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In case of inconsistency between the original Chinese version and the English version, the terms of the Chinese version shall prevail and apply. In case of doubt, the Chinese-language version should always be referred to.

Chang Hwa Commercial Bank, Ltd.
Minutes of the 2026 Annual General Shareholders' Meeting (Summary Translation)

- Date and Time：9：00 a.m. on Thursday, June 18, 2026
- Place：No.57, Sec. 2, Zhongshan N. Rd., Taipei City, Taiwan.
- Meeting type: Physical shareholders' meeting
- Total outstanding shares of the Company: 11,766,046,253 shares
- Total shares represented by shareholders present in person or by proxy: 9,090,813,877 shares (including 6,939,714,499 shares voted via electronic)
- Percentage of shares held by shareholders present in person or by proxy: 77.26 %
- Attending directors (8 directors, More than half of the directors):

  Directors (5 directors)

  Kuang-Hua Hu, Chih-Kuang Chien, Shiu-Yen Lin, Chien-Yi Chang, Jen-Chieh Hsu

  Independent Directors (3 Independent Directors)

  Yu-Hsueh Wu (Chairman of Audit Committee), Shu-Hua Lee, Chao-Kuei Huang
- Observers:

  Hengsheng Attorneys-at-Law-Lawyer: Chih-Ching Yu

  Deloitte & Touche CPA: Amanda Wu
- Chairman: Kuang-Hua Hu, Chairman of the Board of Directors
- Minutes taken down by Wei-Chen Liu, Hsin-Yi Chung

Announcement: The aggregate shareholding of the shareholders present constituted a quorum; therefore, the meeting began.

Chairman Remarks

Good morning, distinguished shareholders, board members, and predecessors.

First, I would like to express my heartfelt thanks to everyone for taking the time out of your busy day to attend Chang Hwa Bank's 2026 Annual General Meeting. Your ongoing support, trust, and encouragement are the important driving forces behind our sustained growth and continuous pursuit of excellence. On behalf of the entire Chang Hwa Bank team, I am honored to express our deepest thanks and highest respect to our shareholders.

Established over 120 years ago, Chang Hwa Bank (CHB) is one of the longest-standing financial institutions in Taiwan. For the past 120 years, we have remained committed to our core value of Integrity, Stability, Innovation, and Sustainability, growing alongside with Taiwan's economic development. In response to the challenges raised by rapid changes in the global financial environment, growing geopolitical risks, and digital technology trends, CHB continues to uphold these core values while maintaining a customer-centric approach. We remain committed to strengthening our competitiveness, enhancing our business performance, and create stable, long-term value for our shareholders.

In 2025, under the theme "120 Years of Heritage, Reaching New Heights", and through the concerted efforts of all our employees, we achieved remarkable business results.

Consolidated net profit after tax reached NT$17.775 billion, representing a year-on-year increase of nearly 20%. After-tax earnings per share reached NT$1.51, setting a record for recent years. CHB achieved a return on equity of 8.43% while maintaining an exceptional non-performing loan ratio of 0.16% and increasing the non-performing loan coverage ratio to 836.89%, all of which demonstrates our stable asset quality and continuous enhancement of risk resilience. These results not only highlight the management team's dedication but also substantially reflect the success of CHB's sound business strategy.

In terms of sustainable development, our continuous integration of ESG principles into our business strategy and corporate culture has earned significant recognition both domestically and internationally. Our achievements include being ranked for the first time among the top 5% of banks globally by S&P Global, maintaining a top 5% position among listed companies in the Corporate Governance Evaluation for 5 consecutive years, and consistently sustaining high credit ratings from Moody's and S&P. These performance metrics highlight CHB's dedication to financial performance as well as our commitment to environmental sustainability, social responsibility, and corporate governance, supporting our steadily steady progress toward sustainable development.

In response to global climate change and the net-zero transition trend, we are proactively fulfilling our role as a financial institution in promoting sustainable development. By offering green financing, sustainable financial products, and financing for responsible investment, we channel capital to support low-carbon transition and the development of sustainable industries. Additionally, we have incorporated climate and natural risks into our management framework to progressively align with international standards and disclosure requirements and fulfill our sustainability commitments through specific actions.

Looking ahead to 2026, we have established the core operational theme of "Reaching New Heights and Creating New Value" to continuously promote profit growth, business transformation, and sustainable development. As of the end of May 2026, our consolidated after-tax earnings reached NT$9.11 billion, representing a 26.69% year-on-year increase and reflecting continuous enhancement in momentum across all business operations. In addition to the steady growth of interest income from our core business, our two growth engines—wealth management and overseas operations—also continue to generate operational benefits and ensure a more balanced and robust revenue structure.

In the future, CHB will continue to focus on the following five development directions:

1. Enhancing customer management to build a customer-centric financial service model.
2. Promoting digital transformation and AI applications to improve service efficiency and customer experience.

3. Strengthening our core deposit and loan operations, wealth management services, and overseas businesses to establish diversified revenue sources.
4. Reinforcing risk management and legal compliance to maintain excellent asset quality.
5. Investing in sustainable financial services and net-zero transition to create shared value and mutual prosperity for the company, society, and customers.

We firmly believe that only through continuous innovation, robust operations, an emphasis on talent cultivation, and the fulfillment of corporate social responsibility can we continuously enhance our competitiveness in a rapidly changing environment and move toward our vision of becoming a premier international financial partner in the Asia-Pacific region and creating sustainable value through smart finance.

Ladies and gentlemen, the success achieved by CHB today is a result of our employees' dedication, the Board's support, and all shareholders' long-term trust and encouragement. In the future, based on our commitment to professionalism, integrity, and responsibility, we will continue to enhance our management performance to deliver greater returns for shareholders, provide premium services for customers, and create more positive value for society.

The proposals listed on the agenda for this Annual General Meeting are vital to the Bank's future development and the interests of all shareholders. We kindly request your continued support for these proposals and welcome your continued guidance and encouragement for our management team.

The agenda for this year's Annual General Meeting includes three report items, two ratification items, three discussion items, one election, and one other motion. In the interest of time, please note that during the reporting session, all three reports will be read together before we open the floor for Q&A. Thank you for your cooperation.

Finally, thank you once again for your continued support and care for Chang Hwa Bank. We wish you and your families good health and all the best. Thank you for joining us today!

Report Items
Report No. 1:

2025 Business Outline.

President Chih-Kuang Chien reported on the overall state of the Bank's business in 2025.

Good morning to Chairman, attending shareholders, distinguished guests, members of the Board, Union Chairman Hsu and other union representatives, members of the media, and fellow colleagues.

Welcome to Chang Hwa Bank's 2026 Annual General Meeting. We sincerely thank you for your enduring support and trust in Chang Hwa Bank (CHB), which have enabled us to demonstrate strong growth momentum and financial resilience amidst a highly challenging business environment and achieve record-high results. On behalf of the entire CHB team, I am honored to express our heartfelt gratitude to all our investors.

Over the past year, we have focused on eight major development guidelines to upgrade our operational structure and strengthen growth momentum, successfully enhancing overseas profitability and wealth management fee income. The Bank's 2025 business performance was exceptional, with pre-tax earnings reaching a record high of NT$21.117 billion. Since the Chairman has already explained the other performance figures, I will not elaborate on them further.

This year, our eight major strategies will be further extended and deepened through four focal points—structural optimization, interest rate spread expansion, deepened collaboration, and operational stability—allowing CHB to move toward its next profit peak.

First, we are keeping pace with the supply chain relocation trend of Taiwanese enterprises and accelerating our global operational deployment:

During the first half of this year, the Bank accelerated the establishment of its Labuan Branch and Kuala Lumpur marketing service office in Malaysia, as well as branches in Sydney, Australia, and Toronto, Canada. Additionally, the Bank's Board of Directors recently approved a proposal to establish a representative office in Phoenix, Arizona, in the United States. We will integrate domestic and overseas resources to optimize cross-border collaboration mechanisms, thereby enhancing the profitability of loan operations and increasing interest rate spreads.

Second, we are expanding our high-net-worth wealth management services to secure the growth of non-interest revenue:

During the first quarter of this year, the Bank officially entered Kaohsiung's Asia New Bay Area and established our High-Net-Worth Wealth Management Center to proactively expand our services for high-net-worth clients. By continuing to introduce a diverse range of premium products, such as unregistered funds and private equity funds, we have enhanced our product competitiveness and aligned with the national financial strategy of developing Taiwan into an Asian Asset Management Center.

Moreover, to precisely meet the needs of high-net-worth clients, we are establishing a dedicated team comprising branch-level financial consultants, senior high-net-worth advisors from the Head Office, and various advisory specialists (including experts in investment, trust, insurance, and taxation). The team will provide clients with consultation services related to customized products as well as asset allocation and tax planning. Moreover, we will collaborate with third-party professional organizations (such as accounting and law firms) to develop comprehensive one-stop services, such as a family office services, providing high-net-worth clients with globally competitive wealth management solutions. We will also integrate the resources of our offshore business bases to meet customers' cross-border asset allocation needs, which will increase fee-based revenue and optimize our revenue structure.

Third, we are shifting our focus from digital transformation to AI implementation to further strengthen CHB's core competitiveness:

The Bank holds regular meetings on digital transformation, bringing together different departments and offices to discuss and assess the introduction of new financial technologies. Through this process, the Bank has established a solid foundation for AI applications across areas such as fraud prevention, data analytics, process optimization, and intelligent assistants. By taking firm steps, and on the premise of compliance and risk control, the Bank is actively investing resources in the implementation of the Financial Large Language Model (FinLLM) program to accelerate the R&D of AI applications.

As for future planning, the Bank will progressively establish a dedicated AI team based on the current digital foundation. We are also planning the phased integration of generative AI technologies into our operations. Applications will include next-generation customer service, smart operations, and risk control and audit, driving CHB's stable growth through secure and smart technologies.

At the present, CHB's core operations are steadily improving. During the first quarter of this year, after-tax earnings reached NT$5.221 billion, representing a year-on-year increase of 26.27%, with earnings per share of NT$0.44, which has set a solid foundation for robust growth throughout the year. Furthermore, the Bank's longstanding commitment to ESG practices has earned widespread international recognition. In addition to being selected once again as a constituent of the Dow Jones Best-in-Class World Indices and Emerging Markets Indices, CHB was also ranked among the top 5% of the global banking industry for the first time this year. This marks our best performance to date and demonstrates CHB's stable operations and sustainable navigation soft power.

These outstanding operational achievements are attributable to not only the dedication of our management team and all employees, but also the strategic guidance of the Board of Directors, the constructive coordination of our labor union, and the support of our shareholders and investors, who form a solid foundation for CHB's success.

Although the external environment will continue to present significant uncertainties and challenges during the second half of the year, CHB has built a stronger earnings engine and enhanced resilience to cope with these challenges. We will take proactive steps to reach new peaks and set new milestones to create mutual prosperity and sustainable value for our customers, shareholders, and employees. Thank you once again for your time and participation. We wish you and your families good health and all the best.

(Noted)

Report No. 2:

Audit Committee review of 2025 audited Financial Statements.
(Please refer to pages 79 to 80 of the handbook.)

(Noted)

Report No. 3:

The Company's 2025 employee and director remuneration distribution status.

Explanation:

As adopted by the 36^{th} board meeting of the 27^{th} term held on March 27, 2026 for distribution of the Company's 2025 employee and director remuneration. The employees' cash remuneration is NT$1,139,762,586 and the directors' (independent directors not included) cash remuneration is NT$89,393,144.

(Noted)

Summary of shareholder comments on Items 1 to 3 of the items to be reported:

1.Shareholder ◯-Yen Lin (Shareholder No. 230461) inquired about the procedures for the meeting and the rules for proposal resolutions.

Chairman's explanation:

The convening of the Company's shareholders meetings and the resolutions of all proposals are conducted in accordance with the regulations set by the competent authorities.

The lawyer's explanation:

Pursuant to Article 174 of the Company Act, resolutions at a shareholders meeting require the presence of shareholders representing more than one-half of the total issued shares, and are adopted through a majority vote of the shareholders present. The shareholding of the shareholders present today complies with the provisions of the Company Act.

2. Shareholder ◯- Yu Kuo (Shareholder No. 2367589) expressed hope that the Company will utilize their oil paintings for the annual corporate calendar to demonstrate the Company's support of the arts.

Chairman's explanation:

We will follow up with you after the meeting to discuss potential collaboration opportunities.

3.Shareholder ◯-Yen Lin (Shareholder No. 230461) inquired about:

(1) The determination of directors' remuneration and the scope of directors' duties.

(2) The listed director nominees categorized as private shareholder representatives.

Chairman's explanation:

The Company's regulations on directors' remuneration, the scope of directors' duties, and the list of director nominees have been outlined in the meeting handbook, and fully comply with external regulations.

Ratification Items

Ratification Item No. 1: Adoption of the Company's 2025 Business Report and Financial Statements.

Explanation:

The Company's 2025 Financial Statements, balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows, etc. (including stand-alone and consolidated basis, please refer to pages 81 to 112 of the handbook), have been certified by Amanda Wu, CPA and Jerry Gung, CPA of Deloitte & Touche, and the Business Report has also been reviewed by the Company's Audit Committee and approved by the 35th meeting of the 27th term of the Board of Directors. Please adopt them.

Summary of shareholder comments:

1. Legal representative of Shareholder Chih Ying Co., Ltd. ◯-Ying Wu (Shareholder No. 3177388) inquired about the Company's plans for mergers and acquisitions with other financial institutions.

   Chairman's explanation:

   The Company remains open to potential merger and acquisition opportunities and will evaluate them as they arise. Currently, our primary focus is on maximizing the Bank's overall synergies.

2. Shareholder ◯-Yen Lin (Shareholder No. 230461) inquired about the Company's plans for the distribution of cash and stock dividends.

   Chairman's explanation:

   Dividend distribution will be determined upon consideration of regulatory requirements, business performance, and the Bank's capital adequacy ratio. Compared with other financial institutions, the Company's dividend payout ratio for both stock and cash dividends has exceeded the industry average. We hope that all shareholders will continue to support the Company's business development.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis. Voting on the items listed under "Ratification Items" and "Discussion Items" will be conducted collectively after all proposals have been discussed.

Voting results:

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 9,090,792,298.

Voting results	Percent of total represented share present
Approval votes: 8,544,465,785 votes (including 6,400,109,956 votes voted via electronic transmission)	93.99%
Disapproval votes: 2,440,246 shares (including 2,354,220 votes voted via electronic transmission)	0.02%
Invalid votes: 3,728 votes	0.00%
Abstention votes：543,882,539 shares (including 537,250,323 votes voted via electronic transmission)	5.98%

Resolution: voted and approved as proposed.

Ratification Item No. 2: Adoption of the Company's distribution of 2025 profit.

