

Sustainable Development Committee Charter, Chang Hwa Commercial Bank, Ltd.

Approved by 29th meeting of 25th term of Board of Directors on October 14, 2019

Amended and adopted by the 24th meeting of the 26th Board of Directors on March 29, 2022

Amended and adopted by the 20th meeting of the 27th Board of Directors on December 6, 2024

Article 1 (Purpose and basis for adoption)

To implement the concept of sustainability, management principle of business integrity and sustainable development, we establish the Committee for Sustainable Development (hereafter: the Committee) and formulate the Charter is adopted pursuant to Charter Paragraph 3, Article 21 of articles of incorporation of Chang Hwa Commercial Bank, Ltd.

Article 2 (Organization level)

The Committee is affiliated with board of directors. Matters concerning the number of people, terms of office, powers, rules of procedure for meetings and resources of executing powers shall be handled in accordance with the Charter, except as otherwise provided by laws or articles of incorporation of Chang Hwa Commercial Bank, Ltd.

Article 3 (Members, number of people and terms)

The Committee shall consist of 3 to 5 members, which is composed of board directors and senior managerial officers. At least half of them shall be independent directors, and regular or irregular meetings shall be held and convener shall be Chairman.

Members of the Committee shall be presented and consented by board of directors. The members of the Committee shall be replaced when they cannot execute duties for any reasons (Such as terms have expired, retirement, resignations, assignment has dismissed or any circumstances.)

Article 4 (Scope of duties)

The powers of the Committee are as follows :

- 1.Implement business integrity, business ethics and sustainable development to immerse in business policies of the Bank.
- 2.Supervise and coordinate the establishment of business integrity and sustainable development system of the Bank.
- 3.Supervise and view the execution and effectiveness of business integrity and sustainable development of the Bank.
- 4.Review business integrity and sustainable development related execution report regularly.
- 5.Other matters required to be resolved and referred.

Article 5 (Implementation of sustainable development)

In order to implement ethical corporate management policies and achieve the goals of sustainable development, the Committee takes role of dedicated unit to be responsible for business integrity and promoting of sustainable development.

1. Compliance Division was designated to be responsible for ethical corporate management policies related affairs which are adopted pursuant to “Ethical Corporate Management policies” and assist to implement supervision and prevention of dishonest behavior related charters and report to the Committee and board of director regularly.
2. ESG Task Force was set under the Committee, and was composed of all units in Head Office to be responsible for executions in sustainable development affairs and report plans and execution consequences to the Committee regularly, and report to board of director according to regulations.

In the second subparagraph of preceding paragraph ESG Task Force shall be permitted by the Committee convener to assign a Chief principal and set several principals according to job assignments (corporate governance, responsible finance, employee care, social inclusion and sustainable environment).

Article 6 (Convening the meetings)

Meetings of the Committee shall be held at least twice a year. When necessary, the meetings may be convened at any time.

If the convener takes leave or is unable to convene a meeting for any reason, the convener shall appoint another member in the Committee to act in his or her place. If the convener does not make such an appointment, a member of the Committee shall be elected by and from among the other members on the Committee to serve as convener.

In convening a meeting of the Committee, a notice setting forth the subjects to be discussed at the meeting shall be given to each member at least 7 days in advance. In emergency circumstances, however, the meeting may be convened at any time and shall notice members of the Committee with written report.

The Committee’s meeting agenda shall be drafted by the convener. Other members may submit motions to the Committee for discussion.

Article 7 (Meeting rules)

During the convention of Committee’s meeting, an attendance book shall be provided for the attending personnel to sign in and to provide such book for review and inspection.

Members shall attend Committee’s meeting in person. In case where a member cannot attend the meeting in person, he or she may appoint another member to attend Committee’s meeting as a proxy thereof, and shall in each case give to that member written power of attorney stating the scope of authorization with respect to the reasons for meeting. A proxy described in the preceding paragraph shall only accept the power of attorney from one person only. If Committee’s meeting is held with the video conference method, members attending the meeting through video conference shall be deemed to attend the meeting in person.

A member of the Committee that appoints another member as proxy to attend a meeting shall in

each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the consent of one half or more of the entire membership. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chair no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote. The result of the vote shall be made known immediately and recorded in writing.

The Committee may request personnel from relevant department of the Bank, internal audit officers, certified public accountants, attorneys or other personnel to attend the meeting as non-voting participants and to provide pertinent and necessary information, provided that they shall leave the meeting when discussion or voting takes place.

Article 8 (Meeting minutes)

Resolutions of Committee shall be recorded in the meeting minutes, and the meeting minutes shall fully and accurately state the matters listed below:

- 1.The session, time and place of the meeting.
- 2.The name of the chair.
- 3.The members' attendance at the meeting, including the names and the number of members in attendance, excused, and absent.
- 4.The names and titles of those attending the meeting as non-voting participants.
- 5.The name of the minute taker.
- 6.The matters reported at the meeting.
- 7.Agenda items: the result for each proposal; name of the member who is an interested party as referred to in paragraph 1 of Article 9, explanation of the material aspects of the interest the member has, the reason why the member should or should not recuse him or herself and whether or not the member has recused; and opinions expressing objections or reservations from members at Committee meeting.
- 8.Extraordinary motions: The name of the mover, the result for each proposal, members of the Committee meeting, experts, or other persons' summary comments; name of the member who is an interested party as referred to in paragraph 1 of Article 9, explanation of the material aspects of the interest the member has, the reason why the member should or should not recuse him or herself and whether or not the member has recused; and opinions expressing objections or reservations at the meeting.
- 9.Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee; if the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chair and the minute taker. A copy of the minutes shall be distributed to each member on the Committee within 20 days after the meeting, and shall be presented to the board of directors and retained as important corporate records for 5 years. The meeting minutes may be produced and distributed in electronic form.

If any litigation relating to a resolution of the meeting of the Committee commences before the expiry of the period in which the records shall be kept in accordance with the preceding paragraph, the relevant data shall continually be kept until the conclusion of the litigation.

Article 9 (Interest avoidance)

Members of the Committee must state important facts if they represent an interested party in relation to an agenda item, the member shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Bank, the members may not participate in discussion or voting on that agenda item and shall recuse him or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for other members.

Where the spouse or a blood relative within the second degree of kinship of the member is an interested party with respect to an agenda item as described in the preceding paragraph, such member shall be deemed to be an interested party with respect to that agenda item.

If, for the reason stated in paragraph 1, an agenda item cannot be resolved at a meeting of the Committee, it shall be reported to the board of directors, which shall resolve on the item.

Article 10 (Appointing audit or providing advisory)

The Committee may, at the expense of the Bank, resolve to retain the service of an attorney, certified public accountant, or other professional to conduct a necessary audit or to provide advice on matters relating to the exercise of the Committee's authority.

Article 11 (Secretariat unit)

The Committee's deliberative units is Secretariat Division, which is responsible for assisting planning of the committee's agenda, convening of meetings, notices, meetings, meeting minutes and other related matters.

The Committee shall review this Charter and make recommendations for necessity of amendments periodically.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to related department of the Bank for follow-up, with a report to be presented to the Committee convener during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 12 (Charter Amendment)

This Charter shall enter into force after adoption by the board of directors; and any amendments hereto, shall enter into force after the approval of the Committee, and adoption by a resolution of the board of directors.

This Charter shall be disclosed on the Market Observation Post System (MOPS) and official website. The same requirements shall be applied to amendments thereof.