevant focuses include:

1. The content includes the information of responsibility allocation, achievement method, schedule, resource demand, assessment of goal achievement performance indicator and calculation explanation.
2. After the improvement solution of each goal is deployed, the progress is reviewed periodically according to the plan schedule, and solution is adjusted whenever necessary, in order to ensure the achievement of the goal.

Chapter 7 Support

I. Resource

The highest management level, such as the President, of the Bank determines and provides necessary resources according to the action content generated in the aforementioned Chapter 6, and such resources include human resource, professional skill, infrastructure, technology and finance related resources, in order to establish, implement, maintain and continuously improve the EOSH management system.

II. Competence

The Bank ensures the competence of internal and external personnel working in the Bank according to “Education and Training Management Regulations” and “Form 9. Education and Training Planning Overview Table” and relevant focuses include:

- (I) Identify personnel capable of affecting the EOSH performance, personnel required to be equipped with relevant operating qualification or licenses in order to perform operations according to the EOSH regulations and other requirements.
- (II) Determine the competence required for the aforementioned personnel.
- (III) Plan appropriate education qualification, training demand or experience criteria, in order to satisfy the aforementioned personnel competence.
- (IV) Plan the training demands for personnel related to the environmental aspect, safety and health hazard, and for personnel related to the EOSH management system.
- (V) After considering the responsibility competence, reading/writing ability and

EOSH risk of personnel of different levels, implement appropriate measure in order to achieve the competence necessary for the aforementioned personnel. Appropriate measures include providing training, mentor guidance, re-assignment of jobs of current personnel, hire or outsource personnel with competence, etc..

- (VI) Training measures shall be adopted by professional personnel and orientation training and on-job training shall be provided timely. Training shall be free of charge and the internally organized trainings shall be implemented during the working time.
- (VII) Assess the effectiveness of each of the aforementioned appropriate measures, and the assessment result shall be submitted to the EOSH Committee for review.
- (VIII) Preserve relevant documented information in order to use it as proof of competence.

III. Awareness

The Company ensures the awareness of working staff under the control of the Bank according to the “Education and Training Management Regulations” and relevant focuses include:

- (I) The necessary role of each individual and the required responsibility as well as its importance in order to comply with all requirements of the EOSH and energy and water resource policies and the EOSH management system, including emergency event preparation and response requirements.
- (II) EOSH, and energy and water resources policies, EOSH goals.
- (III) In the operating activities, major environmental aspect and high-risk safety and health hazard that may cause actual or potential major environmental impact or safety and health accidents.
- (IV) Contribution to the effectiveness of the EOSH management system, including improvement of the benefit of EOSH performance.
- (V) Possible consequence due to deviation from the environmental safety and health specific operation, including but not limited to EOSH regulations and other requirements.
- (VI) Relevant occupational safety and health events and their investigation results.
- (VII) Relevant hazards, occupational safety and health risks and measures.
- (VIII) The ability to avoid working conditions that they consider to cause urgent or serious dangers to their lives or health, in order to protect them from

arrangements of improper consequence.

IV. Communication

(I) General Rules

The Bank establishes, implements and maintains internal and external relevant consultation and communication operations of the EOSH management system according to “Form 2, Internal and External Consultation and Communication Planning Overview Table” and relevant focuses include:

1. Identify communication issues, including EOSH regulations and other requirements and specifications requiring active communication.
2. After the opinions and different aspects of demands (such as gender, language, culture, literacy and physical and mental condition) of external interested parties are considered, the communication timing, subject and method of the aforementioned issues are specified explicitly, in order to ensure the consistency of the message conveyed and the reliability of the method.
3. Items requiring response and handling process after the Bank receives EOSH related messages.
4. Preserve documented records appropriately as the evidence of communication.

(II) Internal Communication

The Bank establishes the internal communication channel for EOSH management system related operations among units and levels in the Bank according to “Form 2. Internal and External Consultation and Communication Planning Overview Table,” such that changes to the EOSH management system can be managed and employees of the Bank are able to make contributions to continuous improvement.