Explanation:

1. The Company's 2025 net profit after tax was NT$ 17,774,866,100.27. After aggregating items except for net profit after tax: remeasurement of defined benefit plan, the amount was NT$282,148,829.30, and gain on disposal of investments in equity instructions measured at fair value through other comprehensive income, the amount was NT$292,304,447.00, and setting aside 30% legal reserve of NT$5,504,795,813.00 by law along with the beginning retained earnings of NT$335,125,139.84, the distributable net profit was NT$13,179,648,703.41. The proposed distribution of profit is scheduled as below:
   (1) Distribution of dividend to common stock shares – cash (NT$0.80 per share): NT$ 9,412,837,002.00.
   (2) Distribution of dividend to common stock shares – stock (NT$0.25 per share): NT$ 2,941,511,560.00.
   (3) Unappropriated retained earnings are NT$825,300,141.41.

2. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date, ex-rights date, and other relevant issues. The ex-dividend date will be determined after the competent authorities approve the capitalization of the earnings case.

3. The last annual surplus is assigned in priority order.

4. The total cash dividend amount will be distributed to each individual shareholder to the nearest NT$1, and fractional amounts less than NT$1 will be listed in other incomes of the Company.

5. If the number of outstanding shares is affected by any situations leading to a change in shareholder's distribution ratios, the Board of Directors will be authorized to adjust the distribution terms.

6. Attachment: 2025 Profit Distribution Table.

<u>Summary of shareholder comments:</u>

1. Shareholder ◯-Ling Chen (Shareholder No.2351691) inquired about the Company's future stock price performance.

<u>Chairman's explanation:</u>

We appreciate the question raised by Shareholder Chen. Driven by our management team's proactive business expansion initiatives, the Company has achieved consistent profit growth in recent years. We hope this will boost our share price and look forward to your continued support.

2. Shareholder ◯-Ying Wu (Shareholder No.3132891) inquired about the Company's ROE growth trend.

Chairman's explanation:

We appreciate the question raised by Shareholder Wu. Our ROE has seen a steady upward trend over the past 2 years. Provided that we achieve higher profitability this year, we expect this growth to drive our ROE even further.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis. Voting on the items listed under "Ratification Items" and "Discussion Items" will be conducted collectively after all proposals have been discussed.

Voting results:

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 9,090,792,298.

Voting results	Percent of total represented share present
Approval votes: 8,547,992,528 votes (including 6,403,551,673 votes voted via electronic transmission)	94.02%
Disapproval votes: 2,799,530 shares (including 2,798,530 votes voted via electronic transmission)	0.03%
Invalid votes: 3,728 votes	0.00%
Abstention votes：539,996,512 shares (including 533,364,296 votes voted via electronic transmission)	5.94%

Resolution: voted and approved as proposed.

Attachment

Chang Hwa Commercial Bank, Ltd.

2025 Profit Distribution Table

(Unit: NTD$)

Net profit after tax	17,774,866,100.27
Add (Less): Items except for net profit after tax:	
Remeasurement of defined benefit plan	282,148,829.30
Gain on disposal of investments in equity instructions measured at fair value through other comprehensive income	292,304,447.00
Incorporation of distributable net profit	18,349,319,376.57
Set aside 30% legal reserve	(5,504,795,813.00)
Beginning retained earnings	335,125,139.84
Distributable net profit	13,179,648,703.41
Distributable items:	
Cash dividends on common shares - NT$0.80 per share	(9,412,837,002.00)
Stock dividends on common shares - NT$0.25 per share	(2,941,511,560.00)
Unappropriated retained earnings	825,300,141.41

Note:

1. The last annual surplus is assigned in priority order.
2. Legal reserve was calculated by sum of “net profit after tax and items except for net profit after tax“ in accordance with the January 9, 2020 letter No. 10802432410 (Ministry of Economic Affairs) Gin-Shang.

Discussion Items

Discussion Item No. 1: Discussion and ratification of the Company’s issuance of new shares through capitalization of earnings.

Explanation:

1. In order to reinforce working capital, strengthen the financial structure and raise the capital adequacy ratio, the Company plans to set aside NT$2,941,511,560 from the stock dividends of distribution of 2025 profit as the capital for issuing new shares with a face value of NT$10 per share in accordance with Article 240 of the Company Act. It is expected to issue

294,151,156 shares of common stock and, after the capitalization of earnings, the Company's capital will become NT$120,601,974,090.

2. The Board of Directors is authorized to set the record date for the proposed capital increase after the approval of competent authority in connection therewith is granted. The distribution of the new shares should be made to the shareholders with no consideration at the ratio of 25 new shares for every 1,000 shares held by shareholders according to their respective shareholding as stated in the shareholders' register book on the record date. Shareholders may, within 5 days from the record date for stock dividend, apply to the stock affairs agent of the Company to combine fractional shares into one share, otherwise cash shall be paid in lieu thereof at the share's par value. Fractional shares thus collected by the Company will be placed at its par value with specific parties as determined by the Chairperson under the authorization of the AGM.

3. The rights and obligations of the newly issued shares will be the same as those of existing shares.

4. As a result of the repurchase of the Company's shares or assignment, conversion and deletion of the treasury stock. The Board of Directors is authorized to adjust the distribution terms if the number of outstanding shares is affected by an amendment to relevant laws or regulations, a request by the competent authorities, or other situations leading to change in shareholder's distribution ratios.

Summary of shareholder comments: None.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis. Voting on the items listed under "Ratification Items" and "Discussion Items" will be conducted collectively after all proposals have been discussed.

Voting results:

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 9,090,792,298.

Voting results	Percent of total represented share present
Approval votes: 8,547,691,534 votes (including 6,403,442,262 votes voted via electronic transmission)	94.02%
Disapproval votes: 2,838,547 shares (including 2,837,547 votes voted via electronic transmission)	0.03%
Invalid votes: 3,728 votes	0.00%
Abstention votes：540,258,489 shares	5.94%

(including 533,434,690 votes voted via electronic transmission)	

Resolution: voted and approved as proposed.

Discussion Item No.2: **To align with corporate governance trends and enhance the transparency of the Company's global financial market information disclosures, the proposal to amend the text of Articles 20 and 29 of the Company's Articles of Incorporation is submitted for deliberation and approval.**

Explanation:

1. To enhance corporate governance, the Company propose to adjust the title of the head of regulatory compliance and clarify a comprehensive procedure for the appointment, dismissal, or transfer of the chief auditor; therefore, amendments of Articles 20 and 29 of the Company's Articles of Incorporation have been proposed. The key revisions are itemized as follows:
   (1) The "head of regulatory compliance" will be renamed as the "Chief Compliance Officer". (Amendment to Article 20)
   (2) In accordance with Article 10 of the Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries, the appointment, dismissal, or transfer of the chief auditor must be approved by the majority of Audit Committee members before being submitted to the Board of Directors for deliberation. Thus, a provision stipulating the Audit Committee's approval threshold will be newly added. (Amendment to Article 29)

2. Attachment: The Comparison Table of Draft Amendments to Articles 20 and 29 of the Company's Articles of Incorporation.

Summary of shareholder comments: None.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis. Voting on the items listed under "Ratification Items" and "Discussion Items" will be conducted collectively after all proposals have been discussed.

Voting results:

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 9,090,792,298.

Voting results	Percent of total represented share present
Approval votes: 8,547,881,161 votes	94.02%

(including 6,403,527,906 votes voted via electronic transmission)	
Disapproval votes: 2,687,032 shares (including 2,601,006 votes voted via electronic transmission)	0.02%
Invalid votes: 5,007 votes	0.00%
Abstention votes：540,219,098 shares (including 533,585,587 votes voted via electronic transmission)	5.94%

Resolution: voted and approved as proposed.

Attachment

Chang Hwa Commercial Bank, Ltd.
Articles of Incorporation
Comparison Table of Draft Amendments to Articles 20 and 29

Amended by the general Shareholders' Meeting on June 18th, 2026

Amended articles	Current articles	Descriptions
Article 20 The duties and powers of the Board of Directors shall be as follows: (1) To approve rules and regulations matters defining power and responsibility, articles of association and important businesses of the Bank. (2) To approve business operations plan. (3) To propose the increase or reduction of capital. (4) To approve the establishment, revocation or changes of the branch institutions. (5) To approve various significant contracts or agreements. (6) To approve yearly and half-yearly financial reports. (7) To approve the budgets. (8) To approve real estate	Article 20 The duties and powers of the Board of Directors shall be as follows: (1) To approve rules and regulations matters defining power and responsibility, articles of association and important businesses of the Bank. (2) To approve business operations plan. (3) To propose the increase or reduction of capital. (4) To approve the establishment, revocation or changes of the branch institutions. (5) To approve various significant contracts or agreements. (6) To approve yearly and half-yearly financial reports. (7) To approve the budgets. (8) To approve real estate	1. This Article is amended. 2. Adjusted the title of the head of regulatory compliance, changing it to the “Chief Compliance Officer”.

Amended articles	Current articles	Descriptions
transactions. (9) To approve investments in other companies. (10) To propose profit distribution or loss appropriation. (11) To review discussion on business reports. (12) To approve internal control system. (13) To decide and determine director's remuneration, regardless of profit or loss, the remuneration of the directors to be on par with the salary levels of directors of financial institutions similar in size to the Bank. (14) To approve the appointment, dismissal and remuneration of the President, Executive Vice-Presidents, Chief Auditor, <u>Chief Compliance Officer</u>, section heads and branch heads. (15) To handle assignments from Chairman of the Board. (16) All other authority in accordance with the law, articles of incorporation and vested by the meetings of the shareholders. When exercising the authority under item (9) of this Article, the Board of Directors is not required to limit the Bank's total amount of investments to 40% of the Bank's capital as prescribed in paragraph 2	transactions. (9) To approve investments in other companies. (10) To propose profit distribution or loss appropriation. (11) To review discussion on business reports. (12) To approve internal control system. (13) To decide and determine director's remuneration, regardless of profit or loss, the remuneration of the directors to be on par with the salary levels of directors of financial institutions similar in size to the Bank. (14) To approve the appointment, dismissal and remuneration of the President, Executive Vice-Presidents, Chief Auditor, <u>head of regulatory compliance</u>, section heads and branch heads. (15) To handle assignments from Chairman of the Board. (16) All other authority in accordance with the law, articles of incorporation and vested by the meetings of the shareholders. When exercising the authority under item (9) of this Article, the Board of Directors is not required to limit the Bank's total amount of investments to 40% of the Bank's capital as prescribed in paragraph 2	

Amended articles	Current articles	Descriptions
Article 13 of the Company Act. (Paragraph 2 is omitted)	Article 13 of the Company Act. (Paragraph 2 is omitted)	
Article 29 The Chief Auditor shall be responsible for leading and supervising the Internal Audit Division which comes under the Board of Directors. The Internal Audit Division shall assess and put it on record the internal control system and its performance and shall report its audit business to the Board of Directors at a minimum period of every six months. The employment, dismissal or transfer of the Chief Auditor <u>should have the consent of the majority of audit committee members as well as the consent of more than two-thirds of the board of directors and report to the competent authority for ratification.</u>	Article 29 The Chief Auditor shall be responsible for leading and supervising the Internal Audit Division which comes under the Board of Directors. The Internal Audit Division shall assess and put it on record the internal control system and its performance and shall report its audit business to the Board of Directors at a minimum period of every six months. The employment, dismissal or transfer of the Chief Auditor <u>shall be allowed only if consent of more than two-thirds of the directors is given and prior approval is obtained from the competent authority.</u>	1. This Article is amended. 2. Pursuant to Article 10 of the Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries, the threshold for approval by the Audit Committee has been newly added.

Note: The Implementation Rules of Internal Audit and Internal Control Systems of Financial Holding Companies and Banking Industries was amended on May 6, 2026, by the Financial Supervisory Commission (FSC) under Order No. 11502710961. Article 10 was moved to Article 27.

Discussion Item No.3: To comply with the amendments to some articles of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies enacted by the Financial Supervisory Commission (FSC), the proposal to revise the Company's Asset Acquisition and Disposal Procedures is submitted for deliberation and approval.

Explanation:

1. In accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies as revised, promulgated, and implemented by the FSC via order Chin-

Kuan-Cheng-Fa-Tzu No. 1140383333 on July 24, 2025, and pursuant to the provisions of the Company's Regulations for Formulating Operating Rules and Bylaws, the Company's Asset Acquisition and Disposal Procedures have been revised and renamed the "Regulations Governing the Acquisition and Disposal of Assets by Chang Hwa Commercial Bank Ltd." The key revisions are itemized as follows:

(1) As the Company is involved in a financial undertaking that requires special permissions, i.e., conducting derivatives trading business or engaging in derivatives transactions, it shall comply with other laws and regulations applicable to its industry. Among the relevant external regulations applicable to the Company, the provisions of Article 4, Paragraph 1, Subparagraph 20, Item 2 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities stipulate that public disclosure and filing is required in the event of any unrealized losses on derivatives trading amounting to 3% or more of net worth. However, there is no regulation requiring public disclosure and filing for losses on individual contracts. Therefore, the threshold for loss reporting has been revised. (Amendment to Article 32, Paragraph 1, Subparagraph 3)

(2) Considering that the Company's acquisition or disposal of equipment for business use falls under the category of normal business operations, and in light of the principle of materiality in information disclosure, the threshold for public disclosure and filing of the acquisition or disposal of equipment for business use, where the transaction counterparty is an unrelated party, has been revised. (Amendment to Article 32, Paragraph 1, Subparagraph 4)

(3) Because the Company needs to conduct capital adjustment through investment in fixed-income bonds to increase cash yield, based on consideration of the principle of materiality in information disclosure as well as assessment of product risk attributes, a new subparagraph has been added stipulating the threshold for public disclosure and filing of the Company's acquisition or disposal of government bonds, ordinary corporate bonds, and general financial debentures without equity characteristics, where the transaction counterparty is not a related party. (Amendment to Article 32, Paragraph 1, Subparagraph 6)

2. Attachment: The Comparison Table of Amendments to Some Articles of the Company's Asset Acquisition and Disposal Procedures.

Summary of shareholder comments: None.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis. Voting on the items listed under "Ratification Items" and "Discussion Items" will be conducted collectively after all proposals have been discussed.

Voting results:

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 9,090,792,298.

Voting results	Percent of total represented share present
Approval votes: 8,548,170,650 votes (including 6,403,625,812 votes voted via electronic transmission)	94.03%
Disapproval votes: 2,744,923 shares (including 2,658,897 votes voted via electronic transmission)	0.03%
Invalid votes: 5,007 votes	0.00%
Abstention votes：539,871,718 shares (including 533,429,790 votes voted via electronic transmission)	5.93%

Resolution: voted and approved as proposed.

