

Implementation of promoting sustainable development and the deviation from Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies and the reasons for deviation.

Promotion Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies with Reasons
	Yes	No	Summary	
1. Has the Bank established a governance structure to promote sustainable development and set up a dedicated (part-time) unit to promote sustainable development, which is delegated by the Board of Directors to senior management, and is supervised by the Board of Directors?	✓		<p>1-1 In December 2019, the Bank set up the "Sustainable Development Committee" under the Board of Directors. It is a dedicated unit for promoting sustainable development, the members are composed of the Chairperson (as the convener), all Independent Directors and senior managers, the committee is responsible for promoting the implementation of sustainable development, coordinating the establishment of relevant systems, supervising and reviewing the implementation of sustainable development policies and its effectiveness, and regularly reviewing relevant implementation reports. A total of 4 Meetings of Sustainable Development Committee were held in 2025, for the compositions, duties, implementation status and content of motion of the Sustainable Development Committee, please refer to this chapter, D. Implementation Status of Corporate Governance, f. Compositions, duties and implementation status of the Sustainable Development Committee.</p> <p>1-2 In order to achieve the goal of sustainable development, an inter-departmental "ESG Task Force" is set up under the Sustainable Development Committee, the President serves as the chief leader of the Task Force, with the Executive Vice Presidents overseeing the five main groups: corporate governance, responsible finance, employee care, social inclusion, and sustainable environment. They are responsible for coordinating and allocating resources across divisions, supervising the execution of sustainability tasks, and implementing policy objectives. They regularly report the annual work plan, implementation results, and stakeholder communication status to the Sustainable Development Committee and report to the Board of Directors in accordance with regulations.</p> <p>1-3 The Board of Directors is responsible for supervising the Bank's practice of sustainable development and enhancing its business image and competitive advantage based on sustainable development, and stipulated the Bank's "Sustainable Development Best Practice Principles" and "Sustainable Development Policy". The aforementioned 2025 annual work plan, 2024 ESG Report and the report on the implementation of sustainable development, and 2025 stakeholders' communication status have been reviewed and recognized by the Board of Directors on February 20, 2025, June 19, 2025 and December 22, 2025.</p>	No deviation.

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2. Does the Bank conduct risk assessments on environmental, social and corporate governance issues related to the business operations based on the materiality principle and formulate relevant risk management policies or strategies?	✓		<p>2-1 The scope of our risk assessment primarily encompasses the operational activities of the parent company, with disclosed information covering the internal and external impact assessments of the Bank from January to December 2025.</p> <p>2-2 The Bank referred to the significant theme guidance of the GRI Sustainability Reporting Standards 2021, reviewed its operational activities, sustainability context, future work plans, value chain relationship and stakeholder opinions (including various communication channels and questionnaire surveys), and referred to international sustainable development trends and normative standards, industry concerns and directions, to extensively collect various sustainable issues related to its operations through various channels. The Bank conducted external sustainability impact assessments on significant environmental, social, and corporate governance impacts that may arise during its operations. Additionally, through the IFRS Perpetual Related Risks and Opportunities Financial Impact Assessment, the Bank conducted an internal financial impact assessment and comprehensively identified sustainability issues of dual materiality. The identification results, in order, are: "Customer Rights and Inclusive Finance," "Responsible Finance and Sustainable Finance," "Information Security and Personal Data Protection," "Digital financial innovation," and "Anti-Money Laundering and Countering Financing of Terrorism." These have been incorporated into the overall risk measures and strategies for continuous monitoring and management. For complete information on risk management policies and strategies, please refer to our 2025 ESG Report. The results of the 2025 external sustainability impact materiality assessment are summarized as follows:</p> <table border="1"> <thead> <tr> <th>Major issues</th> <th>Risk assessment item</th> <th>Risk management strategy</th> </tr> </thead> <tbody> <tr> <td>Corporate Governance</td> <td>Corporate Governance and conducting business with integrity</td> <td>The Bank is committed to improving corporate governance, enhancing operational performance, and strengthening integrity in business operations, related achievements are as follows: 1. The net income after tax for 2025 was NT\$ 17.775 billion. 2. Ranked among the top 5% of listed companies in the 12<sup>th</sup> Corporate Governance Assessment.</td> </tr> <tr> <td>Social</td> <td>Customer Rights and Inclusive Finance</td> <td>The Bank is committed to providing diverse and user-friendly financial products and services, and implementing fair treatment and inclusive finance, and ranked among the top 25% of banks in the fair treatment principle assessment of 2025.