



CTBC Financial Holding Co., Ltd. Sustainability Management Policy

Ver 1.0

The English version of the Policy is its Chinese version counterpart and to the best of the knowledge translated in a candid and faithful manner. If, however, there is a discrepancy between the Chinese version and the English translation, the original Chinese version shall govern.

Copyright Statement

All contents contained in this document are owned by CTBC Financial Holding Co., Ltd., the proprietary owner, and are protected by the Copyright Law of the Republic of China. No part of these contents shall be modified, reproduced, and/or republished in any form without prior permission of the proprietary owner.



CTBC Financial Holding Co., Ltd. Sustainability Management Policy

Article 1 Objectives

CTBC Financial Holding Co., Ltd. (hereinafter, the “Company”) is committed to achieving the U.N. Sustainable Development Goals (SDGs). Taking into account the Company’s business growth, the rights and interests of its stakeholders, and sustainable environmental and social development, this CTBC Holding Sustainability Management Policy (hereinafter, the “Policy”) is formulated to serve as the guideline for the Company’s sustainable business practices.

In addition to the SDGs, other U.N. standards, including the Global Compact, Principles for Responsible Banking, Principles for Responsible Investment, and Principles for Sustainable Insurance, were referenced in formulating the Policy in order to guide the Company’s sustainability practices. For matters not specified in this document, please refer to other policies or regulations stipulated by the Company.

Article 2 Application scope

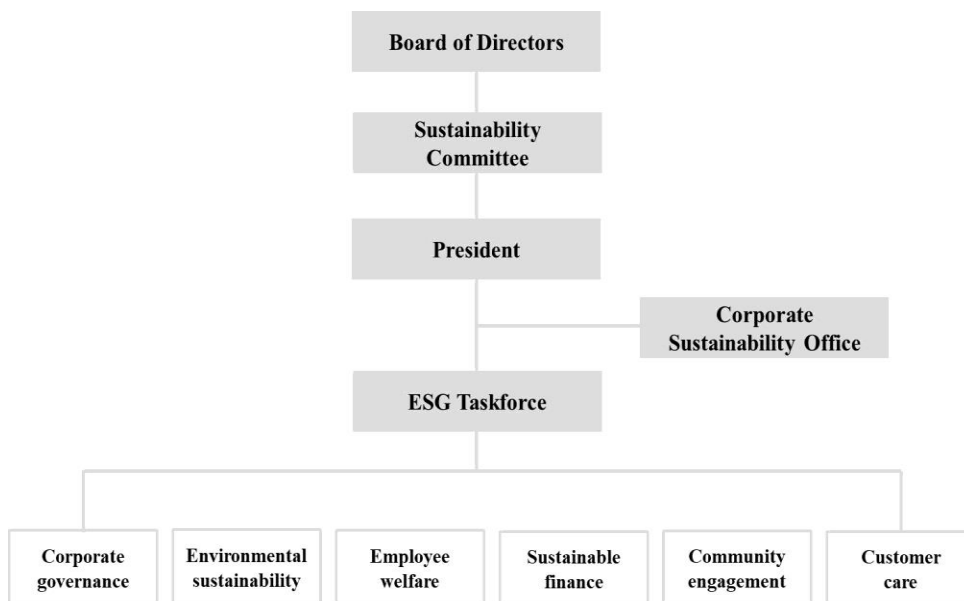
This policy applies to the Company and its subsidiaries. The Company’s business operations shall take into consideration the positive and negative impacts on the environment, society, and economy. The Company shall proactively establish proper engagement and communication channels with its stakeholders, including employees, customers, suppliers, investors, the government, and the community.

Article 3 Management structure

- 3-1. The Company’s Corporate Sustainability Office is the responsible unit for this policy.
- 3-2. The Company has established a sustainability management structure detailing responsibility for the implementation of the Policy, as shown in the chart below. The Sustainability Committee is a functional committee of the Board of Directors. In addition, an ESG Taskforce has



been created under the Company’s management team. In collaboration with the management team of each subsidiary, various annual corporate sustainability objectives are formulated, covering six major areas, namely corporate governance, environmental sustainability, employee welfare, sustainable finance, community engagement, and customer care. Progress toward the objectives is tracked.



3-3. The Company’s Corporate Sustainability Office reports relevant policy formulations and the status of their implementation to the Board of Directors.

Article 4 Aspects of sustainability management

Sustainable Growth, Responsible Operations, and a Connected Society are the three pillars of the Company’s sustainable development strategy and will be used by the Company to foster a culture of sustainability in line with the values of the group to create long-term value for the Company’s stakeholders:

4-1. Sustainable Growth

By integrating sustainable development and digital technology trends, the Company guides its subsidiaries to continually create and improve innovative financial products, services, and operational quality in order to achieve sustainable growth. In doing so, the Company pledges to:

1. commit to the development of financial products and services that conform to the SDGs, including inclusive finance and a



low-carbon economy, in the hope of using funds to build a positive-impact financial ecosystem; and

2. utilize digital technology to create a financial system that is readily accessible to the public and that provides customers with financial services that are more convenient, innovative, and secure.

4-2. Responsible Operations

A positive working environment and corporate culture as well as a sound corporate governance system are the foundation of the Company's sustainable business operations. The Company also provides guidance to subsidiaries in business operations toward the goal of reducing their direct and indirect impact on the environment to fulfill the Company's overall operational responsibilities. In doing so, the Company pledges to:

1. with the knowledge that a company's workforce is key to its sustainable development, establish an equitable work environment and a corporate culture of mutual trust to empower employees and enable mutual growth toward individual and corporate goals;
2. uphold the spirit of management with integrity, ensuring a corporate governance and risk management system that conforms to global best practices and has transparent and sufficient information disclosure in order to create the best value for shareholders; and
3. optimize the efficiency of energy and resource use and reduce the negative environmental impact of business activities through sound practices in the Company's procurement and daily operations.

4-3. A Connected Society

In response to the SDGs, the Company and/or its subsidiaries focus on and continue to invest in addressing specific social issues as well as to examine overall social investment benefits. In addition, plans are made for regular communication and engagement with stakeholders on sustainability-related issues and to pursue opportunities for synergy. In doing so, the Company pledges to:



1. integrate corporate resources in its charitable, anti-drug awareness, sports, education, and arts and culture efforts in order to facilitate community development and social stability and to strengthen social capital; and
2. actively create sustainable partnerships and engagement opportunities with stakeholders, including customers, suppliers, domestic and international NGOs, governmental institutions, and academic institutions in order to develop shared values toward the achievement of sustainable visions and goals.

Article 5 Information disclosure

Adopting internationally recognized standards or guidelines, the Company prepares both Chinese and English versions of its annual Sustainability Report and discloses its sustainability performance on the Corporate Sustainability section of its official website as well as the webpage designated by the competent authorities.

Article 6

This Policy, and any amendments hereto, shall take effect after approval by the Board of Directors.