Attachment

Chang Hwa Commercial Bank, Ltd.
Comparison Table of Amendments to the Procedure for Acquisition and Disposal of Assets

Amended by the general Shareholders' Meeting on June 18th, 2026

Amended articles	Current articles	Descriptions
Article 1 The Disposition <u>Regulations have been formulated</u> in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies enacted by the Financial Supervisory Commission.	Article 1 The Disposition <u>Procedures is set up</u> in accordance with the "Regulations Governing the Acquisition and Disposal of Assets By Public Companies" enacted by the Financial Supervisory Commission.	The title has been revised to align with the provisions of Articles 4, 5, and 6 of the Chang Hwa Commercial Bank Ltd. Regulations for Formulating Operating Rules and Bylaws, as amended at the 33rd meeting of the 25th Board of Directors held on January 21, 2020.
Article 2 The Bank's acquisition or disposal of assets <u>will</u> be processed in accordance with the Disposition <u>Regulations</u> unless otherwise prescribed by other statutory laws and regulations. Matters not covered by the Disposition <u>Regulations are</u>	Article 2 The Bank's asset acquisition or disposal <u>shall</u> be processed in accordance with the Disposition <u>Procedures</u> unless otherwise prescribed by other statutory laws and regulations. Matters not covered by the Disposition <u>Procedures shall</u>	See Article 1.

Amended articles	Current articles	Descriptions
subject to the regulations of the Bank's relevant businesses.	be subject to the regulations of the Bank's relevant businesses.	
Article 3 The applicable scope of the assets referred to in the Disposition Regulations is as follows: 1. Investments in stocks, government bonds, corporate bonds, financial debentures, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficiary securities, asset-backed securities, etc. 2. Real property (including land, houses and buildings, and investment property) and equipment. 3. Membership certificates. 4. Intangible assets such as patent rights, copyrights, trademark rights, franchises, etc. 5. Right-of-use assets. 6. Claims of the Bank (including receivables, foreign exchange purchase and discount and loans, as well as overdue receivables). 7. Derivatives. 8. Assets acquired or disposed of through merger, split, acquisition, or transfer of shares by law. 9. Other major assets.	Article 3 The applicable scope of the assets referred to in the Disposition Procedures is as follows: 1. Investments in stocks, government bonds, corporate bonds, financial debentures, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficiary securities, asset-backed securities, etc. 2. Real property (including land, houses and buildings and investment property) and equipment. 3. Membership certificates. 4. Intangible assets such as patent rights, copyrights, trademark rights, franchises, etc. 5. Right-of-use assets. 6. Claims of the Bank (including receivables, foreign exchange purchase and discount and loans as well as overdue receivables). 7. Derivatives. 8. Assets acquired or disposed of through merger, split, acquisition or transfer of shares by law. 9. Other major assets.	See Article 1.

Amended articles	Current articles	Descriptions
Article 4 Terms used in the Disposition Regulations are defined as follows: 1. Derivatives: Refers to forward contracts, option contracts, futures contracts, leverage contracts, and swap contracts whose value is derived from specified interest rates, financial instrument prices, commodity prices, forex rates, indexes of prices or rates, credit ratings or credit indexes, or other variables; hybrid contracts combining the above contracts; or hybrid contracts or structured commodities containing embedded derivatives. The term "forward contracts" referred to above does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term purchase (sales) contracts. 2. Assets acquired or disposed of through merger, split, acquisition, or transfer of shares by law: Refers to the assets acquired or disposed of through merger, split, acquisition, or transfer of shares in accordance with the Business Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act, or other laws; or the transfer	Article 4 Terms used in the Disposal Procedure are defined as follows: 1. Derivatives: They refer to forward contracts, option contracts, futures contracts, leverage contracts and swap contracts whose value is derived from specified interest rates, financial instrument prices, commodity prices, forex rates, indexes of prices or rates, credit ratings or credit indexes or other variables, hybrid contracts combining the above contracts or hybrid contracts or structured commodities containing embedded derivatives. The term "forward contracts" referred to above does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sales) contracts. 2. Assets acquired or disposed of through merger, split, acquisition or transfer of shares by law: They refer to the assets acquired or disposed of through merger, split, acquisition or transfer of shares in accordance with the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act or other laws, or the transfer	See Article 1.

Amended articles	Current articles	Descriptions
of shares from another company through issuance of new shares of its own as the consideration (hereafter referred to as the transfer of shares) in accordance with Article 156-3 of the Company Act. 3. Related parties and subsidiaries: Defined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 4. Professional appraisers: Refers to real property appraisers or those who may lawfully engage in the appraisal of real property or equipment. 5. Fact occurrence date: Refers to the contract signing date, payment date, date fixing a consigned order, ownership transfer date, Board meeting resolution date, or any other date that can confirm the transaction counterparty and the trading amount, whichever date is earlier. However, for an investment requiring approval from the competent authority, the fact occurrence date is determined according to the earlier of the above dates or the date of receiving approval from the competent authority. For assets acquired from a court statement or auction, the fact occurrence date is	of shares from another company through issuance of new shares of its own as the consideration (hereafter referred to as the transfer of shares) in accordance with Article 156-3 of the Company Act. 3. Related parties and subsidiaries: They shall be defined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 4. Professional appraisers: They refer to real property appraisers or those who, by law, may engage in appraisal of real property or equipment. 5. Fact occurrence date: It refers to the contract signing date, payment date, date fixing a consigned order, ownership transfer date, board meeting resolution date or any other date that can confirm the transaction counterparty and the trading amount, whichever date is earlier. However, for the investment required to be approved by the competent authority, the fact occurrence date shall be determined according to the earlier of the above dates or the date of receiving the approval from the competent authority. For the assets acquired from court statement or auction,	

Amended articles	Current articles	Descriptions
determined according to the earlier of the date that can confirm the transaction counterparty and the trading amount or the date of receiving the court’s approval document. 6. Mainland China investment: Refers to investments made in the mainland China area in accordance with the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area enacted by Economic Affairs Investment Commission, MOEA. 7. Investment professionals: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies established by law and governed by their local financial competent authorities. 8. Securities exchanges: The domestic securities exchange refers to Taiwan Stock Exchange Corporation (TWSE),	the fact occurrence date shall be determined according to the earlier of the date that can confirm the transaction counterparty and the trading amount or the date receiving the court’s approval document. 6. Mainland China investment: It refers to the investments made in the mainland China area in accordance with the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area enacted by Economic Affairs Investment Commission, MOEA. 7. Investment professionals: They refer to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises and fund management companies established by law and governed by their local financial competent authorities. 8. Securities exchanges: The domestic securities exchange refers to Taiwan Stock Exchange Corporation (TSEC),	

Amended articles	Current articles	Descriptions
whereas the foreign securities exchange refers to any organized securities exchange market governed by the securities competent authorities of the foreign country in question. 9. Securities firms' business outlets: The domestic securities firm's business outlet refers to the counter specifically set up by a securities firm for trading in accordance with the Regulations Governing Securities Trading on the Taipei Exchange, whereas the foreign securities firm's business outlet refers to any financial institution's business outlet governed and permitted by the foreign competent authority for engaging in the securities business.	whereas the foreign securities exchange refers to any organized securities exchange market governed by the securities competent authorities of the foreign country in question. 9. Securities firms' business outlets: The domestic securities firm' business outlet refers to the counter specifically set up by a securities firm for trading in accordance with the Regulations Governing Securities Trading on the Taipei Exchange, whereas the foreign securities firm's business outlet refers to any financial institution's business outlet governed and permitted by the foreign competent authority for engaging in the securities business	
Chapter 2 **Disposition <u>Regulations</u>** **Section 1 Establishment of Disposition <u>Regulations</u>** Article 6 <u>The</u> establishment or amendment <u>of</u> the Disposition <u>Regulations must</u> be approved by a majority of the entire body of Audit Committee members and adopted by the Board of Directors before being submitted to the shareholders <u>meeting</u> for approval. Where approval <u>by</u> a majority of the entire body of Audit Committee members <u>is not obtained</u> as required in the	**Chapter 2** **Disposition <u>Procedures</u>** **Section 1 Establishment of Disposition <u>Procedures</u>** Article 6 Establishment <u>of</u> or amendment <u>to</u> the Disposition <u>Procedures shall</u> be approved by a majority of the entire body of audit committee members and adopted by the board of directors before being submitted to the <u>board of</u> shareholders for approval. Where <u>the</u> approval <u>from</u> a majority of the entire body of audit committee members as required in the preceding	See Article 1.

Amended articles	Current articles	Descriptions
preceding paragraph, the Disposition Regulations may still be implemented if adopted by more than two thirds of the entire body of directors, and the Audit Committee's resolution must be recorded in the Board meeting minutes. The "entire body of Audit Committee members" referred to in Paragraph 1 and the "entire body of directors" referred to in Paragraph 2 shall be counted according to the actual number of incumbent persons. When the Disposition Regulations are submitted to the Board of Directors for discussion, each independent director's opinions must be fully taken into account, and any objection or qualified opinion from an independent director must be recorded in the Board meeting minutes.	paragraph is not obtained, the Procedures may still be implemented if adopted by more than two thirds of the entire body of directors, and the resolution adopted by the audit committee shall be recorded in the board meeting minutes. The entire body of audit committee members referred to in the preceding 1st paragraph and the entire body of directors referred to in the preceding 2nd paragraph shall be counted according to the actual number of incumbent persons. When the Disposition Procedures are submitted to the board of directors for discussion, each independent director's opinions shall be fully taken into account. In case of any objection or qualified opinion from an independent director, it shall be recorded in the board meeting minutes.	
Article 7 Where the acquisition or disposal of assets by the Bank requires the adoption of a resolution by the Board of Directors in accordance with the Disposition Regulations or other laws, each independent director's opinions must be fully taken into account when the case is submitted to the Board of Directors for discussion, and any objection or qualified opinion from an independent director must be	Article 7 Where the assets acquired or disposed of by the Bank shall be adopted by the board of directors as required by the Disposition Procedures or other laws, each independent director's opinions shall be fully taken into account when the case is submitted to the board of directors for discussion. In case of any objection or qualified opinion from an independent director, it shall be recorded in the	See Article 1.

Amended articles	Current articles	Descriptions
recorded in the Board meeting minutes. Any transaction involving major assets or derivatives must be approved by a majority of the entire body of Audit Committee members, submitted to the Board of Directors for a resolution, and subject to mutatis mutandis application of Paragraph 2 and Paragraph 3 of Article 6.	board meeting minutes. Any transaction involving major assets or derivatives shall be approved by a majority of the entire body of audit committee members, submitted to the board of directors for a resolution and subject to mutatis mutandis application of Paragraph 2 and Paragraph 3 of Article 6.	
Article 13 The transaction amount referred to in the preceding three articles is calculated in accordance with Paragraph 2 of Article 32, and "within one year" refers to the year preceding the fact occurrence date of the transaction. Transactions for which an appraisal report from a professional appraiser or a CPA's opinion statement has already been acquired in accordance with the Disposition Regulations can be exempted from the calculation.	Article 13 The transaction amount referred to in the preceding three articles shall be calculated in accordance with Paragraph 2 of Article 32, and the "within the previous year" thereof refers to the year preceding the date that the transaction actually occurs. Those that have already acquired the appraisal report from a professional appraiser or a CPA's opinion statement in accordance with the Disposition Procedures can be exempted from the calculation.	See Article 1.
Article 16 When the Bank acquires real property or its right-of-use assets from a related party, or disposes of a related party's real property or its right-of-use assets, or acquires other assets beyond the real property or its right-of-use assets from a related party, or disposes of a related party's aforesaid other assets, and the transaction amount reaches 20% of the Bank's paid-in capital or more, 10% of its total assets or more,	Article 16 When the Bank acquires real property or its right-of-use assets from a related party or disposes of a related party's real property or its right-of-use assets, or when it acquires other assets beyond the real property or its right-of-use assets from a related party or disposes of a related party's aforesaid other assets and the transaction amount is 20% of its paid-in capital or more, 10% of its total assets or more,	See Article 1.

Notice to Readers

In case of inconsistency between the original Chinese version and the English version, the terms of the Chinese version shall prevail and apply. In case of doubt, the Chinese-language version should always be referred to.

Amended articles	Current articles	Descriptions
or NT$300 million or more, except for the trading of domestic government bonds, bonds under repurchase, reverse repurchase agreements, and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises, the Bank cannot sign any transaction contracts or make any payments until the following information is submitted to the Audit Committee and Board of Directors and adopted by them: 1. The purpose, necessity and expected effects of the asset acquisition or disposal. 2. The reason for choosing the related party as a transaction counterparty. 3. Data related to the rationality assessment of the expected transaction terms, pursuant to Article 17 and Article 18, for the real property or its right-of-use assets acquired from a related party. 4. Matters regarding the related party's original acquisition date and price, transaction counterparties, the relationship between the transaction counterparty and the Bank as well as the Bank's related party, etc. 5. Monthly cash receipt and expenditure forecasts for the year after the anticipated month of contract signing, and	or NT$300 million or more, except for trading of domestic government bonds or bonds under repurchase, reverse repurchase agreement and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises, the Bank shall not sign any transaction contracts or make any payments until the following information is submitted to the audit committee and board of directors and adopted by them: 1. The purpose, necessity and expected effects of the asset acquisition and disposal. 2. The reason for choosing the related party as a transaction counterparty. 3. The data related to the rationality assessment of the expected transaction terms required by Article 17 and Article 18 for the real property or its right-of-use assets acquired from a related party. 4. The matters regarding related party's original acquisition date and price, transaction counterparties, the relationship between the transaction counterparty and the Bank as well as the Bank's related party, etc. 5. Monthly cash receipt and expenditure forecasts for the year after the month expected to sign the contract, and assessment of	

Amended articles	Current articles	Descriptions
assessment of transaction necessity and rationality of capital utilization. 6. The appraisal report issued by a professional appraiser or the CPA's opinion statement acquired in accordance with the preceding Article. 7. Restriction terms and other important matters associated with this transaction. When submitting the items to the Board of Directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of each independent director must be fully considered, and any dissenting opinions or reserved opinions of independent directors must be clearly recorded in the minutes of the Board meeting. The provisions of Paragraph 1 must be approved by a majority of the entire body of Audit Committee members, submitted to the Board of Directors for a resolution, and subject to mutatis mutandis application of the provisions of Paragraph 2 and Paragraph 3 of Article 6. If the Bank or a subsidiary of the Bank that is not a domestic public company engages in the transactions specified in Paragraph 1, and the transaction amount reaches 10% of the Bank's total assets or more, the Bank must submit the various materials set out in	transaction necessity and rationality of capital utilization. 6. The appraisal report issued by a professional appraiser or CPA's opinion statement and acquired according to the requirement of the preceding Article. 7. Restriction terms and other important matters associated with this transaction. When submitting the items to the Board of Directors for discussion in accordance with the provisions of the preceding paragraph, the opinions of each independent director shall be fully considered. In case of any dissenting opinions or reserved opinions of independent directors, they shall be clearly recorded in the minutes of the board meeting. The provision of Paragraph 1 shall be approved by one half or more of all members of the Audit Committee, and submitted to the Board of Directors for a resolution, to which the provisions of Paragraphs 2 and 3 of Article 6 shall apply mutatis mutandis. If the Bank or a subsidiary of the Bank that is not a domestic public company engages in the transactions in Paragraph 1 with the transaction amount reaching 10% or more of the Bank's total assets, the Bank shall submit the various materials set out in Paragraph	

Amended articles	Current articles	Descriptions
Paragraph 1 to the shareholders meeting for approval before the transaction contract can be signed and payment can be made. However, such provisions do not apply to transactions between the Bank and its subsidiaries, or between the Bank's subsidiaries. The transaction amount specified in Paragraph 1 and the preceding paragraph is calculated in accordance with Paragraph 2 of Article 32, and "within one year" refers to the year preceding the fact occurrence date of the transaction. Transactions that have already been submitted to the Audit Committee and the Board of Directors or the shareholders meeting and adopted by them in accordance with the Disposition Regulations can be exempted from the calculation.	1 to the Shareholders Meeting for approval before the transaction contract can be signed and payment can be made. However, such provisions shall not apply to transactions between the Bank and its subsidiaries, or between the Bank's subsidiaries. Paragraph 1 and the preceding transaction amount shall be calculated in accordance with Paragraph 2 of Article 32, and the "within the previous year" thereof refers to the year preceding the date that the transaction actually occurs. Those that have already been submitted to the audit committee and board of directors or the shareholders' meeting and adopted by them can be exempted from the calculation.	
Article 22 Where the Bank engages in derivatives transactions, the Board of Directors shall follow the principles below to duly supervise and manage the transactions: 1. Designate high-rank management personnel to comprehensively monitor, inspect, and control derivatives trading risks. 2. Periodically evaluate whether derivatives trading performance is consistent with the established	Article 22 Where the Bank engages in trading of derivatives, its board of directors shall follow the principles below to literally supervise and manage the transactions: 1. Designate high-rank management personnel to keep an eye out for supervising and controlling derivatives trading risk at any time. 2. Periodically evaluate whether derivatives trading performance is consistent with established operating	See Article 1.

