Chang Hwa Bank
Environmental Resource Management and Nature Conservation Policy

Adopted at the 64th Meeting of the 26th Board of Executive Directors on October 8, 2021
Amended at the 5th Meeting of the 27th Board of Executive Directors on July 28, 2023
Amended at the 127th Meeting of the 27th Board of Executive Directors on February 13, 2026

Article 1 (Purpose)

Chang Hwa Bank has established this Policy to mitigate the impacts of climate change and environmental resource scarcity, align with international sustainable development trends, implement sustainable development goals, and fulfill its corporate social responsibility. This Policy aims to systematically promote environmental, energy, and water resource management, plan relevant actions according to local conditions, continuously identify opportunities for resource conservation and improvement, and enhance overall environmental resource management performance.

Article 2 (Scope of Application)

This Policy applies to Chang Hwa Bank and its subsidiaries in their respective operations. Suppliers and partners are encouraged to follow the relevant principles. However, overseas branches and subsidiaries may have separate policies and regulations established in accordance with local laws.

Article 3 (Vision)

In order to uphold the spirit of environmental protection, LOHAS (Lifestyles of Health and Sustainability), and environmental stewardship, Chang Hwa Bank adheres to the nature conservation principles of “preventing water pollution, avoiding significant deforestation, and protecting biodiversity" to formulate and promote various policies and objectives for environment, energy, water resource, and nature conservation management, and to gradually strengthen the positive impact of business operations on the natural environment in response to the global vision of "living in harmony with nature" in the 2050 United Nations Convention on Biological Diversity (CBD).

Article 4 (Environmental Management Policy)

Chang Hwa Bank adheres to the ISO 14001 Environmental Management System with the following commitments made to reduce the environmental impact of business operations, fulfill the Bank's environmental protection responsibilities, and achieve the environmental management objectives:

1. Promote environmental protection actions, enhance employees' environmental awareness, and improve sustainable environmental development.
2. Support and prioritize the procurement of products and services with recognized eco-labels (e.g., Taiwan Green Mark) to reduce environmental and ecological impact.
3. Invest or integrate relevant resources continuously, refine management practices, and improve environmental management performance.
4. Comply with applicable environmental laws and regulations and the requirements of competent authorities.

Article 5 (Energy Management Policy)

Chang Hwa Bank complies with the ISO 50001 Energy Management System and commits to implementing the following actions to promote energy use transformation and improve energy efficiency for the realization of energy management objectives.

1. Support and prioritize the procurement of energy-saving products and equipment to construct a highly efficient energy-saving environment.
2. Improve energy use performance continuously and enhance the value and efficiency of energy use.
3. Invest the necessary human, financial, and operational resources to ensure the realization of energy management goals and targets.
4. Introduce the use or procurement of renewable energy gradually to reduce carbon emissions from business operations.
5. Comply with energy-related laws and regulations and the requirements of competent authorities; also, promote the concept of energy conservation and carbon reduction.

Article 6 (Water Resources Management Policy)

Chang Hwa Bank complies with the ISO 46001 Water Efficiency Management System and commits to implementing and promoting the following actions to address the risk of water scarcity and implement water-use tracking and management so as to realize water resource management objectives:

1. Promote and raise awareness of water-saving concepts to realize water conservation.
2. Prioritize the purchase of products with water efficiency labels at the time of installing or replacing new equipment.

3. Regularly monitor water-use efficiency to reduce overall water consumption.
4. Continue to invest in resources for improvement and enhance water resource efficiency year after year.
5. Comply with water resource-related laws and regulations and the requirements of competent authorities, and promote the concept of water conservation.

Article 7 (Nature Conservation Policy)

Chang Hwa Bank commits to implementing the following measures with reference to the Kunming–Montreal Global Biodiversity Framework (GBF), Task Force on Climate-Related Financial Disclosures (TCFD), Task Force on Nature-Related Financial Disclosures (TNFD), and other relevant international standards in response to nature-related risks and opportunities, and to mitigate the impact of business operations on ecosystems:

1. Recognize the importance of natural carbon sinks such as forests, soil, and oceans, and have them incorporated into relevant protection and conservation action plans.
2. Business operations shall follow the mitigation hierarchy of "avoid, minimize, restore, and offset".
3. In principle, the establishment or site selection of business premises should not be in areas with high ecological value or important natural habitats.
4. Conduct natural risk assessments or monitoring, and take appropriate risk mitigation and management actions according to the assessment results.
5. Continue to allocate resources to promote and refine various

nature conservation plans.

Article 8 (Announcement and Implementation)

This policy shall be implemented upon approval by the Board of Executive Directors; the same procedure shall apply to any amendments.