</td> </tr> <tr> <td>Environmental</td> <td>Responsible Finance and Sustainable Finance</td> <td>The Bank actively develops and promotes sustainable financial products. In addition to enhancing products and services with social benefits to implement inclusive finance, we assist enterprises in low-carbon transitions and strengthen their operational resilience through our role as a capital provider, thereby reducing credit/investment risks. The Bank introduced green deposits, green energy and renewable energy industry loans, and sustainable linked loans and issued sustainable development bonds.</td> </tr> </tbody> </table>	Major issues	Risk assessment item	Risk management strategy	Corporate Governance	Corporate Governance and conducting business with integrity	The Bank is committed to improving corporate governance, enhancing operational performance, and strengthening integrity in business operations, related achievements are as follows: 1. The net income after tax for 2025 was NT\$ 17.775 billion. 2. Ranked among the top 5% of listed companies in the 12 <sup>th</sup> Corporate Governance Assessment.	Social	Customer Rights and Inclusive Finance	The Bank is committed to providing diverse and user-friendly financial products and services, and implementing fair treatment and inclusive finance, and ranked among the top 25% of banks in the fair treatment principle assessment of 2025.	Environmental	Responsible Finance and Sustainable Finance	The Bank actively develops and promotes sustainable financial products. In addition to enhancing products and services with social benefits to implement inclusive finance, we assist enterprises in low-carbon transitions and strengthen their operational resilience through our role as a capital provider, thereby reducing credit/investment risks. The Bank introduced green deposits, green energy and renewable energy industry loans, and sustainable linked loans and issued sustainable development bonds.	No deviation.
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			2-3 Furthermore, the Bank has established a mechanism for managing emerging risk issues. Every year, it identifies significant emerging risk issues, evaluates their potential impact, risks and opportunities on the Bank, and develops response strategies and risk monitoring mechanisms according to their level of significance to ensure effective control of relevant risks that the Bank may face in its operations.													
3. Environmental Issues																
3-1 Has the Bank established proper environmental management systems based on the characteristics of the industries?	✓		<p>3-1 a. To implement the enterprise sustainable development, the Bank follows "Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies", and formulated "Sustainable Development Best Practice Principles", established an appropriate environmental management system according to the characteristics of the financial industry, and set up an environmental management unit, which is responsible for formulating, promoting and maintaining relevant environmental management systems and specific action plans, and reviewing the effectiveness of their operation.</p> <p>b. The Bank has passed the relevant international verification standards as follows:</p> <p>(a) All domestic and overseas business units and subsidiaries of the Bank have passed ISO 14064-1 greenhouse gas emissions inventory certification.</p> <p>(b) All domestic business units have passed ISO 14001 environmental management system certification (certificate period is 2024/12/21~2027/12/20), and ISO 50001 energy management system certification (certificate period is 2025/12/30~2028/10/24).</p> <p>(c) The Taipei Building of the Head Office has passed ISO 46001 water efficiency management system certification (certificate period is 2024/11/11~2027/11/10).</p> <p>(d) The credit card has obtained ISO 14067 certification for carbon footprint inventory verification (certificate valid from 2024/1/2~2026/1/1), ISO 14046 certification for water footprint inventory verification (certificate period is 2024/2/17~2026/2/16), and PAS 2060 certification for carbon neutrality standard.</p>	3-1 No deviation.												
3-2 Does the Bank endeavor to utilize the energy more efficiently and use renewable materials that have low impact on the environment?	✓		<p>3-2 a. In order to improve energy efficiency, the Bank has formulated an environmental resource and energy use management policy as follows:</p> <p>(a) Replace outdated and energy-consuming air-conditioning equipment, improve the efficiency, and set the indoor temperature above 26 degrees to reduce the electricity load of the air-conditioner.</p> <p>(b) Replace the old energy-consuming lamps with high-efficiency LED lamps, appropriately adjust the on and off times of advertising signs, and install power sequence controllers in drinking water equipment to reduce energy consumption, etc.</p> <p>In 2020(Base Year), the Bank's total electricity consumption is approximately 30,613,102kWh, and the 2030 reduction target is a 25% reduction compared to the base year. In 2025, the Bank's total electricity consumption is approximately 25,567,520kWh.</p> <table border="1"> <thead> <tr> <th></th> <th>2025</th> <th>2024</th> <th>2020 (base year)</th> </tr> </thead> <tbody> <tr> <td>electricity consumption (kWh)</td> <td>25,567,520</td> <td>25,820,023</td> <td>30,613,102</td> </tr> <tr> <td>Data Coverage</td> <td colspan="3">All domestic and overseas business units and subsidiaries</td> </tr> </tbody> </table>		2025	2024	2020 (base year)	electricity consumption (kWh)	25,567,520	25,820,023	30,613,102	Data Coverage	All domestic and overseas business units and subsidiaries			3-2 No deviation.