Amended articles	Current articles	Descriptions
operating strategy and whether the undertaking risk is within the Bank's tolerance limit. The high-rank management personnel authorized by the Board of Directors shall follow the principles below to manage transactions of derivatives: 1. Periodically evaluate whether the currently adopted risk management measures are appropriate and duly follow the Disposition Regulations and the Bank's relevant operating rules governing derivatives transactions. 2. When any irregularity is found in the course of inspecting transactions and gains/losses, adopt necessary response measures and promptly report to the Board of Directors; independent director(s) must be present at the Board meeting to express their opinions. Where the Bank authorizes personnel to handle derivatives transactions in accordance with the relevant operating rules governing derivatives transactions, it shall be reported at the following Board meeting.	strategy, and whether the undertaking risk is within the Bank's tolerance limit. The high-rank management personnel authorized by the board of directors shall following the principles below to manage transactions of derivatives: 1. Periodically evaluate whether the risk management measures adopted currently are appropriate and literally follow this Disposition Procedures and the ones set up by the Bank to the relevant operating rules of the trading of derivatives. 2. When any irregularity is found in the course of a transaction and gain/ loss supervision, required coping measures shall be taken and the board of directors shall be promptly reported, while independent director(s) shall be present at the board meeting and express their opinions. Where the Bank authorizes its personnel to handle derivatives trading in accordance with the relevant operating rules of derivatives trading, the handling status shall be reported to the nearest next board meeting afterwards.	

Amended articles	Current articles	Descriptions
Article 32 If any of the following circumstances arise during the Bank's acquisition or disposal of assets, within two days after the fact occurrence date, the Bank shall announce and declare the relevant information in the stipulated format according to the characteristics of the information on the website specified by the competent authority: 1.The Bank acquires real property or its right-of-use assets from a related party, or disposes of a related party's real property or its right-of-use assets, or acquires other assets beyond the real property or its right-of-use assets from a related party, or disposes of a related party's aforesaid other assets, and the transaction amount is 20% of the Bank's paid-in capital or more, 10% of its total assets or more, or NT$300 million or more; however, this restriction does not apply to the trading of domestic government bonds, bonds under repurchase, reverse repurchase agreements, and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. 2.The Bank undergoes a merger, split, acquisition, or transfer of shares.	Article 32 In case of any of the following circumstances occurring to the Bank's asset acquisition or disposal, the Bank shall announce and declare the relevant information with stipulated format on the website specified by the competent authority according to the characteristics of the information within two days after the day that the fact occurs: 1.The Bank acquires real property or its right-of-use assets from a related parties or disposes of a related party's real property or its right-of-use assets, or it acquires other assets beyond the real property or its right-of-use assets from a related party or disposes of a related party's aforesaid other assets, and the transaction amount is 20% of its paid-in capital or more, 10% of its total assets or more, or NT$300 million or more. However, it is not limited to the trading of domestic government bonds or bonds under repurchase or reverse repurchase agreements and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. 2.Proceed with merger, split, acquisition or transfer of shares.	1. As the Bank is involved in a financial undertaking that requires special permissions, i.e., conducting derivatives trading business or engaging in derivatives transactions, it shall comply with other laws and regulations applicable to its industry. Additionally, pursuant to Article 4, Paragraph 1, Subparagraph 20, Item 2 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, public disclosure and filing is required in the event of any unrealized losses on derivatives trading amounting to 3% or more of net worth. However, there is no regulation requiring public disclosure and filing for losses on individual contracts. Therefore, this provision was deleted. (Paragraph 1, Subparagraph 3) 2. In accordance with order Chin-Kuan-Cheng-Fa-Tzu No. 1140383333 issued by the Financial Supervisory Commission R.O.C. (Taiwan) (FSC) on July 24, 2025, and letter Tai-Cheng-Shang-Yi-Tzu No. 1140013876 issued by the Taiwan Stock Exchange Corporation (TWSE) on July 24, 2025, considering that equipment for business use falls under the category

Amended articles	Current articles	Descriptions
3.Losses resulting from engaging in derivatives transactions reach the upper limit for total losses set forth in the relevant operating rules. 4.The acquired or disposed of assets are equipment or its right-of-use assets for business use, the transaction counterparty is not a related party, and the transaction amount reaches 5% of the Bank's paid-in capital or more. 5.The real property is acquired by the method of construction assigned by the land owner, construction assigned for the leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale; the transaction counterparty is not a related party; and the transaction amount expected to be invested by the Bank is NT$500 million or more. 6.Government bonds, ordinary corporate bonds, and general financial debentures without equity characteristics (excluding subordinated debt) are traded through securities exchanges or securities firms' business outlets, where the trade does not fall under the circumstances stipulated in each of the provisos of	3.The loss resulting from engaging in transactions of derivatives reaches the upper limit set forth in the relevant operating rules of the loss of total or individual contracts. 4.The acquired or disposed assets are the equipment or its right-of-use assets for the business use, the transaction counterparty is not a related party and the transaction amount is over NT$100 million or more. 5.The real property is acquired by the method of construction assigned by the land owner, construction assigned for the leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages or joint construction and separate sale, the transaction counterparty is not a related party and the transaction amount expected to be put in by the Bank is NT$500 million or more. (Newly added)	of normal business operations, and in light of the principle of materiality in information disclosure, the threshold for public disclosure and filing of the acquisition or disposal of equipment for business use, where the transaction counterparty is not a related party, has been relaxed to transaction amounts reaching 5% or more of the Bank's paid-in capital. (Paragraph 1, Subparagraph 4) 3. In accordance with order Chin-Kuan-Cheng-Fa-Tzu No. 1140383333 issued by the FSC on July 24, 2025, and letter Tai-Cheng-Shang-Yi-Tzu No. 1140013876 issued by the TWSE on July 24, 2025, because the Bank needs to conduct capital adjustment through investment in fixed-income bonds to increase cash yield, a new subparagraph has been added stipulating the threshold for public disclosure and filing of the acquisition or disposal of government bonds, ordinary corporate bonds, and general financial debentures without equity characteristics, where the transaction counterparty is not a related party. (Paragraph 1, Subparagraph 6) 4. The text has been modified to reflect the addition of the

Amended articles	Current articles	Descriptions
Subparagraph 7, the transaction counterparty is not a related party, and the transaction amount reaches 5% of the company's paid-in capital or more. 7.The Bank engages in an asset transaction other than those referred to in the preceding six subparagraphs, disposal of receivables, or investment in the mainland China area, and the transaction amount reaches 20% of the Bank's paid-in capital or more or NT$300 million or more. However, this restriction does not apply under the following circumstances: (1)Trading of domestic bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan. (2)Securities trading conducted by investment professionals through securities exchanges or securities firms' business outlets; subscription to foreign government bonds or offering and issuance of ordinary corporate bonds and general financial debentures without equity characteristics (excluding subordinated debt) in the primary market; subscription or repurchase of securities investment trust funds or	6.Except for the asset transactions beyond those that are referred to in the preceding five subparagraphs, the transaction amount of the Bank's claim disposal or investment in the mainland China area reaches 20% of its paid-in capital or more, or NT$300 million or more. However, it is not limited to the circumstances below: (1) Trading of domestic bonds, or foreign government bonds with a credit rating not lower than our country's sovereign rating. (2) Securities trading made by investment professionals in securities exchanges or securities firms' business outlets, subscription foreign government bonds or offering and issuance of ordinary corporate bonds and general financial debentures without involving equity (not including second junior subordinated debentures) in the primary market, subscription or	new Subparagraph 6. (Paragraph 1, Subparagraph 7) 5. See Article 1. (Paragraph 3)

Amended articles	Current articles	Descriptions
futures trust funds; subscription or repurchase of exchange traded notes; or securities subscription made in accordance with the rules of the Taipei Exchange by a securities firm as required by its undertaking business or in the capacity of a securities consulting advisor for an emerging stock company. (3)Trading of bonds under repurchase or resale agreements and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. The transaction amount for the preceding items is calculated as follows: (1)The amount of each transaction. (2)The accumulated amount of transactions with the same counterparty for acquisition or disposal of the same type of underlying object within one year. (3)The accumulated amount of the real property or its right-of-	repurchase of securities investment trust funds or futures trust funds, or subscriptions to or redemptions of exchange traded notes, or securities subscription made in accordance with the rules of the Taipei Exchange by a securities firm acting as an emerging-listed company's securities consulting advisor as required by its underwriting business need. (3) Trading of the bonds under the repurchase or reverse repurchase agreement, and subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. The preceding transaction amount shall be calculated as follows: (1)The amount of each transaction. (2)The accumulated amount of transactions with a same counterparty for acquisition or disposal of a same type of underling objects within one year. (3)The accumulated amount of the real property or its right-	

Amended articles	Current articles	Descriptions
use assets acquired or disposed of (calculated respectively) for the same development plan within one year. (4)The accumulated amount of the same securities acquired or disposed of (calculated respectively) within one year. "Within one year" as used in the preceding paragraphs refers to the year preceding the fact occurrence date of the transaction. Any part that has already been announced in accordance with the Disposition Regulations can be exempted from the calculation. The Bank shall post, on a monthly basis, the status of derivative transactions as of the end of the previous month for both itself and its subsidiaries that are not categorized as domestic public companies; such information must be posted in accordance with the required format on the information declaration website designated by the competent authority before the 10th of each month. In the event of any error or omission requiring correction when announcing the stipulated items, the Bank	of-use assets acquired or disposed of (accumulation of acquisition and disposal respectively) for a same development plan within one year. (4)The accumulated amount of the same securities acquired or disposed of (accumulation of acquisition and disposal respectively) within one year. The "within one year" used in the previous paragraphs refers to the year preceding the date that the transaction actually occurs. The part which has already been announced in accordance with the Disposition Procedure can be exempted from being counted in again. The Bank shall monthly post the status of its and the subsidiary of the Bank that is not a domestic public company's transactions of derivatives made as of the end of the previous month according to the required format on the information declaration website designated by the competent authority before the 10th of each month. In the event that any error or omission occurs in the announcement of the items required to be announced as stipulated and correction is required to be made, the Bank	

Amended articles	Current articles	Descriptions
shall announce and declare all the items again on the website within two days starting from the day on which it becomes aware of the error or omission. Where the Bank acquires or disposes of assets, all relevant contracts, minutes, memorandum books, appraisal reports, and opinion statements provided by CPAs, attorneys, or securities underwriters must be retained by the bank for at least five years unless otherwise stated by law.	shall announce and declare all the items again on the website within two days as of the day that the error or omission is learned. Where the Bank acquires or disposes of its assets, the documents regarding relevant contracts, minutes books, memorandum books, appraisal reports, opinion statements provided by CPAs, attorneys or securities underwriters, etc. shall be retained in the Bank for at least five years unless otherwise stated by law.	
Article 34 The 10% of total assets set forth in the Disposition Regulations is calculated according to the total asset amount indicated in the latest entity or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	Article 34 The 10% of total assets set forth in the Disposition Procedures shall be calculated according to the total asset amount indicated in the latest entity or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	See Article 1.
Article 35 If the personnel in charge of asset acquisition or disposal fail to follow the Disposition Regulations, the Bank shall send them to its personnel appraisal committee for discussion of punishment based on the severity of the violation.	Article 35 In the case that the personnel in charge of asset acquisition or disposal fail to follow the Disposition Procedures, the Bank shall send them to its personnel appraisal committee for discussion of the punishment to them according to the degree of their violation.	See Article 1.
Article 36 The Disposition Regulations shall first be reviewed by the Audit Committee, then submitted to the Board of Directors for resolution. Following adoption by the	Article 36 The Disposition Procedures shall first be reviewed by the audit committee, followed by being put forth to the board of directors for adoption. After being adopted by the board of	See Article 1.

Amended articles	Current articles	Descriptions
Board of Directors, they will be proposed to the shareholders meeting. After being adopted by the shareholders meeting, they can then be enacted and enforced accordingly. The same applies in case of any revision.	directors, it shall be proposed to the shareholders' meeting for adoption. After being adopted by the shareholders' meeting, it can then be enacted and enforced accordingly. The same also applies in case of any revision.	

Election Item

Election of 28th term of the Company's Directors.

Explanation:

1. The 27th term of office for directors of the Company (including independent directors) will expire on June 18, 2026, and directors shall be re-elected at this general Shareholders' Meeting in accordance with the Company Act.

2. According to Article 18 of the Articles of Incorporation of the Company, the Board of Directors of the Company shall have comprise eleven to fifteen directors, among whom the number of independent directors shall be no less than five persons and no less than one-third of the total number of directors. The election of the directors shall be performed through candidate nomination mechanism and the directors shall be duly elected at the Shareholders' Meeting from a list of nominated directors; The election for the independent directors and non-independent directors shall be held together but their votes shall be counted separately.

3. It is hereby proposed that 11 directors for the 28th term (including 5 independent directors) to be elected at this general Shareholders' Meeting for a term of office for 3 years from June 19, 2026 to June 18, 2029.

4. The Directors (including Independent Directors) candidate list for this election was already passed by the review of the Company's Directors in the 37th meeting of the 27th term of the Board of Directors, which was held on April 30, 2026. The details are as per the attachment (Please refer to pages 35 to 40 of the handbook).