(III) External Communication

The Bank performs external communication operation according to “Form 2. Internal and External Consultation and Communication Planning Overview Table.” In addition to the EOSH regulations and items of other requirements, the Bank also communicates the EOSH performance requirements with suppliers.

V. Documented Information

(I) General Rules

Regarding the EOSH documented content of the Bank, to ensure that the

environmental aspect, and the safety and health risk management related planning, operation and control process can be executed effectively, the Administration Management Department self-determines the required documents and records, and relevant focuses include:

1. Consider the requirements for satisfying EOSH regulations and other requirements, complexity of process and competence of working staff.
2. It shall at least include the EOSH management system scope, policy and goal, and all documents and records specified in each EOSH standard described in Chapter 2 References of this management guidelines shall be maintained.
3. For the documents of standards and provisions corresponding to the EOSH management system of the Bank, please refer to “Form 4. EOSH Management System Standard Corresponding Documents Comparison Table” and it can be used as relevant document application guidelines on the EOSH management system operation for workers.

(II) Establishment and Update

When the Bank establishes and updates the EOSH management system related internal rules according to the “Regulations Governing Operation and Management Rules”, It shall have sufficient identification and description (such as title, date, establishing unit), format (such as language, software version, graphic) and media (medium) (such as paper, electronic file), and their appropriateness and sufficiency shall be reviewed and approved.

(III) Documented Information Control

The Bank maintains various internal and external documents of the EOSH management system according to the “Regulations Governing Operation and Management Rules,” “Table XIX. Record List” and the Bank has prepared such documents at appropriate locations to facilitate the reading, identification and search thereof. The identification, storage, protection, search, preservation period and processing of EOSH records are further regulated.

Chapter 8 Operations

I, Planning and Control of Operations

(I) General Rules

The Bank explains the control measures of each unit planned in Chapter 6 according to the “Environmental Protection Work Rules” and “Safety and Health Work Rules” in order to establish relevant operating rules and

implements the execution, in order to prevent all interested parties of employees, contractors and visitors of the Bank from deviating the EOSH and energy and water resource policies, goal and required obligations of the Bank. When it is considered necessary, it will include the adjustment of workers' job, and coordination with other companies on relevant parts of the EOSH management system.

The Bank also includes the operation management of the verification scope of the Company for the consideration of environmental safety and health requirements of each stage lifecycle according to various operation regulations, management rules and plans described in "Attachment 4. Table for the List of Corresponding Documents of the EOSH Management System Standard", in order to eliminate or reduce the sources of EOSH risks. For example:

- (1) Workplace, work process, installation, machinery and equipment, operation procedure, work organization structure, physical skills, etc.
- (2) Determine the environmental requirements for the procurement of products and services.
- (3) Communicate with contractors about related environmental requirements.
- (4) The requirement to provide information on potential significant environmental impacts of products and services during transportation, transmission, use, final treatment, and disposal.

(II) Eliminate Hazards or Environmental Impact and Reduce Environmental Safety and Health Risks

When the Bank plans the control measures, the Bank considers the priority sequence principle of elimination, replacement, project control and work reorganization, administrative management control and use of sufficient personal protection equipment, etc., in order to eliminate hazards or environmental impact and to reduce environmental safety and health risks.

(III) Change Management

The Bank changes its management scope in accordance with "Attachment VI - Scope of Change Management" and obtains the knowledge of relevant products, services and processes, workplace location and environment, work organization, working conditions, equipment, labor, regulatory requirements and other requirements, hazards and occupational safety and health risks as well as the addition or change of information, knowledge and technology development according to "Form 10, Change Operations Control Form" and the Bank also reviews the consequence of unexpected changes and adopts control measures whenever necessary in order to reduce any negative

environmental safety and health impact.

Change management process also ensures that change related personnel are informed or receive relevant training, and documents and data related to the change are also reviewed and revised whenever necessary.