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3-3 Does the Bank assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures with respect to climate change?	✓		<p>b. The Bank has increased its utilization of renewable energy through the implementation of green energy supply and the establishment of solar-powered branches. In 2025, the Bank's renewable energy usage is 10.07%.</p> <p>c. In order to achieve the goal of environmental sustainability, the Bank continues to purchase environmentally friendly products, the implementation results are as follows:</p> <p>(a) In order to fulfill its social responsibility for environmental protection, the photocopying paper purchased by the Bank is environmentally friendly paper certified by international FSC or PEFC.</p> <p>(b) "Green building materials" coating is used in priority in the decoration of business units or offices.</p> <p>(c) When purchasing or replacing equipment at any business unit or office location, priority should be given to environmentally friendly products with eco-labels, carbon reduction labels, energy-saving labels, or water-saving labels.</p> <p>(d) In response to the Ministry of Environment's active promotion of green procurement, the purchase amount in 2025 reached NT\$187 million.</p> <p>d. The significant goal of the Bank's IT Division is to build green data center of energy saving and carbon reduction and continuously extend server virtualization, replace and reduce existing physical mainframe step by step. In addition to improving energy efficiency, through the energy-saving improvement project of the computer room, it decreases the power consumption other than the server (such as air conditioning, lighting, UPS loss and fan power consumption), and enhance the power supply efficiency so as to reduce impacts of the Bank's business operations on the environment.</p> <p>3-3 a. In the face of climate change, the Bank has continued to participate in the CDP climate change questionnaire since 2018, and disclosed relevant risk assessments and responses to the risk impacts and developing opportunities that may be brought about by climate change. And reached the recognition of Leadership level in the Climate theme of the CDP questionnaire for 3 consecutive years.</p> <p>b. The Bank follows international regulations such as the United Nations Framework Convention on Climate Change and its agreements, as well as the Climate and Nature-related international agreements, and accordance with the government's "Climate Change Response Act", the "Guidelines for Climate related Financial Disclosures by Banks in Taiwan", and the relevant management regulations and policies of the Bank to establish the "Climate and Nature Risk Management Policy" to manage and respond to climate risks. The Bank (including subsidiaries) shall comply with the policy in all operational activities and business developments.</p> <p>c. In accordance with the "Climate and Nature Risk Management Policy" approved by the Board of Directors, the Board guides, supervises, and manages the exposure to climate and nature risks and holds ultimate responsibility for ensuring the establishment and maintenance of an appropriate and effective climate and nature risk management mechanism. The "Climate and Nature-related Financial Disclosure Task Force" was established to identify or assess climate and nature-related risks and opportunities, including immediate and long-term physical risks, as well as transition risks related to policies and regulations, technology, market, and reputation. Several climate change risk and opportunity items related to banking operations were compiled. Finally, the top three items were evaluated for their impact on the Bank's operations. For assessment of related risks and opportunities, and corresponding measures, please refer to this chapter, D. Implementation Status of Corporate Governance, h. Climate-related Information for the Bank.</p>	3-3 No deviation.