<u>Summary of shareholder comments:</u>

Shareholder ◯-Yen Lin (Shareholder No. 230461) inquired about the allocation of Board seats between government and private shareholders.

<u>Chairman's explanation:</u>

We appreciate the question raised by Shareholder Lin. The 28th Board of Directors of the

Company consists of 11 members, including 6 representatives appointed by government agencies and 5 natural person independent directors.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis.

Before the election, the chairman asked 5 shareholders volunteered to be the ballot examiner to scrutinize balloting, and five shareholders including ◯-Chen Chou (Attendance No. 200020), ◯-Ting Wang (Shareholder No. 2871528), ◯-Jing Liao (Shareholder No. 3001774),◯-Chen Tai (Shareholder No. 3005227), and ◯-Wen Chou (Shareholder No. 3003033) served as scrutineers.

Election results:

1. List of elected Directors:

Name	Elected Votes (E-Voting)
Hu, Kuang- Hua (Delegate of Ministry of Finance (MOF))	18,153,345,748 （13,454,980,325）
Chien, Chih-Kuang (Delegate of MOF)	12,270,596,882 （9,772,412,903）
Lin, Shiu-Yen (Delegate of Chunghwa Post Co., Ltd.)	10,104,599,731 （9,855,687,564）
Chang, Chien-Yi (Delegate of National Development Fund, Executive Yuan)	10,049,135,024 （9,655,255,920）
Kuo, Chao-Huang (Delegate of MOF)	7,123,666,631 （4,485,878,094）
Hsu, Jen-Chieh (Delegate of MOF)	7,030,660,445 （4,410,614,839）

2. List of elected Independent Directors:

Name	Elected Votes (E-Voting)
Wu, Yu-Hsueh	6,332,702,396 （4,686,846,311）
Lin, Hsuan-Chu	5,494,739,793 （3,865,036,422）
Lee, Shu-Hua	4,753,389,360 （3,313,892,925）
Huang, Chao-Kuei	4,298,796,092 （2,995,734,769）
Chou, Yu-Hsi	4,241,535,839 （3,071,594,046）

3. Fail to be elected: None

Other proposal

The release of non-competition restrictions for the Company's directors of the 28th term is proposed for approval.

Explanation:

1. According to Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

2. For the Company's 28th term of directors (including juristic persons and their authorized representatives, and independent directors), when they conduct any activities or take on any positions for themselves or on behalf of another person within the scope of the Company's business, it is proposed that the release of non-competition restrictions during their tenure be approved in accordance with Article 209 of the Company Act, on the premise that such actions are without prejudice to the Company's interests. (as attached)

3. The Company's "List of the release of Non-Competition restriction on the 28th Term Board of Directors" (as attached).

4. This proposal has been approved by the 37th meeting of the 27th term of Board of Directors held on April 30, 2026.

Attachment

2026 Annual General Shareholders' Meeting of CHB
List of the release of Non-Competition restriction on the 28th Term Board of Directors

Serial No.	Identity/ Status	Name	Current Positions in other Companies (referring to the companies which have the same business as our Company)
1	Juristic Person Shareholder	Ministry of Finance (MOF)	Director, Taiwan Financial Holding Co., Ltd. Director, Land Bank of Taiwan Co., Ltd. Director/Supervisors, The Export-Import Bank of the Republic of China Director, Taiwan Cooperative Financial Holding Co., Ltd. Director, Mega Financial Holding Co., Ltd. Director, First Financial Holding Co., Ltd. Director, Hua Nan Financial Holdings Co., Ltd. Director, Taiwan Business Bank Co., Ltd. Director, Central Reinsurance Co., Ltd.

2	Juristic Person Shareholder	Chunghwa Post Co., Ltd.	Director, Mega Financial Holding Co., Ltd. Director, Taiwan Cooperative Holding Co., Ltd. Director, Taiwan Foundation International Pte. Ltd.
3	Juristic Person Shareholder	National Development Fund, Executive Yuan (NDF)	Director, Mega Financial Holding Co., Ltd. Director, Taiwan Business Bank Co., Ltd. Director, iPASS Corporation
4	Director	Hu, Kuang-Hua (Delegate of MOF)	Director, Taiwan Asset Management Corporation. Director, Taipei Financial Center Corporation
5	Director	Chien, Chih-Kuang (Delegate of MOF)	Director, CDIB & Partners Investment Holding Corporation
6	Director	Chang, Chien-Yi (Delegate of NDF)	Director, Central Bank of the Republic of China (Taiwan) Director, Asia Pacific Emerging Industry Venture Capital Co., Ltd.

Summary of shareholder comments:

Shareholder ◯-Yen Lin (Shareholder No. 230461) requested that the Chairman introduce the members of the 28th Board of Directors.

Chairman's explanation:

We appreciate Shareholder Lin's support. The Chairman introduced each director present to the shareholders in turn.

Voting Method: Proposals shall be discussed and voted on a case-by-case basis.

Voting results:

1. The release of non-competition restrictions for the Company's Directors of the 28th term：Ministry of Finance (MOF).
The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 7,656,181,569, after deducting voting rights having conflict of interests (1,434,632,308).

Voting results	Percent of total represented share present
Approval votes: 6,791,562,617 votes (including 4,950,255,565 votes voted via electronic transmission)	88.70%
Disapproval votes: 14,728,585 shares (including 14,727,585 votes voted via electronic transmission)	0.19%
Invalid votes: 5,475 votes	0.00%
Abstention votes：849,884,892 shares (including 540,099,041 votes voted via electronic	11.10%

transmission)	

2. The release of non-competition restrictions for the Company's Directors of the 28th term：Chunghwa Post Co., Ltd.

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 8,208,310,363, after deducting voting rights having conflict of interests (882,503,514).

Voting results	Percent of total represented share present
Approval votes: 7,343,730,755 votes (including 5,502,422,594 votes voted via electronic transmission)	89.46%
Disapproval votes: 14,656,229 shares (including 14,655,229 votes voted via electronic transmission)	0.17%
Invalid votes: 4,366 votes	0.00%
Abstention votes：849,919,013 shares (including 540,133,162 votes voted via electronic transmission)	10.35%

3.The release of non-competition restrictions for the Company's Directors of the 28th term：National Development Fund, Executive Yuan (NDF).

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 8,452,757,372, after deducting voting rights having conflict of interests (638,056,505).

Voting results	Percent of total represented share present
Approval votes: 7,588,115,937 votes (including 5,746,807,776 votes voted via electronic transmission)	89.77%
Disapproval votes: 14,730,501shares (including 14,729,501 votes voted via electronic transmission)	0.17%
Invalid votes: 4,366 votes	0.00%
Abstention votes：849,906,568 shares (including 540,120,717 votes voted via electronic transmission)	10.05%

4. The release of non-competition restrictions for the Company's Directors of the 28th term：Hu, Kuang-Hua (Delegate of MOF).

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 7,656,181,569, after deducting voting rights having conflict of interests (1,434,632,308).

Voting results	Percent of total represented share present
Approval votes: 6,791,476,824 votes (including 4,950,168,663 votes voted via electronic transmission)	88.70%
Disapproval votes: 14,748,554 shares (including 14,747,554 votes voted via electronic transmission)	0.19%
Invalid votes: 4,366 votes	0.00%
Abstention votes：849,951,825 shares (including 540,165,974 votes voted via electronic transmission)	11.10%

5. The release of non-competition restrictions for the Company's Directors of the 28th term：Chien, Chih-Kuang (Delegate of MOF).

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 7,656,181,569, after deducting voting rights having conflict of interests (1,434,632,308).

Voting results	Percent of total represented share present
Approval votes: 6,802,119,653 votes (including 4,960,811,492 votes voted via electronic transmission)	88.84%
Disapproval votes: 4,120,246 shares (including 4,119,246 votes voted via electronic transmission)	0.05%
Invalid votes: 4,366 votes	0.00%
Abstention votes：849,937,304 shares (including 540,151,453 votes voted via electronic transmission)	11.10%

6. The release of non-competition restrictions for the Company's Directors of the 28th term：Chang, Chien-Yi (Delegate of NDF).

The total number of voting rights represented by attending shareholders (including electronic and proxy attendance) in this case is 8,452,757,372, after deducting voting rights having conflict of interests 638,056,505).

Voting results	Percent of total represented share present
Approval votes: 7,587,959,452 votes (including 5,746,651,291 votes voted via electronic transmission)	89.76%

Disapproval votes: 14,895,971 shares (including 14,894,971 votes voted via electronic transmission)	0.17%
Invalid votes: 4,366 votes	0.00%
Abstention votes：849,897,583 shares (including 540,111,732 votes voted via electronic transmission)	10.05%

Resolution: voted and approved as proposed.

Questions and Motions

1. Shareholder ○- Sheng Lin (Shareholder No. 3205196) inquired about the Company's future business development.
2. Shareholder ○-Yen Lin (Shareholder No. 230461) inquired about the inheritance of physical stock certificates, shareholder meeting souvenirs, and the employee emergency relief fund.

Chairman's explanation:

We appreciate the questions raised by both shareholders. Regarding these questions:

1. With the guidance of the Board of Directors, the dedication of our employees, and the support of our shareholders, we look forward to the Company's continuous business growth in the future.
2. Regarding the inheritance of physical stock certificates, dedicated personnel will follow up with you after the meeting to provide detailed information.
3. As shareholders have diverse preferences for our shareholder meeting souvenirs, the Company will comprehensively evaluate various options to ensure shareholder needs are met.
4. Although the provision of interest-free emergency relief loans to employees is not yet permitted under current financial regulations, the Company regards its employees as important assets, and employees in need of emergency assistance can therefore receive support through the Employee Welfare Committee.

The adjournment: 12:47 a.m

Notice to Readers

In case of inconsistency between the original Chinese version and the English version, the terms of the Chinese version shall prevail and apply. In case of doubt, the Chinese-language version should always be referred to.

Chang Hwa Commercial Bank, Ltd.
Audit Report of Audit Committee
February 26, 2026

To: Shareholders of Chang Hwa Commercial Bank, Ltd.

The Board of Directors has prepared the 2025 Report on Business Operations and various financial statements (including Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity, and Cash Flow Statement). All the financial statements (including consolidated basis) have been certified by Amanda Wu, CPA and Jerry Gung, CPA of Deloitte & Touche, and upon which a Standard Unqualified Opinion has been issued. These statements referred to above present fairly the financial position as of December 31, 2025 and the operation results and cash flows in 2025 of the company. The Audit Committee has reviewed the above-mentioned statements in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act and hereby provides such audit report.

The Audit Committee, Chang Hwa Commercial Bank, Ltd.

Independent Director & Chairman：Yu-Hsueh Wu Yu-Hsueh Wu

Independent Director：Shu-Hua Lee Shu-Hua Lee

Independent Director：Chao-Kuei Huang Chao-Kuei Huang

<u>Notice to Readers</u>

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Chang Hwa Commercial Bank, Ltd.
Audit Report of Audit Committee
April 30, 2026

To: Shareholders of Chang Hwa Commercial Bank, Ltd.

The Board of Directors has prepared the 2025 Earnings Distribution Proposal. The Audit Committee has reviewed the aforementioned Proposal in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, and confirmed its consistency with related laws and rules. The Audit Committee hereby provides the said audit report.

The Audit Committee, Chang Hwa Commercial Bank, Ltd.

Independent Director & Chairman：Yu-Hsueh Wu Yu-Hsueh Wu

Independent Director：Shu-Hua Lee Shu-Hua Lee

Independent Director：Chao-Kuei Huang

Notice to Readers
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2025 Business Report of Chang Hwa Commercial Bank, Ltd.

A. 2025 Results of Operations

a. The domestic and overseas financial environments

In 2025, Donald Trump returned to the White House and implemented measures including technology war, tariff actions, and currency strategies. Those measures resulted in volatility in the global economic and an intensified financial environment. Fortunately, robust investment growth in AI hardware and infrastructure, together with a relatively contained inflation, enabled major central banks to largely maintain accommodative monetary policy stances, thereby supporting economic activity and underpinning the resilience of the global economy.

With respect to domestic economic conditions, Taiwan’s technology sector continued to benefit from AI-related opportunities due to its strong technological capabilities and a well-developed industrial cluster. These advantages in turn drove export growth and private investment, resulting in another solid economic growth performance for Taiwan in 2025. However, divergence in business conditions across domestic industries should not be overlooked. Amid heightened volatility in the New Taiwan dollar exchange rate and the impact of reciprocal tariffs, operating pressures on Taiwan’s traditional industries intensified. In addition, under mounting uncertainty regarding the economic outlook, consumer confidence weakened, and this weigh on the performance of domestic wholesale and retail sectors. In light of these developments, Taiwan’s banking institutions continued to seize financing and investment opportunities arising from AI-related business developments to support the sustained growth in the overall loan balances and earnings of domestic banks. At the same time, banking institutions aligned with government initiatives on financial support and foreign exchange risk hedging, and worked proactively to assist domestic industries in navigating an increasingly volatile international environment. While pursuing business growth, the banking sector should also remain committed to fulfilling its corporate social responsibility.

b. Bank organization and change

In order to continuously enhance the Bank’s corporate value and to align with operational requirements, the 24th meeting of the 27th Board of Directors, held on March 20, 2025, approved the Bank’s organizational restructuring plan. Under this plan, the title of the head of regulatory compliance at the head office was revised to “Chief Compliance Officer.” In addition, the Capital Operations Division was renamed the Treasury Division, and the Financial Management Division was renamed the Accounting Division. Furthermore, in order to strengthen the development of credit card operations, a Credit Card Division was established.

c. Operational planning and implementation results of management strategies

1. In profit performance, driven by the Bank's internal operational strategies and coupled with the external economic environment, the Bank achieved an outstanding profit performance in 2025, with a net income after tax of NT$17.775 billion, a growth of 18.93% from the previous year, and EPS of NT$1.51, with ROE of 8.43%. The quality of the Bank’s credit assets remained sound and stable. The non-performing loan ratio was maintained at 0.16%, while the coverage ratio improved to 836.89%.
2. Business development:

(1) Deposit/Loan business:

i. The Bank continued to adjust and optimize its customer portfolio structure in line with government policies supporting small and micro-sized enterprises, and designated SME lending as a key focus of its annual initiatives. By actively acquiring new customers and expanding credit relationships with existing clients, the outstanding balance of SME loans increased by more than NT$30 billion compared with the end of 2024. In alignment with government policies, the Bank promoted financial support measures including the trade finance interest rate reduction program and diversified development loan programs for small and micro-sized enterprises, in conjunction with the SME Credit Guarantee Fund. These initiatives assisted enterprises in strengthening funding accessibility and operational resilience, thereby mitigating the impact of U.S. tariffs. In addition, the Bank rolled out the “Quality Supply Chain Financing Program,” the “Sustainability Performance-Linked Payroll Banking Incentive Program,” and the “Yi Lu Fa Gold Preferred Loan,” and expanded eligible collateral to include ETFs under the “FUND Xin Gu Wu Loan Program.”

ii. The Bank offered the “Reverse Mortgage Loan for Senior Living” program and, in accordance with government policies, implemented preferential housing loans for young families, housing subsidy loans for home purchase and renovation, as well as residential repair loans for disaster-affected areas. Through these policy-based lending programs, the Bank endeavored to work with customers to advance the practice of inclusive finance.

iii. In response to global trends in green finance, the Bank continued to promote initiatives such as the “Green Enterprise Project Loan,” the “Recyclable Waste Recycling and Treatment Industry Project Loan,” and the “Solar Photovoltaic Installation Project Loan.” The Bank also supported the development of renewable energy and offshore wind power industries and, in conjunction with national financing guarantee mechanisms, further advanced lending under the “Incentive Program for Domestic Banks to Finance Six Core Strategic Industries” for green electricity and renewable energy sectors, as well as the “Energy Service Industry Project Loan.” In addition, the Bank continued the “Sustainability Performance-Linked Payroll Banking Incentive Program” and launched the “Industrial Wastewater Treatment Green Transformation Project Loan,” thereby supporting the development of green industries. The Bank also continued the “Green Building Loan Program” to encourage customers to purchase or construct green buildings featuring ecological design, energy efficiency, waste reduction, and healthy living environments.