(IV) Procurement

1. General Rules

The Bank implements control measures on contractors or suppliers providing equipment, instruments, labor or services according to the “Procurement Regulations”, “Supplier Corporate Social Responsibility Guidelines” and “Procurement Operation Supplier Management Rules” and the control measures to ensure that they comply with the requirements of the EOSH management system.

2. Contractor

During the project or labor of the Bank is contracted for delivery, the handling unit shall inform the contractor relevant working environment, hazardous factors and the Occupational Safety and Health Act as well as relevant measures required to be adopted according to the occupational safety and health regulations before site entrance according to “Form 11. Hazardous Factor Notice.” When the contractor and subcontractor respectively employ workers to perform operation jointly, it is necessary to establish a coordinating organization, and coordinating organization meeting shall be convened with the contractor and subcontractor according to “Form 12. Coordinating Organization and Requirements.” Contractor control measures are also implemented and the focuses include:

- (1) For activities and operations capable of affecting the Bank, contractors and other interested parties at the workplace, the environmental impact, and occupational safety and health hazard associated with such activities and operations are identified.
- (2) Ensure that all EOSH requirements of the Bank are applicable to contractors and their workers.
- (3) Include the EOSH assessment method in the contractor evaluation and selection procedures.
- (4) Ensure that before the start of operation, the management level of the Bank and the contractor have established effective communication and coordination mechanism. The mechanism includes impact hazard of EOSH factor and communication on prevention and control measures.
- (5) Ensure that when the contractor and its workers encounter accident pollution, injury/illness, health hazard event during the operations for the

Bank, they are able to report such event properly.

(6) Before the start of operation and during the operation process, provide necessary workplace EOSH factor impact hazard information to the contractor and its workers and ensure that they have received necessary education and training.

(7) Ensure that contractors are able to implement on-site EOSH management.

3. Outsourcing

According to the definitions of the “Procurement Regulations”, “Supplier Corporate Social Responsibility Guidelines” and “Procurement Operation Supplier Management Rules,” the Bank applies such functions and process control type and level in order to control the function and process of outsourcing, thereby ensuring that outsourcing arrangement complies with regulatory requirements and other requirements, and achieving the expected outcome for the environmental safety and health management system.

II. Emergency Preparation and Responsive Action

The Company performs preparation and response to potential emergency conditions identified in Chapter 6 according to “Accident and Emergency Response Regulations” and the management focuses include:

- (I) Through various daily operating controls and promotion of emergency practices, prevent or reduce environmental impact and personnel injury or property loss that may occur.
- (II) During the planning of emergency response, including description of field rescue, medical rescue, measures and steps for fire prevention and evacuation of all personnel at the work place, the Bank also considers the demands of internal and external interested parties, in order to provide information and training related to emergency event preparation and response.
- (III) Adopt appropriate measures for actual occurrence of emergency events, provide necessary information and implement internal communication and coordination, in order to protect the safety of all personnel and to prevent or mitigate the outcome of emergency situation.
- (IV) Perform emergency response procedure drill periodically. If feasible, the drill scope includes relevant interested parties.
- (V) After periodic drill or occurrence of accident or emergency situation, relevant emergency response procedure applicability is reviewed and relevant procedure is revised, if necessary.

Chapter 9 Performance Evaluation

I. Monitoring, Measurement, Analysis and Performance Evaluation

(I) General Rules

The Administrative Management Division of the Bank reviews “Form 13. Monitoring and Measurement Overview Table” of this management guidelines at the end of each year according to the “Labor Health Service Plan and Management Solution” and also fills out “Form 14. EOSH Indicator Overview Table” according to the performance indicator calculation instructions at the end of each year, in order to perform the monitoring, measurement, analysis and evaluation of EOSH performance. The management focuses include:

1. Achieving of the goals and the daily management status for environmental impacts and high-risk and hazardous activities, the planning of EOSH and measurement work items and their implementation, evaluate the proactive and reactive EOSH performance rules and indicators, and the timing for conducting analysis and evaluation of the monitoring and measurement outcome:
 - (1) Fulfill regulatory requirements and other requirements.
 - (2) Identify activity and operation related environmental aspect, occupational safety and health hazard, environmental safety and health risks and opportunities.
 - (3) Progress towards achieving the organization's environmental, safety, and health goals.
 - (4) Effectiveness of operation and other controls.
2. The recording method of the monitoring and measurement data and result are considered in order to facilitate the subsequent corrective and preventive measure analysis, and particularly, the effectiveness of the health and safety aspect.
3. Ensure that the monitoring and measuring equipment used has been properly calibrated or verified and maintained.
4. Assess the effectiveness of the EOSH performance and EOSH management system.
5. Communicate the EOSH related information internally and externally according to “Form 2. Internal and External Consultation and Communication Planning Overview Table.”
6. Preserve appropriate documented records, in order to use such records as the evidence for monitoring, measurement, analysis and evaluation results.

(II) Compliance Assessment

The Bank periodically determines the compliance with EOSH regulatory and other requirements according to “Form 5. Regulatory and Other Requirement Directory Overview Table” and “Form 6. Regulatory and Other Requirements Content Overview Table,” in order to periodically determine the compliance with EOSH regulatory and other requirements. The management focuses include: Frequency of compliance assessment, necessary actions after assessment, allowing necessary personnel to understand the compliance status and to be equipped with relevant knowledge and preserving evidence of assessment result.

II. Internal Audit

(I) General Rules

Before the external audit of each year, the Bank periodically implements internal audit according to “Form 15. Internal Audit Plan” established by the Administrative Management Division, and auditors fills out “Form 16. Internal Audit Checklist” according to the plan, in order to collect information and to determine whether the EOSH management system complies with the requirements of each standard specified in Chapter 2 References of this management guidelines and relevant EOSH management related internal rules of the Bank, as well as to assess the effectiveness of the implementation and maintenance thereof.

(II) Internal Audit Plan

The Bank establishes, implements and maintains the frequency, method, responsibility, planning requirements and report of the internal audit at least once annually according to “Form 15. Internal Audit Plan” and “Form 16. Internal Audit Checklist.” The management focuses include:

1. Internal audit plan considers the following:

- (1) Definition of the audit rules and scope of each audit, including assessment of each element of the EOSH management system.
- (2) Appropriate method allowing workers to participate and select appropriate auditors and consultation of workplace audit focuses.
- (3) Key points of the audit, such as the results of previous audits, the relevant procedures of environmental, safety and health, the obligations of environmental, safety and health, the items in the process, the effectiveness of the participation of all employees, performance evaluation, and the results of continuous improvement.

2. Objectiveness and fairness of the audit execution process and allowing

- workers to participate appropriately.
3. The audit result and conclusion shall be communicated with the personnel responsible for the corrective and preventive measures, and appropriate method shall be adopted to allow the workers, worker representatives and other interested parties to understand the audit results and the consultation of the audit result analysis.
 4. Maintain the documented information, in order to use it as the basis for audit plan execution and audit results.
 5. Audit result shall be submitted to the management review meeting.

III. Management Review

The Bank shall convene at least one time of management meeting annually. The meeting shall be hosted by the management representative and meeting members are personnel designated by the management representative and each unit to participate in the meeting, in order to ensure the appropriateness, adequacy and effectiveness of the EOSH management system of the Bank. Management focuses include:

(I) Management Review Issues

1. Follow-up on previous management review resolutions.
2. Change of internal/external environmental safety and health situation, including EOSH management system internal/external issues, demands and expectations of interested parties, including required obligations, major environmental aspect, EOSH risks and opportunities.
3. EOSH, and energy and water resources policies, and the achievement rate of the EOSH goals.
4. Performance trend of EOSH event investigation, noncompliance, corrective measure and continuous improvement.
5. Performance trend of EOSH monitoring and measurement result.
6. Performance trend of EOSH regulatory requirements and other necessary requirements compliance assessment.
7. Performance trend of EOSH internal audit results.
8. Performance trend of worker consultation and participation.
9. Performance trend of environmental safety and health risks and opportunities.
10. Maintaining the adequacy of effective resources for the environmental safety and health system.
11. Communication on environmental safety and health issues with

internal/external interested parties.