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3-4 Does the Bank inspect its greenhouse gas (GHG) emissions, water consumption and total weight of wastes in the past two years and formulate policies on energy saving and carbon reduction, GHG reduction, water reduction or waste management?	✓		<p>3-4 a. In response to climate change and national greenhouse gas reduction policy, the Bank has voluntarily introduced the greenhouse gas inventory since 2017, and has mastered the GHG emissions of all domestic business units, and has passed the ISO 14064-1:2018 certification, the Bank aims to reduce the carbon emissions for a 42% decrease by 2030 compared with the base year of 2020. The Bank has completed GHG inventory and verification of domestic and overseas business units, subsidiaries, and the GHG emissions in 2025 are as follows:</p> <p style="text-align: right;">unit: tCO<sub>2</sub>e</p> <table border="1"> <thead> <tr> <th></th> <th>2025</th> <th>2024</th> <th>2020 (base year)</th> </tr> </thead> <tbody> <tr> <td>Direct GHG Emissions (Note1)</td> <td>1,967.941</td> <td>2,006.416</td> <td>2,374.304</td> </tr> <tr> <td>Indirect GHG Emissions from Energy (Note2)</td> <td>10,964.198</td> <td>12,045.407</td> <td>15,862.188</td> </tr> <tr> <td>Total Emissions (Direct + Indirect GHG Emissions from Energy)</td> <td>12,932.139</td> <td>14,051.823</td> <td>18,236.492</td> </tr> <tr> <td>Carbon Intensity (tCO<sub>2</sub>e / NT\$ million)</td> <td>0.2854</td> <td>0.3360</td> <td>0.6676</td> </tr> <tr> <td>Data Coverage of Direct GHG Emissions and Indirect GHG Emissions from Energy</td> <td colspan="3">All domestic, oversea, and subsidiary business units</td> </tr> <tr> <td>Other Indirect GHG Emissions (Note3)</td> <td>18,324.495</td> <td>14,337.069</td> <td>13,023.129</td> </tr> <tr> <td>Data Coverage of Other Indirect GHG Emissions</td> <td colspan="2">All domestic, oversea, and subsidiary business units</td> <td>All domestic business units</td> </tr> </tbody> </table> <p>(Note 1): Direct GHG emissions refers to Category 1, also known as Scope 1.            (Note 2): Indirect GHG emissions from energy refers to Category 2, also known as Scope 2.            (Note 3): Other indirect GHG emissions refers to Category 3-5, also known as Scope 3.</p> <p>b. In order to reduce the risk of future water shortage impact, the Bank proactively introduced a water resource efficiency management system in 2021, formulated water resource efficiency policies and relevant reduction measures, such as using water-saving label equipment, installing water-saving accessories on faucets, adjusting the method of cleaning items, tracking water leakage, air conditioning water saving, etc., to implement water resource efficiency management, and passed the ISO 46001 water efficiency management system certification (certificate period: 2024/11/11~2027/11/10). The Bank aims to reduce the water withdrawal for a 25% decrease by 2030 compared with the base year of 2020, the statistical results of water withdrawal in 2025 are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2025</th> <th>2024</th> <th>2020 (base year)</th> </tr> </thead> <tbody> <tr> <td>Water withdrawal (m<sup>3</sup>)</td> <td>140,292</td> <td>134,728</td> <td>167,699</td> </tr> <tr> <td>Intensity (m<sup>3</sup>/NT\$ million)</td> <td>3.096</td> <td>3.222</td> <td>6.002</td> </tr> <tr> <td>Data Coverage</td> <td colspan="3">All domestic, oversea, and subsidiary business units</td> </tr> </tbody> </table> <p>c. In order to achieve sustainable utilization of resources and ensure proper disposal of waste, the Bank adopts proactive waste management, promotes energy saving and waste reduction activities, actively implements resource recycling and classification from source management, and regularly records the amount of waste. The target is to reduce the waste generated by 1% compared to the previous year, the statistical results of waste generated in 2025 are as follows:</p>		2025	2024	2020 (base year)	Direct GHG Emissions (Note1)	1,967.941	2,006.416	2,374.304	Indirect GHG Emissions from Energy (Note2)	10,964.198	12,045.407	15,862.188	Total Emissions (Direct + Indirect GHG Emissions from Energy)	12,932.139	14,051.823	18,236.492	Carbon Intensity (tCO <sub>2</sub> e / NT\$ million)	0.2854	0.3360	0.6676	Data Coverage of Direct GHG Emissions and Indirect GHG Emissions from Energy	All domestic, oversea, and subsidiary business units			Other Indirect GHG Emissions (Note3)	18,324.495	14,337.069	13,023.129	Data Coverage of Other Indirect GHG Emissions	All domestic, oversea, and subsidiary business units		All domestic business units		2025	2024	2020 (base year)	Water withdrawal (m <sup>3</sup> )	140,292	134,728	167,699	Intensity (m <sup>3</sup> /NT\$ million)	3.096	3.222	6.002	Data Coverage	All domestic, oversea, and subsidiary business units			3-4 No deviation.