(2) Digital Finance and Credit Card Business:

i. The Bank further strengthened engagement with its digital customer base and expanded service channels. Key initiatives included the launch of the new personal mobile banking application "ChaiBo," the provision of fully online loan application services for merchant owner loans, employee stock subscription credit loans, Yi Lu Fa Gold Preferred Loans, and public sector employee loans. In response to government energy conservation and carbon reduction policies, the Bank offered digital voucher and transit QR code services through the "Taiwan Mobile Payment" app, and introduced an Account Link service in collaboration with LINE Pay Money (LINE Pay EPI Taiwan Limited) to connect deposit accounts.

ii. The Bank placed strong emphasis on service quality and security, and continued to enhance its online service functions.New offerings included a "Consolidated Account Statement" for individual customers, the addition of an "Anti-Fraud Zone" to personal internet banking, and the launch of a "Real-Time Lock for New Taiwan Dollar Transfers" feature. The Bank also optimized its Interactive Voice Response (IVR) system and intelligent customer service system to improve service efficiency. In support of the government's promotion of the "TWQR" common QR Code initiative, the Bank expanded payment support to include EasyCard Wallet, iPASS Money, PX Pay Plus, O'Pay, and iCash credit card payment services. To strengthen the prevention of credit card fraud and in line with government policies to enhance card binding security mechanisms, the Bank implemented a credit card identity authentication mechanism for merchant mobile applications and further reinforced monitoring of online fraudulent transactions.

(3) Wealth Management Business:

i. The Bank continued to promote a diversified insurance product portfolio, including protection-type insurance products, health and medical insurance, interest rate–linked insurance policies denominated in New Taiwan dollars and foreign currencies, participating policies, and mortgage life insurance. At the same time, the Bank further developed niche insurance segments such as personal accident insurance, motor vehicle insurance, and comprehensive home insurance.

ii. The Bank introduced the "Wealth Transfer Trust Account" program to provide clients with comprehensive wealth management solutions. Under this program, designated trust fund assets may be directly transferred to long-term care trust accounts, enabling an integrated, end-to-end wealth trust service that covers clients' needs from early adulthood through retirement.

3. Sustainable development:

In response to the international trend in sustainable finance, the Bank has incorporated ESG factors into its core business and operational activities and has set up and reviewed its sustainable development plan every year to implement the policy. We have achieved important environmental, social, and governance objectives for 2025.

(1) Environmental: The Bank is committed to implementing carbon reduction initiatives and advancing its net-zero transition. The Bank's "Changhua and West Tainan Branch Solar Power Voluntary Emission Reduction Project" was approved following review by the Ministry of Environment. To increase the utilization of renewable energy, six locations have adopted renewable energy through power

wheeling arrangements or rooftop solar installations. In response to the Ministry of Environment's Net-Zero Green Lifestyle initiative, the Bank joined the "Net-Zero Green Lifestyle Alliance" and guided 185 domestic business locations to participate in the Ministry of Environment's "Green Office" program. The Bank revised the "Industry-Specific Credit and Investment Limit Management Guidelines" to formally include green industries as an item for limit adjustments and to add categories of specially controlled industries. In addition, the "Climate and Nature Risk Management Policy" was amended to incorporate natural environmental issues into the scope of risk assessment and disclosure, aligning with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. Through these measures, the Bank continues to enhance risk management related to climate and nature, while progressing toward nature-positive objectives.

(2) Social:

i. The Bank promotes inclusive finance and continues to enhance accessible financial services. To date, 120 bilingual branches have been established to offer service and consultations in both Chinese and English. All automated teller machines (ATMs) comply with barrier-free standards, of which 439 units are accessible for visually impaired users. In addition, a financial accessibility service database has been established to provide customers with appropriate supportive measures and assistance. To enhance the convenience and accessibility of financial services for persons with disabilities, the Bank added an "Enable/Disable Telephone Banking Fund Transactions" function to personal internet banking. The accessible section of online banking was expanded to include loss reporting and payment services. In addition, a text-based customer service channel was introduced, allowing customers to receive real-time personal information and account inquiries after identity verification. A priority call-routing mechanism was also implemented for customers with accessibility service indicators.

ii. The Bank actively combats fraud and promotes financial literacy. On a voluntary basis, the Bank undertook responsibility for financial security and launched the "Guardian Star Anti-Fraud Initiative," with the STAR symbol representing the Bank's commitment to safeguarding financial security. To strengthen the prevention of financial fraud and crime, the Bank enhanced account controls, introduced a short-code SMS mechanism, and participated in the "Joint Financial AI Fraud Prevention Platform." The Bank also entered into a Memorandum of Understanding (MOU) on fraud prevention project cooperation and an MOU on a suspicious transaction analysis mechanism with the Criminal Investigation Bureau of the National Police Agency, Ministry of the Interior, and the Taiwan High Prosecutors Office, thereby improving fraud interception effectiveness.

(3) Governance: The Bank is committed to strengthening its corporate governance framework and formulated a "Corporate Value Enhancement Plan." The Bank also implemented an adoption plan for the IFRS Sustainability Disclosure Standards and established a cross-departmental IFRS sustainability disclosure task force. The Bank was ranked among the top 5% of TWSE-listed companies in the 11th Corporate Governance Evaluation.

d. Budget Execution

1. The total deposit volume was NT$2,620,555,807 thousand, or 96.13% of the budget

target.

2. The total loan volume was NT$2,020,738,070 thousand, or 99.35% of the budget target.
3. The average volume of investment operations (marketable securities) was NT$927,845,067 thousand, or 101.79% of the budget target.
4. The trading volume of foreign exchange operations was US$133,524,354 thousand, or 101.92% of the budget target.
5. The securities brokerage transactions were NT$318,245,477 thousand or 90.67% of the budget target.
6. Trust fund subscription was NT$77,899,119 thousand, or 94.42% of the budget target.
7. Trust assets under custody was NT$865,233,717 thousand, or 117.11% of the budget target.
8. Insurance business (premiums) was NT$17,436,868 thousand, or 120.82% of the budget target.
9. Card business (volume of transactions) was NT$27,924,318 thousand, or 91.56% of the budget target.

e. Financial highlights

1. Net interest income: NT$27,106,352 thousand.
2. Net non-interest income: NT$18,203,737 thousand.
3. Net revenue and gains: NT$45,310,089 thousand.
4. Bad debts expense, commitment and guarantee liability provision: NT$2,866,439 thousand.
5. Operating expenses: NT$21,326,927 thousand.
6. Income before income tax: NT$21,116,723 thousand.
7. Income tax expense: NT$3,341,857 thousand.
8. Net income: NT$17,774,866 thousand.
9. Other comprehensive income: NT$6,757,680 thousand.
10. Total comprehensive income: NT$24,532,546 thousand.
11. EPS after tax: NT$1.51.
12. Return on Assets (ROA): 0.54%.
13. Return on Equity (ROE): 8.43%.

f. Research and development

1. Innovative FinTech services

   Regarding R&D patents, the Bank continued to accumulate innovation in FinTech. In 2025, the Bank obtained a total of 34 utility model patents and 5 invention patents.
2. Business development research

   To keep abreast of the latest industry and economic trends, the Bank has set up a dedicated unit to collect and analyze relevant information on the economy, industry, and market and prepare overall economic and industry outlooks and survey analysis reports as references for business promotion and marketing interviews of all bank units. Additionally, to promote business innovation and development, all employees are encouraged to research current business development trends and financial-related issues, and a total of 25 business research reports were collected in 2025.

3. Big data application and development

   By leveraging the “Retail Customer Segmentation Model” and the “Potential Corporate Customer Mining Model,” and integrating customer transaction patterns with various internal and external data sources, the Bank precisely expanded retail wealth management–related loan products and online consumer credit services. At the same time, the Bank efficiently developed new corporate credit customers, thereby expanding its overall business scale.

4. Introducing Robotic Process Automation (RPA) technology

   In 2025, a total of 9 RPA processes were launched. To enhance the effectiveness of RPA applications, the Bank continued to establish robust RPA maintenance and operation mechanisms, flexibly expand and reallocate resources, cultivate internal RPA talent, and broaden the scope of business applications.

5. To reduce incidents of customer fraud, the Bank leveraged AI technologies and databases in collaboration with professional vendors to monitor abnormal account activity patterns and further strengthened account control mechanisms.

B. 2026 Highlights of Business Plans and Future Development Strategies

a. Business directions and operational policies and future development strategy

Looking ahead to 2026, the Bank will carry forward the core spirit of prudent management cultivated over more than 120 years and remain committed to its business philosophy of “Passion, Efficiency, and Innovation.” Through passion, the Bank seeks to better understand and respond to customer needs; through efficiency, to distinguish itself in regional markets; and through innovation, to create greater sustainable value. The Bank will focus on enhancing operating efficiency, optimizing its revenue structure, and strengthening business resilience, while pragmatically advancing various operating initiatives. In doing so, the Bank aims to sustain steady growth momentum amid a dynamic financial environment and to create long-term value for shareholders, customers, and society.

The Bank's business direction and operational policies and future development strategy are as follows:

1. Optimizing Profit Structure and Enhancing Capital Efficiency

   (1)Enhancing capital utilization efficiency: The Bank will continue to optimize its asset–liability structure, increase the proportion of niche businesses and non-interest income, and build diversified profit engines.

(2)Expanding diversified credit niches: The Bank will actively develop high-quality new customers and deepen its engagement with SMEs, promote accounts receivable factoring and cash dividend disbursement services, and leverage cash management services to generate synergies for corporate and retail banking, thereby strengthening its core profit base.

(3)Deepening engagement with high-net-worth clients: The Bank will introduce premium wealth management service models for high-net-worth clients, offering customized succession and financial planning services. By integrating trust and insurance products, the Bank aims to increase fee income and assets under management.

(4)Strengthening all-age wealth management coverage: The Bank will implement segmented customer strategies by offering diversified products tailored to clients ranging from younger to senior segments. At the same time, it will enhance integration between banking and securities operations to build a one-stop asset allocation platform that meets the wealth management needs of all customer segments.

(5)Expanding the financial ecosystem: The Bank will actively promote cross-industry alliance strategies, broaden service access channels, and precisely reach potential customer segments, thereby expanding the customer base and enhancing customer loyalty.

(6)Implementing flexible financial management strategies: The Bank will closely monitor financial market volatility and changes in its deposit and lending structure, dynamically adjust investment portfolio allocations, and enhance overall capital utilization efficiency. While maintaining prudent risk control, the Bank seeks to achieve stable long-term investment returns and capital gains.

2. Expanding the Overseas Network to Connect with Global Markets

(1)Expanding overseas presence: The Bank will prudently deploy resources in high-potential markets and continue to expand local deposit operations overseas, optimize the loan-to-deposit ratio to effectively reduce funding costs, and strengthen the foundation for overseas operations and profitability.

(2)Strengthening domestic and overseas linkage: The Bank will establish information-sharing mechanisms among domestic and overseas branches, connect its global service network, and provide seamless global fund deployment and financing services for Taiwanese enterprises and multinational corporations, thereby leveraging group-wide synergies and enhancing customer loyalty.

(3)Creating diversified overseas revenue streams: The Bank will increase the proportion of self-arranged lending to optimize interest margin returns and strengthen its capabilities as a lead arranger for international syndicated loans, thereby developing stable and diversified sources of overseas income.

3. Accelerating Digital Transformation and Driving Innovative Services

(1)**Enhancing customer experience:** The Bank will initiate upgrades to corporate online banking and optimize overseas online banking platforms to improve corporate cash management efficiency and global fund deployment flexibility. It will also enhance its securities trading app to provide a smooth and stable investment environment, thereby building a comprehensive digital financial ecosystem.

(2)**Deepening AI technology applications:** The Bank will introduce generative AI and big data analytics technologies and apply them to intelligent customer service, precision marketing, and monitoring of abnormal account activities to support customer service, business development, and fraud prevention mechanisms.

(3)**Promoting process automation:** The Bank will continue to expand the application scope of robotic process automation (RPA) and streamline operational processes to reduce operating costs and improve efficiency.

4. Strengthening Governance Foundations and Enhancing Business Resilience

(1)**Implementing the three lines of defense:** The Bank will strictly enforce internal control and risk management mechanisms, as well as establish a robust risk control framework to prevent potential deficiencies and misconduct.

(2)**Upgrading Cybersecurity Protection:** In response to digital financial risks, the Bank will build a zero-trust network architecture, conduct red team–blue team simulation exercises, and assess the effectiveness of its defense mechanisms. These measures aim to enhance cybersecurity resilience and ensure operational stability amid market volatility and unforeseen events.

(3)**Upholding fair customer treatment:** The Bank will uphold the principles of fair customer treatment and a culture of integrity, strengthen compliance mechanisms, safeguard consumer rights, and reinforce the foundation of customer trust.

5. Advancing Sustainable Finance and Strengthening Human Capital

(1)**Promoting green finance:** The Bank will integrate sustainability principles into credit extension, investment activities, and product design, advance the development of green finance, actively support corporate net-zero transitions, and fulfill its environmental sustainability responsibilities.

(2)**Practicing inclusive finance:** The Bank will continue to implement accessible financial services by providing barrier-free facilities, products, and services for senior citizens, persons with disabilities, and disadvantaged groups, thereby creating more diverse social value.

(3)**Strengthening talent development:** The Bank will establish a comprehensive talent blueprint, promote multi-skill development through job rotation and cross-departmental assignments, and implement competitive compensation and incentive systems to enhance organizational competitiveness.

b. Business operational targets

1. Deposits Volume: NT$2,781,189,798 thousand.
2. Loans Volume: NT$2,135,586,940 thousand.
3. Investment Business (Securities): NT$1,009,148,121 thousand.
4. Foreign Exchange Transactions: US$139,712,394 thousand.
5. Securities Brokerage Transactions: NT$319,355,111 thousand.
6. Trust Fund Subscription: NT$88,663,263 thousand.
7. Assets under Custody: NT$931,500,000 thousand.
8. Insurance Agency Transactions: NT$20,008,058 thousand.
9. Card Business (Volume of transaction): NT$ 29,644,970 thousand.