12. EOSH improvement recommendations.

(II) Management review output shall include:

1. Conclusion on the continuous appropriateness, adequacy and effectiveness of the EOSH management system.
2. Determination of opportunities related to continuous improvement.
3. Determination on any necessary changes related to the EOSH management system, including policies, necessary resources, necessary measures and standard requirements.
4. When the EOSH goal cannot be achieved, the action required to be adopted.
5. If necessary, the opportunities for improving the integration of other operation processes with the EOSH management system.
6. Any impacts on the strategy and direction of the Bank.

(III) The Bank's President and so on highest management level communicates the output of management review with workers and worker representatives according to "Form 2. Internal and External Consultation and Communication Planning Overview Table."

(IV) Preserve documented records as the evidence for management review result.

Chapter 10 Improvement

I. General Rules

The Bank determines the opportunity for required improvement according to the execution result of Chapter 9, and implements necessary actions, in order to achieve the EOSH expected outcome of the Bank.

II. Incident, Non-conformities and Corrective Measures

When any near-miss event, minor injury or occupational accident occurs to the Bank, it is necessary to fill out "Form 17. Workplace Occupational Accident Survey Result Form." When nonconforming event occurs, it is necessary to fill out "Form 18. Corrective Measure Report." Perform improvement on incidents and non-conformities, and the management focuses include:

(I) Environmental safety and health near-miss event investigation

1. Collect near-miss event information and specify investigation timing.
2. Professional personnel conduct investigation and determine the safety and health flaw that may cause or result in event occurrence. When it is considered necessary, the investigation operations shall consider the

- confidentiality requirements.
- 3. Identify corrective measure requirements.
- 4. Identify preventive measure opportunities.
- 5. Identify opportunities for continuous Improvement.
- 6. Provide result to EOSH Committee to perform consultation and communication.
- (II) Response to nonconformity::
 - 1. Adopt immediate measures to implement control and to make correction.
 - 2. Handle the consequence, including reduction of negative environmental impact or mitigate safety and health consequences.
- (III) With the participation of workers and intervention of other interested parties, assess the necessity of measures, in order to eliminate the cause of nonconforming, such that it will not re-occur or occur at other places::
 - 1. Review the non-conformity.
 - 2. Determine the cause of the non-conformity.
 - 3. Determine whether or not there are other similar non-conformities or places where they may potentially occur.
 - 4. When it is appropriate, review current assessment of occupational safety and health risks and other risks.
 - 5. According to the control planning for eliminating hazards or environmental impact and reducing environmental safety and health risk and change management specified in Article 1 of Chapter 8, determine and implement any necessary actions, including corrective measures.
 - 6. Determine and implement any necessary corrective measures:
 - (1) The appropriate scale of the corrective measure shall be determined according to its environment impact or materiality of environmental safety and health risks.
 - (2) When the corrective measure has identified new or changed impact or hazard, or demands for new or change of existing control measure, it is necessary to perform risk assessment on the measure proposed before implementation.
 - 7. Review the effectiveness of any corrective measure adopted.
 - 8. When it is considered necessary, perform EOSH management system change, including relevant documented information.
 - 9. Preserve documented records as evidence, including the nature of nonconformity, any subsequently adopted measures and result of any corrective measure.

III. Continuous Improvement

According to the PDCA model of Plan, Do, Check and Act, the Bank continues to improve the appropriateness, adequacy and effectiveness of the EOSH management system via the following method:

- (I) Improve EOSH performance.
- (II) Promote the culture of supporting the EOSH management system.
- (III) Promote workers to participate in actions of implementing continuous improvement of the EOSH management system.
- (IV) Communicate continuous improvement related result with workers and worker representatives.
- (V) Maintain and preserve documented information as evidence for continuous improvement result.