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<p>4. Social Issues</p> <p>4-1 Does the Bank formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	✓		<p>4-1 a. The Bank has formulated the "Human Right Policy," to support and respect all international human rights conventions, including the "Universal Declaration of Human Rights," the "Global Covenant of the United Nations," the "Declaration of Basic Principles and Rights of the Working Party of the International Labour Organization," and the "UN Guiding Principles on Business and Human Rights." These conventions uphold the spirit and fundamental principles of human rights protection, reflecting the Bank's responsibility to respect and protect human rights, and build an honest, fair, respectful and open working environment.</p> <p>b. The Bank has established a "Human Rights Due Diligence Procedure," which conducts human rights due diligence through "Human Rights Issue Identification," "Identification of Significant Issues," "Risk Assessment and Management," and "Monitoring and Disclosure."</p> <p>c. In 2025, a weighting assessment of human rights issues has been conducted, covering all units of the head office, domestic business units (including regional operations offices and securities firms), and overseas branches. The assessment identified major human rights issues as "Privacy and Personal Data Protection," "Workplace Misconduct," "Conducting Business with Integrity," "Equal Rights," and "Occupational Safety and Health." For each identified major human rights issue, a designated management unit conducted a risk assessment, and subsequently review and formulate corresponding mitigation and remedial measures and management mechanisms.</p> <table border="1"> <thead> <tr> <th>Focused issues</th> <th>Mitigation measures</th> <th>Remedial measures</th> </tr> </thead> <tbody> <tr> <td>privacy and personal data protection</td> <td> <ol style="list-style-type: none"> <li>Regularly engage accountants to conduct audits of the personal data protection mechanism.</li> <li>Establish a multi-layered information security protection and monitoring mechanism.</li> </ol> </td> <td> <ol style="list-style-type: none"> <li>An information security incident reporting and management system and a personal data incident reporting and handling mechanism have been established.</li> <li>Public awareness and training have been strengthened, and securities system control operations have been reinforced.</li> </ol> </td> </tr> <tr> <td>workplace misconduct</td> <td>Workplace misconduct Prevention Plan, and Declaration on the Prevention of Workplace misconduct.</td> <td>Workplace misconduct handling procedures and reporting channels.</td> </tr> <tr> <td>Conducting Business with Integrity</td> <td>Implement risk assessment of dishonest behavior.</td> <td> <ol style="list-style-type: none"> <li>Established procedures for handling reports and channels for reporting.</li> <li>Strengthen publicity, improve management and work processes, and revise work specifications.</li> </ol> </td> </tr> </tbody> </table>	Focused issues	Mitigation measures	Remedial measures	privacy and personal data protection	<ol style="list-style-type: none"> <li>Regularly engage accountants to conduct audits of the personal data protection mechanism.</li> <li>Establish a multi-layered information security protection and monitoring mechanism.</li> </ol>	<ol style="list-style-type: none"> <li>An information security incident reporting and management system and a personal data incident reporting and handling mechanism have been established.</li> <li>Public awareness and training have been strengthened, and securities system control operations have been reinforced.</li> </ol>	workplace misconduct	Workplace misconduct Prevention Plan, and Declaration on the Prevention of Workplace misconduct.	Workplace misconduct handling procedures and reporting channels.	Conducting Business with Integrity	Implement risk assessment of dishonest behavior.	<ol style="list-style-type: none"> <li>Established procedures for handling reports and channels for reporting.</li> <li>Strengthen publicity, improve management and work processes, and revise work specifications.</li> </ol>	4-1 No deviation.				