C. The Impact of the External Competitive Environment, Regulatory Environment and Macro Environment

a. Impact of the External Competitive Environment

1. In recent years, competition in the credit card market has continued to intensify. The Bank will continue to refine its credit card business strategies, focusing on the optimization of product incentives and segmented customer management. By integrating promotional campaigns with customer segment strategies, the Bank aims to increase card activation and usage rates, while actively leveraging cross-industry partnerships to enhance overall marketing effectiveness and competitiveness.
2. In response to the trend toward longer life expectancies and a super-aged society, the Bank provides retirement planning solutions that address longevity risk and distributes a broad range of insurance products covering pensions, medical care, and long-term care. The Bank also continues to offer more diversified wealth planning services and financial products tailored to evolving customer needs.

b. Impact of the Regulatory Environment

1. In alignment with the regulations promulgated by the Financial Supervisory Commission (the “FSC”), namely the “Regulations Governing Fraud Crime Hazard Prevention by Financial Institutions and Businesses or Personnel Providing Virtual Asset Services,” as well as the guidelines issued by the Bankers Association of the Republic of China regarding the joint alert account notification mechanism for deposit-taking institutions, the Bank revised its alert account reporting mechanisms and related internal guidelines.
2. In accordance with amendments by the Central Bank and the FSC allowing banks concurrently engaging in trust business to accept pledges of beneficial interests in foreign currency–denominated specific money trusts as collateral for New Taiwan dollar loans, the Bank revised its relevant operating procedures.
3. In accordance with laws and supervisory requirements of domestic and overseas

regulatory authorities, the Bank continuously optimizes its information security management mechanisms and policies, and plans to introduce new protective tools to enhance overall security maturity. The Bank continues to monitor information and cybersecurity risks arising from the application of financial technology, cloud services, and artificial intelligence, and, in response to post-quantum computing trends, is formulating post-quantum cryptography security control mechanisms.

c. Impact of the Macro Environment

Since 2025, although AI-related opportunities and an accommodative monetary policy environment have supported the global economy, unpredictable policy shifts by Donald Trump have periodically impacted global economic growth, inflation, interest rate conditions, and exchange rate trends. In addition, escalating geopolitical risks, including the Russia–Ukraine war and tensions in the Middle East, together with intensified U.S.–China rivalry driving global supply chain reconfiguration, have posed ongoing challenges to the overall operating environment for banks. Accordingly, banking institutions must continuously adapt their capital management, lending strategies, and business development directions.

Looking ahead to 2026, in the face of uncertainties stemming from Trump's policies and geopolitical developments, the Bank will maintain flexible capital management and adjust its investment structure and currency positions in a timely manner in response to market conditions. The Bank will also continue to cultivate AI-related investment and financing opportunities and actively support government initiatives aimed at economic revitalization and stabilization. Furthermore, in response to trends such as supply chain reconfiguration and global net-zero carbon emissions, the Bank will appropriately expand its operating footprint and diversify its product offerings to align with the strategic deployment of domestic enterprises and talent. Through these efforts, the Bank will consistently implement its strategic focus on being "customer-centric, sustainable, and integrity-driven."

D. Latest Credit Ratings

Credit Rating Agency	Release Date	International Rating		Domestic Rating		Outlook
		Long term	Short term	Long term	Short term	
Taiwan Ratings	2025/11	-	-	twAA+	twA-1+	Stable
S&P	2025/11	A	A-1	-	-	Stable
Moody's	2025/3	A2	P-1	-	-	Stable

February 26, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Chang Hwa Commercial Bank, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Chang Hwa Commercial Bank, Ltd. (the "Bank") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following is the description for the key audit matter in the audit of the consolidated financial statements of the Group for the year ended December 31, 2025.

Impairment Assessment of Loans

Loans are the most important assets of the Group. As of December 31, 2025, the balance of the Group’s loans totaled $2,067,768,378 thousand, accounting for 61% of the Group’s total consolidated assets. The Group assessed the impairment on loans in accordance with IFRS 9 and with relevant regulations on recognizing allowance for loans. As the assessment of the impairment on the aforementioned assets involves the management’s critical judgments, estimations and assumptions, we considered the impairment assessment on loans as a key audit matter. Refer to Notes 4, 5 and 12 to the Group’s consolidated financial statements for related information.

Our main audit procedures performed in response to the key audit matter described above were as follows:

When assessing the appropriateness of the impairment on loans, we understood and tested the internal controls relevant to the lending process and assessment of loan impairment. We tested whether the expected credit loss was calculated by loans grouped by borrowers and credit risk characteristics. We further verified whether the parameters utilized in the impairment loss model (including the probability of default adjusted for forward-looking factors, loss given default, and exposure at default) to reflect the actual situation, and we recalculated the impairment loss on loans, examined the classification of loan credit assets, and assessed the loan provisions in compliance with relevant regulations.

Other Matter

We have also audited the financial statements of Chang Hwa Commercial Bank, Ltd. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, Regulations Governing the Preparation of Financial Reports by Securities Firms and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group’s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors’ report are Mei Hui Wu and Tza Li Gung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
Cash and cash equivalents	$ 38,807,540	1	$ 41,389,706	1
Due from the Central Bank and call loans to banks	211,749,070	6	187,983,867	6
Financial assets at fair value through profit or loss	124,312,609	4	82,798,865	3
Financial assets at fair value through other comprehensive income	319,082,057	10	310,155,769	10
Investments in debt instruments at amortized cost	542,424,600	16	512,721,202	16
Receivables, net	26,360,804	1	24,807,709	1
Current tax assets	116,626	-	282,646	-
Discounts and loans, net	2,067,768,378	61	1,967,920,024	62
Other financial assets, net	371,614	-	324,530	-
Property and equipment, net	21,962,532	1	21,413,108	1
Right-of-use assets, net	1,941,470	-	1,966,622	-
Investment properties, net	14,014,912	-	13,932,767	-
Intangible assets, net	1,013,697	-	985,194	-
Deferred tax assets	5,204,876	-	4,510,535	-
Other assets, net	1,880,453	-	1,528,587	-
TOTAL	$ 3,377,011,238	100	$ 3,172,721,131	100
LIABILITIES AND EQUITY				
Deposits from the Central Bank and banks	$ 333,816,006	10	$ 234,310,750	8
Financial liabilities at fair value through profit or loss	2,015,551	-	2,881,955	-
Securities sold under repurchase agreements	15,879,836	1	11,403,907	1
Payables	30,429,530	1	28,023,911	1
Current tax liabilities	1,241,065	-	1,841,194	-
Deposits and remittances	2,710,322,674	80	2,630,356,510	83
Bank notes payable	41,785,176	1	40,805,410	1
Other financial liabilities	1,363,223	-	1,290,231	-
Reserve for liabilities	2,481,891	-	2,616,244	-
Lease liabilities	1,815,412	-	1,837,221	-
Deferred tax liabilities	11,113,797	-	11,089,598	-
Other liabilities	4,420,022	-	4,866,812	-
Total liabilities	3,156,684,183	93	2,971,323,743	94
EQUITY				
Capital stock				
Common stock	117,660,462	4	112,057,583	4
Capital surplus	24	-	24	-
Retained earnings				
Legal reserve	55,621,220	2	50,685,866	2
Special reserve	12,201,590	-	12,201,590	-
Unappropriated earnings	18,684,444	1	16,476,237	-
Other equity	16,159,315	-	9,976,088	-
Total equity	220,327,055	7	201,397,388	6
TOTAL	$ 3,377,011,238	100	$ 3,172,721,131	100

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
INTEREST INCOME	$ 77,957,300	172	$ 76,463,596	183	2
INTEREST EXPENSE	(50,850,948)	(112)	(53,499,016)	(128)	(5)
NET INCOME OF INTEREST	27,106,352	60	22,964,580	55	18
NET NON-INTEREST INCOME					
Net service fee income	7,187,831	16	6,868,290	16	5
Gain on financial assets or liabilities measured at fair value through profit or loss	7,391,939	16	9,286,306	22	(20)
Realized gain on financial assets at fair value through other comprehensive income	2,211,513	5	1,394,971	3	59
Loss arising from derecognition of financial assets at amortized cost	(1,367)	-	(37,994)	-	(96)
Foreign exchange gain	693,886	1	1,059,851	3	(35)
Net other non-interest income	719,935	2	283,533	1	154
Net non-interest income	18,203,737	40	18,854,957	45	(3)
NET REVENUE AND GAINS	45,310,089	100	41,819,537	100	8
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	(2,866,439)	(7)	(3,050,867)	(7)	(6)
OPERATING EXPENSE					
Employee benefits expenses	(13,657,687)	(30)	(13,116,315)	(31)	4
Depreciation and amortization expense	(1,747,705)	(4)	(1,618,842)	(4)	8
Other general and administrative expense	(5,921,535)	(13)	(5,679,926)	(14)	4

(Continued)

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
Total operating expense	(21,326,927)	(47)	(20,415,083)	(49)	4
INCOME BEFORE INCOME TAX	21,116,723	46	18,353,587	44	15
INCOME TAX EXPENSE	(3,341,857)	(7)	(3,408,216)	(8)	(2)
NET INCOME	17,774,866	39	14,945,371	36	19
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified to profit or loss, net of tax:					
Remeasurement of defined benefit plans	352,390	1	599,273	1	(41)
Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	2,395,745	5	2,696,444	6	(11)
Income tax related to items that will not be reclassified to profit or loss	(70,241)	-	(119,852)	-	(41)
Items that will be reclassified to profit or loss, net of tax:					
Exchange differences on translation	(1,184,284)	(2)	2,315,673	6	(151)
Revaluation gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	5,146,747	11	(825,483)	(2)	723
Impairment loss (reversal of impairment loss) from investments in debt instruments measured at fair value through other comprehensive income	4,922	-	(6,149)	-	180
Income tax related to items that will be reclassified to profit or loss	112,401	-	(233,908)	(1)	148
Other comprehensive income, net of tax	6,757,680	15	4,425,998	10	53

(Continued)

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
TOTAL COMPREHENSIVE INCOME	$ 24,532,546	54	$ 19,371,369	46	27
NET INCOME ATTRIBUTABLE TO:					
Owners of the Bank	$ 17,774,866	39	$ 14,945,371	36	19
Non-controlling interests	$ -	-	$ -	-	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Bank	$ 24,532,546	54	$ 19,371,369	46	27
Non-controlling interests	$ -	-	$ -	-	-
EARNINGS PER SHARE					
Basic	$1.51		$1.27		
Diluted	$1.50		$1.26		

(Concluded)

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Bank								
	Capital Stock			Retained Earnings			Other Equity		
	Common Stock (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE, JANUARY 1, 2024	10,858,293	$ 108,582,930	$ -	$ 46,674,889	$ 12,201,590	$ 13,482,750	$ (1,211,214)	$ 8,267,111	$ 187,998,056
Appropriation of 2023 earnings:									
Legal reserve appropriated	-	-	-	4,010,977	-	(4,010,977)	-	-	-
Cash dividends	-	-	-	-	-	(5,972,061)	-	-	(5,972,061)
Stock dividends	347,465	3,474,653	-	-	-	(3,474,653)	-	-	-
Other changes in capital surplus:									
Additional paid-in capital	-	-	11	-	-	-	-	-	11
Due to donated assets received	-	-	13	-	-	-	-	-	13
Net income for the year ended December 31, 2024	-	-	-	-	-	14,945,371	-	-	14,945,371
Other comprehensive income (loss) for the year ended December 31, 2024, net of tax	-	-	-	-	-	479,421	2,171,916	1,774,661	4,425,998
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	15,424,792	2,171,916	1,774,661	19,371,369
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	1,026,386	-	(1,026,386)	-
BALANCE, DECEMBER 31, 2024	11,205,758	112,057,583	24	50,685,866	12,201,590	16,476,237	960,702	9,015,386	201,397,388
Appropriation of 2024 earnings:									
Legal reserve appropriated	-	-	-	4,935,354	-	(4,935,354)	-	-	-
Cash dividends	-	-	-	-	-	(5,602,879)	-	-	(5,602,879)
Stock dividends	560,288	5,602,879	-	-	-	(5,602,879)	-	-	-
Net income for the year ended December 31, 2025	-	-	-	-	-	17,774,866	-	-	17,774,866
Other comprehensive income (loss) for the year ended December 31, 2025, net of tax	-	-	-	-	-	282,149	(1,077,929)	7,553,460	6,757,680
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	18,057,015	(1,077,929)	7,553,460	24,532,546
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	292,304	-	(292,304)	-
BALANCE, DECEMBER 31, 2025	11,766,046	$ 117,660,462	$ 24	$ 55,621,220	$ 12,201,590	$ 18,684,444	$ (117,227)	$ 16,276,542	$ 220,327,055

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before income tax	$ 21,116,723	$ 18,353,587
Non-cash (income and gains) or expenses and losses		
Expected credit loss recognized on trade receivables	2,866,439	3,050,867
Depreciation expense	1,324,368	1,260,054
Amortization expense	423,337	358,788
Interest income	(77,957,300)	(76,463,596)
Dividend income	(2,006,005)	(1,810,838)
Interest expense	50,850,948	53,499,016
Net gain on financial assets or liabilities at fair value through profit or loss	(6,512,601)	(20,222,738)
(Gain) loss on disposal of investments	(237,048)	435,503
Unrealized foreign exchange (gain) loss	(879,338)	10,936,432
Other adjustments	(40,552)	(34,137)
Changes in operating assets and liabilities		
Decrease (increase) in due from the Central Bank	11,783,231	(42,194,662)
Increase in financial assets at fair value through profit or loss	(44,691,428)	(2,429,383)
Increase in receivables	(451,852)	(2,235,622)
Increase in discounts and loans	(103,043,269)	(168,478,914)
Increase in financial assets at fair value through other comprehensive income	(1,140,459)	(46,952,463)
Increase in investments in debt instruments at amortized cost	(29,703,303)	(59,575,948)
(Increase) decrease in other financial assets	(60,397)	928,315
(Increase) decrease in other assets	(275,630)	1,559,070
Increase in deposits from the Central Bank and banks	30,082,747	119,845,477
Increase in deposits and remittances	79,966,164	154,567,555
Increase (decrease) in payables	2,775,155	(9,261,893)
Increase (decrease) in financial liabilities at fair value through profit or loss	8,006,437	(2,354,314)
Increase in reserve for liabilities	369,478	9,027
Increase in other financial liabilities	72,992	55,973
(Decrease) increase in other liabilities	(455,093)	2,402,259
Cash flows used in operations	(57,816,256)	(64,752,585)
Interest received	78,744,285	75,880,711
Dividends received	2,011,748	1,807,488
Interest paid	(51,317,882)	(52,789,857)
Income taxes paid	(4,569,968)	(3,649,862)
Net cash flows used in operating activities	(32,948,073)	(43,504,105)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(1,403,040)	(1,162,037)
Proceeds from disposal of property and equipment	31	2,351
Acquisition of intangible assets	(312,615)	(139,302)
Acquisition of investment properties	(178,498)	(11,795)

(Continued)

CHANG HWA COMMERCIAL BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Proceeds from disposal of investment properties	430,248	-
Net cash flows used in investing activities	(1,463,874)	(1,310,783)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due to the Central Bank and banks	69,422,509	1,247,025
Proceeds from issuing bank notes	1,000,000	1,000,000
Repayments of bank notes	-	(9,330,000)
Increase in securities sold under repurchase agreement	4,475,929	265,581
Repayment of the principal portion of lease liabilities	(733,060)	(812,388)
Cash dividends paid	(5,602,879)	(5,972,061)
Net cash flows generated from (used in) financing activities	68,562,499	(13,601,843)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,184,284)	2,315,673
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	32,966,268	(56,101,058)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	78,930,343	135,031,401
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 111,896,611	$ 78,930,343

	December 31	
	2025	2024
Reconciliation of cash and cash equivalents		
Cash and cash equivalents in the consolidated balance sheets	$ 38,807,540	$ 41,389,706
Call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	73,089,071	37,540,637
Cash and cash equivalents at end of year	$ 111,896,611	$ 78,930,343

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Chang Hwa Commercial Bank, Ltd.

