Chang Hwa Commercial Bank, Ltd.
Modern Slavery Act Transparency Statement

Introduction
This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and with reference to the guidelines issued by the Home Office, Transparency in Supply Chains - A practical guide. It sets out the steps that Chang Hwa Commercial Bank, Ltd. (the “Bank”) or (“we” or “us” or “our”) has taken to ensure that slavery and human trafficking is not taking place in our supply chains or any part of our business for the financial year 2018.

It is contrary to the Bank’s position to tolerate any form of slavery or human trafficking in our operations, supply chain, products, services and activities. We expect the staff, suppliers and business partners to adhere to the same high standards and to take reasonable steps to ensure that other third parties they do business with also adhere to those standards as well.

Background
The Bank is a financial institution incorporated and headquartered in Taiwan on 5 June 1905. We offer a wide variety of financial related products and services to individuals and corporations. Details of our branches and the countries in which they are operated, as well as our businesses, are set out in our 2018 Annual Report. The Bank’s London Branch (“CHB London”) is authorised and regulated by the Financial Supervisory Commission of Taiwan. In the U.K, CHB London is authorised by the Prudential Regulation Authority, subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

Policies and procedures
The Bank requires all employees to follow the highest personal ethics and moral standards in the realm of undertaking business operations as well as to comply with all the relating laws, rules, regulations and the Bank’s policy. The measures we have taken to mitigate the risk of slavery and human trafficking in our business and supply chains include:

- Recruitment policies that are based upon the principles of professional and equal opportunity. We encourage diversity in the workplace by avoiding discriminations based on race, color, birthplace, nationality, religion, age, gender, marital status, sexual orientation, disability, or veteran status.
• Anti-bribery and anti-money laundering policies to address areas of the business and supply chains posing heightened risk, which may result in unlawful acts such as modern slavery.

• Whistleblowing procedures are in place to facilitate reporting, through email or helplines, of concerns relating to slavery or human trafficking.

• Due Diligence to ensure all business activities are conducted in a fair and transparent manner. We assess our suppliers and business partners to have greater knowledge about their legitimacy and to ensure they adhere to the same ethical principles as we do.

• Letter of commitment regarding its compliance with Supplier Social Responsibility shall be signed by all suppliers, to ensure (1) child, forced, bonded or indentured labor is not used in any part of its business, (2) discrimination of any kind is eliminated, (3) employees are compensated in accordance with all applicable laws, including that relating to workweek, overtime hours and minimum wages, and (4) working environments comply with the health and safety regulations.

• Staff training on the Principles of Ethics and the awareness of unlawful acts is provided. In addition, we have integrated them as part of our annual performance assessments and HR policies.

This statement, which will be reviewed annually and updated as required, has been approved by the Bank’s Board of Directors on April 26, 2019 and has been signed on behalf of the Board by Ms. Jong-Yuan Ling, Chairperson.

Jong-Yuan Ling
Chairperson