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4-2 Does the Bank formulate and implement reasonable employee benefit measures (including remuneration, vacation and other benefits) and appropriately reflect operating performance or results in employee compensation?	✓		<p>d. The Bank's 2025 Human Rights Due Diligence Report was reported to the 14<sup>th</sup> meeting of the 3<sup>rd</sup> Sustainable Operations Committee on February 12, 2026, and the 35<sup>th</sup> meeting of the 27<sup>th</sup> Board of Directors on February 26, 2026.</p> <p>e. The human rights policy is disclosed on our official website/Corporate Governance section/Corporate Governance related regulations. In addition, the annual human rights due diligence assessment process and risk mitigation and remedial measures are disclosed in the sustainability report and on our official website/Sustainability Development section.</p> <p>f. The Bank has implemented education and training related to policies or procedures of human rights. The average training time per employee is 0.5 hours, and the percentage of trained employees is 100%. The Bank continues to pay attention to human rights protection matters and enhance awareness of human rights protection.</p> <p>4-2 a. The Bank is committed to creating a diverse and equal happy workplace, with female employees accounting for 65.16% of the total workforce and female managers accounting for 59.84% of all managers. For the various employee welfare measures of the Bank, including further education, training, vacation, retirement system and other welfare measures, please refer to IV. Operational Overview, G. Labor-Management Relations.</p> <p>b. In response to the needs of various business development, we recruit young students to join us every year by participating in campus talent recruitment, we also adopt irregular internal and external recruitment for professional vacancies such as financial marketing, technology, and legal affairs, to enlist experienced or cross-disciplinary digital talents, thereby enriching human assets and creating business performance. In terms of employee recruitment and promotion, the Bank adheres to the principle of people-oriented and merit-based application. At the same time, the Bank follows laws and regulations. The Bank does not give different treatment or discrimination due to factors such as gender, race, religion, political party, etc. The Bank provides market-competitive salary levels, and plan complete training, generous welfare measures and annual promotion system to attract talents. To ensure the stability of the personnel system, the Bank does not employ part-time staff. In 2025, there were no human rights violations, hire of child worker, infringement of indigenous rights and discrimination events.</p> <p>c. The Bank reviews salary of its employees in accordance with the "Salary Scales List for Personnel", reasonable and competitive remuneration is given to employees according to the appointment and responsibility so as to ensure that they do not have different remuneration as a result of their gender, age or race. All salaries are in conformity with legal basic salary standards, each year the Bank determines the level of its salary-adjustment based on the market's expected salary increase, consumer price index and the Bank's performance and capability. The Bank's average salary adjustment rate for 2025 is 5.5%.</p> <p>d. According to the Article 38 of Articles of Incorporation of the Bank, at the end of fiscal year, if there are any profit, shall be distributed with 1% to 6% of the profit as employees' bonuses, of which no less than 20% of the actual distributed amount for the current year shall, in principle, be non-executive employees' compensation; the Bank issues a performance bonus in accordance with the Bank's overall business operating performance and various indicators of its "Employee Performance Appraisal Regulations", "Employee Bonus Payment Regulations", and "Employee Remuneration Distribution Plans", by combining individual employee's professional performance with their performance review.</p>	4-2 No deviation.

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4-3 Does the Bank provide a healthy and safe work environment and organize health and safety training for its employees on a regular basis?	✓		<p>4-3 a. The Bank has an Occupational Safety and Health Committee with 9 members, including 3 labor representatives, and holds regular quarterly meetings to review, coordinate and recommend the Bank's occupational safety and health policies and improve the Bank's safety and health management quality.</p> <p>b. The Bank has "Safety and Health Work Rules" to implement occupational safety and health policy, and we also have "Program to Prevent Employee Musculoskeletal Disorders Brought on by Repetitive Tasks", "Program to Prevent Employee Ailments Brought on by Exceptional Workload", "Program to Protect Maternal Employee's Health", and "Program to Prevent Employee Infringement Happened in Workplace", "Labor Health Service Program" and "Labor Health Management Program" to prevent occupational disasters and diseases.</p> <p>c. The results of the graded management employee health examinations focused on the prevention and control of risk factors in the early stages of chronic diseases, and personalized health guidance provided by attending doctors. A total of 346 employees were interviewed in 2025. Doctors provided health education and prevention and treatment of hypertension, hyperlipidemia, and hyperglycemia, encouraged appropriate exercise, and promoted healthy eating habits to enhance employees' self-management of health knowledge and skills, to create a more friendly, healthy and safe workplace environment.</p> <p>d. Employees are regularly selected to participate in occupational safety and health training, in 2025, the Bank keep the safety of workplace and health of employees through holding thematic lectures such as "Workplace bullying and Sexual harassment," "Creating a friendly workplace starts with understanding and prevention.," and "Influenza Prevention."</p> <p>e. The Bank's Taipei Building has passed the ISO 45001 occupational safety and health management system certification renewal on September 18, 2025(certificated period is 2025/11/4~2028/11/3). The Bank actively implements employee workplace safety and health, and improves occupational safety and health in the workplace. With reference to international standards, the Bank actively manages risks and establishes an appropriate safety and health foundation and management system early to protect the safety and health of employees and related workers.</p> <p>f. In 2025, there were a total of 8 occupational accidents in the Bank. These cases will be used as examples in the "Occupational Safety and Health In-Service Education and Training Program" to prevent similar incidents in the future. In addition, a total of 36 employees from the Bank applied for sick leave in 2025 due to work-related injuries, of which 30 employees of the Bank were injured during commuting, and 6 were injured due to official duties, accounting for 0.51% of the total number of employees. In the Bank's annual executive meeting, managers at all levels are requested to publicize to their colleagues to pay attention to traffic and personal safety to avoid accidents.</p> <p>g. There were no fire incidents at the Bank in 2025.</p> <p>h. For information on employee safety and security, please refer to IV. Operational Overview, G. Labor-Management Relations, a. 3. Employee Safety and Security Measures.</p>	4-3 No deviation.