Opinion

We have audited the accompanying financial statements of Chang Hwa Commercial Bank, Ltd. (the "Bank"), which comprise the balance sheets as of December 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks and Regulations Governing the Preparation of Financial Reports by Securities Firms.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following is the description for the key audit matter in the audit of the financial statements of the Bank for the year ended December 31, 2025.

Impairment Assessment of Loans

Loans are the most important assets of the Bank. As of December 31, 2025, the balance of the Bank's loans totaled $2,047,695,755 thousand, accounting for 61% of the Bank's total assets. The Bank assessed the impairment on loans in accordance with IFRS 9 and with relevant regulations on recognizing allowance for loans. As the assessment of the impairment on the aforementioned assets involves the management's critical judgments, estimations and assumptions, we considered the impairment assessment on loans as a key audit matter. Refer to Notes 4, 5 and 12 to the Bank's financial statements for related information.

Our main audit procedures performed in response to the key audit matter described above were as follows:

When assessing the appropriateness of the impairment on loans, we understood and tested the internal controls relevant to the lending process and assessment of loan impairment. We tested whether the expected credit loss was calculated by loans grouped by borrowers and credit risk characteristics. We further verified the parameters utilized in the impairment loss model (including the probability of default adjusted for forward-looking factors, loss given default, and exposure at default) to reflect the actual situation, and we recalculated the impairment loss on loans, examined the classification of loan credit assets, and assessed the loan provisions in compliance with relevant regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks and Regulations Governing the Preparation of Financial Reports by Securities Firms, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Mei Hui Wu and Tza Li Gung.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2026

<u>Notice to Readers</u>

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

CHANG HWA COMMERCIAL BANK, LTD.

BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025		2024	
ASSETS	**Amount**	**%**	**Amount**	**%**
Cash and cash equivalents	$ 29,716,548	1	$ 34,664,438	1
Due from the Central Bank and call loans to banks	204,879,255	6	178,655,876	6
Financial assets at fair value through profit or loss	123,065,354	4	81,846,946	3
Financial assets at fair value through other comprehensive income	311,179,879	9	301,850,939	10
Investments in debt instruments at amortized cost	535,760,480	16	512,002,497	16
Receivables, net	26,278,241	1	24,679,785	1
Current tax assets	102,261	-	282,646	-
Discounts and loans, net	2,047,695,755	61	1,949,859,996	62
Investments measured by equity method, net	15,574,654	1	15,526,275	-
Other financial assets, net	5,321,614	-	6,153,730	-
Property and equipment, net	21,284,004	1	20,718,584	1
Right-of-use assets, net	1,936,934	-	1,957,080	-
Investment property, net	14,014,912	-	13,932,767	-
Intangible assets, net	837,767	-	909,344	-
Deferred tax assets	5,094,999	-	4,423,158	-
Other assets, net	1,871,357	-	1,516,741	-
TOTAL	$ 3,344,614,014	100	$ 3,148,980,802	100
LIABILITIES AND EQUITY				
Deposits from the Central Bank and banks	$ 333,411,751	10	$ 234,330,201	8
Financial liabilities at fair value through profit or loss	2,005,824	-	2,881,955	-
Securities sold under repurchase agreements	15,249,836	1	11,403,907	1
Payables	30,002,173	1	27,618,257	1
Current tax liabilities	1,237,902	-	1,816,181	-
Deposits and remittances	2,679,514,071	80	2,607,179,840	83
Bank notes payable	41,785,176	1	40,805,410	1
Other financial liabilities	1,363,223	-	1,290,231	-
Reserve for liabilities	2,465,665	-	2,579,892	-
Lease liabilities	1,812,558	-	1,829,323	-
Deferred tax liabilities	11,113,345	-	11,057,632	-
Other liabilities	4,325,435	-	4,790,585	-
Total liabilities	3,124,286,959	93	2,947,583,414	94
EQUITY				
Capital stock				
Common stock	117,660,462	4	112,057,583	4
Capital surplus	24	-	24	-
Retained earnings				
Legal reserve	55,621,220	2	50,685,866	2
Special reserve	12,201,590	-	12,201,590	-
Unappropriated earnings	18,684,444	1	16,476,237	-
Other equity	16,159,315	-	9,976,088	-
Total equity	220,327,055	7	201,397,388	6
TOTAL	$ 3,344,614,014	100	$ 3,148,980,802	100

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	%	Amount	%	%
INTEREST INCOME	$ 76,892,366	172	$ 75,251,026	183	2
INTEREST EXPENSE	(50,205,460)	(112)	(52,837,005)	(129)	(5)
NET INCOME OF INTEREST	26,686,906	60	22,414,021	54	19
NET NON-INTEREST INCOME					
Net service fee income	7,176,888	16	6,841,020	17	5
Gain on financial assets or liabilities measured at fair value through profit or loss	7,180,253	16	9,104,013	22	(21)
Realized gain on financial assets at fair value through other comprehensive income	2,099,651	5	1,277,560	3	64
Loss arising from derecognition of financial assets at amortized cost	(1,367)	-	(37,994)	-	(96)
Foreign exchange gain	692,430	1	1,053,833	2	(34)
Share of profit of subsidiaries accounted for using equity method	160,082	-	240,355	1	(33)
Net other non-interest income	723,303	2	285,104	1	154
Net non-interest income	18,031,240	40	18,763,891	46	(4)
NET REVENUE AND GAINS	44,718,146	100	41,177,912	100	9
BAD DEBTS EXPENSE, COMMITMENT AND GUARANTEE LIABILITY PROVISION	(2,854,154)	(6)	(3,003,225)	(8)	(5)
OPERATING EXPENSE					
Employee benefits expenses	(13,311,852)	(30)	(12,760,800)	(31)	4
Depreciation and amortization expense	(1,666,739)	(4)	(1,533,792)	(4)	9

(Continued)

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
Other general and administrative expense	(5,779,698)	(13)	(5,545,613)	(13)	4
Total operating expenses	(20,758,289)	(47)	(19,840,205)	(48)	5
INCOME BEFORE INCOME TAX	21,105,703	47	18,334,482	44	15
INCOME TAX EXPENSE	(3,330,837)	(7)	(3,389,111)	(8)	(2)
NET INCOME	17,774,866	40	14,945,371	36	19
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX					
Items that will not be reclassified to profit or loss, net of tax:					
Remeasurement of defined benefit plans	352,390	1	599,273	1	(41)
Revaluation gains on investments in equity instruments measured at fair value through other comprehensive income	2,396,785	5	2,697,047	7	(11)
Share of other comprehensive loss of subsidiaries accounted for using the equity method	(1,040)	-	(603)	-	72
Income tax related to items that will not be reclassified to profit or loss	(70,241)	-	(119,852)	-	(41)
Items that will be reclassified to profit or loss, net of tax:					
Exchange differences on translation	(1,184,284)	(3)	2,315,673	6	(151)
Share of other comprehensive (loss) income of subsidiaries accounted for using the equity method	(161,184)	-	81,764	-	(297)

(Continued)

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024		Percentage Increase (Decrease)
	Amount	**%**	**Amount**	**%**	**%**
Revaluation gains (losses) on investments in debt instruments measured at fair value through other comprehensive income	5,361,560	12	(931,796)	(2)	675
Impairment loss (reversal of impairment loss) from investments in debt instruments measured at fair value through other comprehensive income	4,996	-	(8,178)	-	161
Income tax related to items that will be reclassified to profit or loss	58,698	-	(207,330)	(1)	128
Other comprehensive income, net of tax	6,757,680	15	4,425,998	11	53
TOTAL COMPREHENSIVE INCOME	$ 24,532,546	55	$ 19,371,369	47	27
EARNINGS PER SHARE					
Basic	$ 1.51		$ 1.27		
Diluted	$ 1.50		$ 1.26		

(Concluded)

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Bank								
	Capital Stock			Retained Earnings			Other Equity		
	Common Stock (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE, JANUARY 1, 2024	10,858,293	$ 108,582,930	$ -	$ 46,674,889	$ 12,201,590	$ 13,482,750	$ (1,211,214)	$ 8,267,111	$ 187,998,056
Appropriation of 2023 earnings:									
Legal reserve appropriated	-	-	-	4,010,977	-	(4,010,977)	-	-	-
Cash dividends	-	-	-	-	-	(5,972,061)	-	-	(5,972,061)
Stock dividends	347,465	3,474,653	-	-	-	(3,474,653)	-	-	-
Other changes in capital surplus:									
Additional paid-in capital	-	-	11	-	-	-	-	-	11
Due to donated assets received	-	-	13	-	-	-	-	-	13
Net income for the year ended December 31, 2024	-	-	-	-	-	14,945,371	-	-	14,945,371
Other comprehensive income for the year ended December 31, 2024, net of tax	-	-	-	-	-	479,421	2,171,916	1,774,661	4,425,998
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	15,424,792	2,171,916	1,774,661	19,371,369
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	1,026,386	-	(1,026,386)	-
BALANCE, DECEMBER 31, 2024	11,205,758	112,057,583	24	50,685,866	12,201,590	16,476,237	960,702	9,015,386	201,397,388
Appropriation of 2024 earnings:									
Legal reserve appropriated	-	-	-	4,935,354	-	(4,935,354)	-	-	-
Cash dividends	-	-	-	-	-	(5,602,879)	-	-	(5,602,879)
Stock dividends	560,288	5,602,879	-	-	-	(5,602,879)	-	-	-
Net income for the year ended December 31, 2025	-	-	-	-	-	17,774,866	-	-	17,774,866
Other comprehensive income (loss) for the year ended December 31, 2025, net of tax	-	-	-	-	-	282,149	(1,077,929)	7,553,460	6,757,680
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	18,057,015	(1,077,929)	7,553,460	24,532,546
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	292,304	-	(292,304)	-
BALANCE, DECEMBER 31, 2025	11,766,046	$ 117,660,462	$ 24	$ 55,621,220	$ 12,201,590	$ 18,684,444	$ (117,227)	$ 16,276,542	$ 220,327,055

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before income tax	$ 21,105,703	$ 18,334,482
Non-cash (income and gains) or expenses and losses		
Expected credit loss recognized on trade receivables	2,854,154	3,003,225
Depreciation expense	1,275,128	1,206,505
Amortization expense	391,611	327,287
Share of profit of subsidiaries for using equity method	(160,082)	(240,355)
Interest income	(76,892,366)	(75,251,026)
Dividend income	(1,975,968)	(1,797,439)
Interest expense	50,205,460	52,837,005
Net gain on financial assets or liabilities at fair value through profit or loss	(6,324,376)	(20,040,445)
(Gain) loss on disposal of investments	(126,293)	552,573
Unrealized foreign exchange (gain) loss	(855,877)	10,936,432
Other adjustments	(27,511)	(71,086)
Changes in operating assets and liabilities		
Decrease (increase) in due from the Central Bank	11,424,902	(41,270,958)
Increase in financial assets at fair value through profit or loss	(44,475,758)	(2,307,037)
Increase in receivables	(460,364)	(2,262,374)
Increase in discounts and loans	(100,998,677)	(165,802,979)
Increase in financial assets at fair value through other comprehensive income	(1,437,939)	(42,872,727)
Increase in investments in debt instruments at amortized cost	(23,757,888)	(58,900,158)
Decrease in other financial assets	818,803	1,591,115
(Increase) decrease in other assets	(278,378)	1,557,987
Increase in deposits from the Central Bank and banks	30,109,041	119,840,507
Increase in deposits and remittances	72,334,231	148,214,883
Increase (decrease) in payables	2,811,560	(9,245,530)
Increase (decrease) in financial liabilities at fair value through profit or loss	7,864,689	(2,446,378)
Increase (decrease) in reserve for liabilities	370,016	(7,542)
Increase in other financial liabilities	72,992	55,973
(Decrease) increase in other liabilities	(473,453)	2,400,662
Cash flows used in operations	(56,606,640)	(61,657,398)
Interest received	77,642,378	74,921,757
Dividends received	1,981,711	1,794,089
Interest paid	(50,730,502)	(52,163,048)
Income taxes paid	(4,536,787)	(3,624,922)
Net cash flows used in operating activities	(32,249,840)	(40,729,522)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(1,356,080)	(1,135,254)
Proceeds from disposal of property and equipment	31	2,351
Acquisition of intangible assets	(200,673)	(137,613)

(Continued)

CHANG HWA COMMERCIAL BANK, LTD.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Acquisition of investment properties	(178,498)	(11,795)
Proceeds from disposal of investment properties	430,248	-
Net cash flows used in investing activities	(1,304,972)	(1,282,311)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due to the Central Bank and banks	68,972,509	1,630,639
Proceeds from issuing bank notes	1,000,000	1,000,000
Repayments of bank notes	-	(9,330,000)
Increase in securities sold under repurchase agreement	3,845,929	265,581
Repayments of the principal portion of lease liabilities	(725,551)	(738,947)
Cash dividends paid	(5,602,879)	(5,972,061)
Net cash flows generated from (used in) financing activities	67,490,008	(13,144,788)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,234,805)	1,827,936
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	32,700,391	(53,328,685)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	65,830,582	119,159,267
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 98,530,973	$ 65,830,582

	December 31	
	2025	2024
Reconciliation of cash and cash equivalents		
Cash and cash equivalents in the balance sheets	$ 29,716,548	$ 34,664,438
Call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	68,814,425	31,166,144
Cash and cash equivalents at end of year	$ 98,530,973	$ 65,830,582

(Concluded)