

Guidelines for Participating in Trade Associations and Lobbying

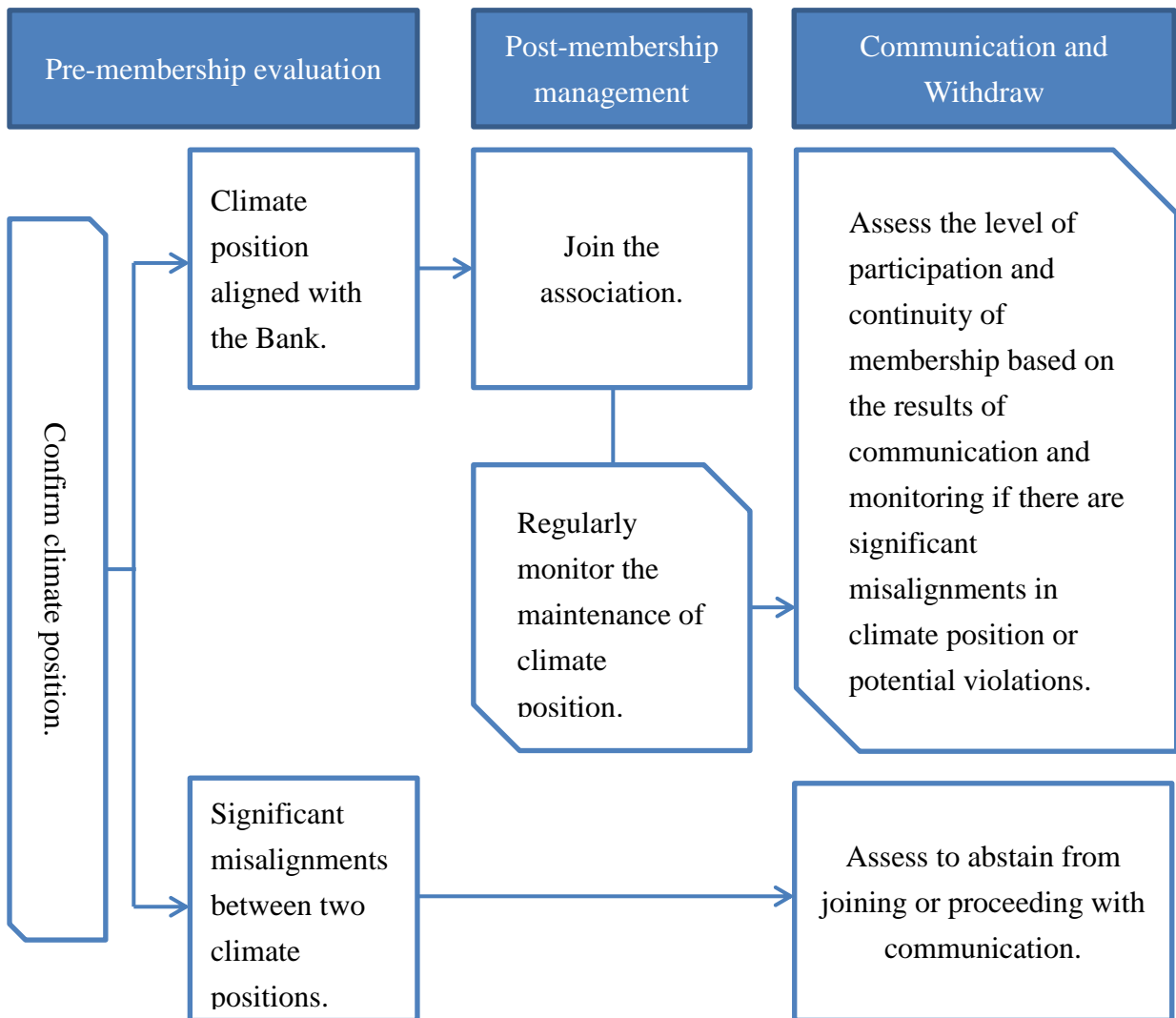
Article I. (Basis and Purpose)

In accordance with Article 5, Section 2, Item 4, Subparagraph 1 of “Chang Hwa Commercial Bank Sustainable Finance Policy”, the Bank’s climate change strategy and action plan are consistent with the United Nations Paris Agreement. In order to ensure meaningful external participation in trade associations and to jointly promote the Net-Zero transformation of companies and industries, the Bank has established reference guidelines for participation in trade associations and lobbying (herein after referred to as "the Guidelines").

Article II. (Scope and Guidance)

The Guidelines applies to participation in trade associations, direct lobbying activities, and lobbying through trade associations. For all business operations of the Bank (including domestic and overseas operating units and subsidiaries) engaged in these activities, it is recommended that the relevant management units (hereinafter referred to as “Management Units”) comply to the following procedures for management.

- (I) Pre-membership evaluation: Prior to joining or renewing membership in a trade associations, the management unit should proactively assess and gather information on the nature, purpose, strategic actions, climate position, and any controversial situations of the association. This assessment is essential to ensure alignment between the association’s climate position and the Bank’s own position. Membership should be approved by the appropriate level of authority.
- (II) Post-membership management: After approval to join a trade association or upon joining an existing one, the Management Unit should regularly monitor compliance with the climate position and document any violations. Monitoring methods may include letters, email correspondence, public or non-public information, or other means.
- (III) Communication and Withdraw Mechanisms: If the Management Unit identifies significant misalignments between the association’s climate position and the Bank’s own position, or if there is a risk of violation of the climate position, it should communicate with the association and urge it to adjust its direction, strategy or actions to align with the Bank’s climate position. The monitoring period should be at least six months. Based on the monitoring results, the appropriate level should be informed to make decisions regarding the level of participation and the continuation of the association’s membership (e.g. reduction or withdrawal of financial support, suspension or termination of membership, etc.).



Pre-membership evaluation

Post-membership management

Communication and Withdraw

Confirm climate position.

Climate position aligned with the Bank.

Join the association.

Regularly monitor the maintenance of climate position.

Assess the level of participation and continuity of membership based on the results of communication and monitoring if there are significant misalignments in climate position or potential violations.

Significant misalignments between two climate positions.

Assess to abstain from joining or proceeding with communication.

Inventory of Climate Positions of Trade associations

1. We have reviewed the climate positions of the trade associations in which the Bank participates through correspondence, e-mail, public/non-public information, or other means. After careful consideration, we have confirmed that the climate positions of the trade associations listed below are consistent with the Bank's climate position.

Name of Association
The Bankers Association of the Republic of China
Taiwan Securities Association
R.O.C. Bills Finance Association
Chinese National Futures Association
The Bankers Association of Taipei
The Insurance Agency Association of the Republic of China
Trust Association of R.O.C
Securities Investment Trust & Consulting Association of the R.O.C
Chinese International Economic Cooperation Association
Chinese National Association of Industry and Commerce
Taiwan Corporate Governance Association
The Equator Principles Association

2. The Bank does not generally engage in policy-related lobbying activities. At present, we are not involved in any such activities, including those related to climate change. If we participate in such activities in the future, we will comply to the "Guidelines for Participating in Trade Associations and Lobbying"