Promotion Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies with Reasons
	Yes	No	Summary	
4-4 Does the Bank establish effective career development and training plans for its employees?	✓		<p>4-4 a. The Bank attaches great importance to the career development of on-the-job employees. During the period of service in the Bank, employees are supplemented by diversified training channels, including orientation training for new employees, assistant manager training, supervisor function training, etc., to improve employees' professional knowledge and encourage employees to participate in various functional training courses, license verification and online English courses, etc., and provide the digital platform courses of CWLC to cultivate employees' self-learning atmosphere and cultivate cross-disciplinary talents.</p> <p>b. The Bank continues to provide employees training through digital and hands-on courses, assisting them to specialize in finance; the Bank provided 534,601.9 hours training in total, with the per capita training hours of 76.92 based on 6,950 employees as of December 31, 2025.</p>	4-4 No deviation.
4-5 Does the Bank comply with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of its products and services and set up relevant consumer or customer protection policies and complaint procedures?	✓		<p>4-5 The Bank handles financial products and services in accordance with the relevant regulations and international standards of the business competent authorities to safeguard the rights and interests of consumers:</p> <p>a. In purchase of various types of thermal paper rolls, each unit of the Bank requires manufacturers to produce product test reports and comply with national standards to protect customers' rights and interests.</p> <p>b. In order to implement personal data protection, the Bank has formulated "Personal Information File Security Management Program" and related management specifications in accordance with the "Regulations Governing Security Measures of the Personal Information File for Non-government Agencies Designated by Financial Supervisory Commission". In addition, to comply with the EU "General Data Protection Regulation" and the UK "Data Protection Act 2018", the Bank also has formulated the "EU and UK Personal Data Management Regulations"; the Bank has done the personal data management procedures for the collection, processing and utilization of the Bank's operational activities, and personal data security management measures, and set mechanisms such as emergency response and notification of personal data security incidents to maintain customer privacy.</p> <p>c. The Bank's marketing and labeling of various financial products and services shall explain the important contents and exposed risks in the contract, express them in prominent fonts or methods, and list the complaint channels of consumers for disputes arising from financial products or services provided by the Bank.</p> <p>d. In order to protect the rights and interests of financial consumers and handle financial consumption disputes fairly, reasonably and effectively, in accordance with "Principle for Financial Service Industries to Treat Clients Fairly", "Financial Consumer Protection Act" and its relevant sub-laws, the Bank has formulated "Fair Customer Treatment Code", "Financial Consumer Protection Policy", "Financial Consumer Protection Practice Guidelines", "Consumer Complaint Handling Guidelines", "ISO 10002 Complaint Organization and Management Guidelines", "Guidelines for Friendly Financial Services for People with Disabilities", "Notes on Providing Financial Services for People with Disabilities" and "Guidelines for Fair Treatment of Elderly Customers", etc. In addition, the "Treat Customers Fairly Facilitating Committee" was established, ensuring all divisions provide products and services meet the standard of fair treatment through transaction in design, advertisement, sale, contract fulfillment, service counseling and dealing customer complaints, and complying with the financial consumer protection principle so as to implement financial consumer rights and interest protection and improve service quality of the Bank.</p>	4-5 No deviation.

Promotion Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies with Reasons
	Yes	No	Summary	
4-6 Does the Bank formulate supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights? How is the implementation?	✓		<p>e. To optimize the customer complaint management mechanism, the Bank has implemented the ISO 10002 international standard for customer complaint management. This includes organizational and management policies, management objectives, quantitative monitoring indicators, risk and opportunity identification, and management review meetings, in order to enhance the existing complaint management mechanism and strengthen the integrity of the complaint process.</p> <p>4-6 a. To cooperate with suppliers in being committed to the practice of corporate social responsibility, and comply with relevant laws and regulations such as labor rights and human rights, occupational safety and health, environmental protection, and ethical corporate management. The Bank has issued the "Sustainable Procurement Policies," "Corporate Social Responsibility Standards of the Supplier", which stipulates that when the Bank signs a contract with a supplier, the supplier shall be required to sign the "Undertaking to Commit to Social Responsibility by the Supplier" and the content shall be implemented to comply with the Bank's ethical corporate management best practice principles and corporate social responsibility policy of both parties. The Bank may terminate or rescind the contract at any time when above-mentioned policies have been violated and have a great impact on environment and society to the source of community, or if the supplier is involved in dishonest behavior.</p> <p>b. To fulfill commitment and responsibility for supplier management, the Bank has stipulated "Guideline for Chang Hwa Commercial Bank Encouraging Suppliers to Carry out Corporate Social Responsibility" to promote CSR policies through communication meetings with suppliers and requires suppliers to fill in the "Self-assessment Checklist on Corporate Social Responsibility for Suppliers" and substantive transactions can be carried out after the Bank's review that there is no violation of laws and regulations. The Bank also visits suppliers with large transaction irregularly, and fills in "Supplier Visit Report" according to results to make sure the current status of suppliers to supervise them to implement corporate social responsibility.</p> <p>c. The Bank has established the "Human Rights Policy" and "Human Rights Due Diligence Procedure," conducting human rights due diligence at least once a year. The process includes identifying human rights issues, identifying major issues, risk assessment and management, and monitoring and disclosure. Suppliers are included in the identification process for risk assessment and management. In 2025, the Bank initially visited one supplier with human rights management concerns (labor hours issues) and requested the supplier to explain the subsequent remedial management of labor rights disputes. After the supplier implemented internal review measures such as compliance promotion and employee training, no further disputes occurred. This case will be included in future case analyses to improve the Bank's supplier human rights management.</p> <p>d. The procurement management work passed the ISO 20400 sustainable procurement standard (BSI) audit in 2025. A total of 47 suppliers signed "Undertaking to Commit to Social Responsibility by the Supplier" (100% achievement rate), and accomplished interview for 2 suppliers as well, to master the results of suppliers' corporate social responsibility practices.</p>	4-6 No deviation.

Promotion Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies with Reasons
	Yes	No	Summary	
5. Does the Bank refer to internationally-used standards or guidelines for the preparation of reports such as ESG reports to disclose non-financial information? Are the reports certified or assured by a third-party accreditation unit?	✓		The Bank published its 2024 ESG Report in 2025, following the GRI Sustainability Reporting Standards 2021 and the SASB Commercial Banks Standard. Both reports received independent assurance opinions from BSI, a third-party verification body. The former underwent a Type 2 moderate assurance in accordance with the AA1000 Assurance Standard V3, while the latter underwent a Type 1 adherence assurance. In addition, in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, the Bank engaged EY as its independent limited assurance provider in accordance with the Standards on Assurance Engagement No.3000 on Assurance Engagements Other than Audits or Reviews of Historical Financial Information; the aforementioned ESG Report is disclosed on the Bank's official website.	No deviation.
6. If the Bank has established sustainable development best-practice principles based on the "Sustainable Development Best Practice Principles for TWSE / TPEX Listed Companies", describe the implementation and any deviations from such principles: The Bank's "Sustainable Development Best Practice Principles" is formulated with reference to the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", (former name refers to Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies) the implementation of relevant affairs is in accordance with the principles currently, and there is no deviation.				
7. Other important information to facilitate a better understanding of sustainable development practices: For other implementation of sustainable development by the Bank, please refer to IV. Operational Overview, C. Corporate Responsibility and Moral Behavior, and the Bank's 2025 ESG Report.				