合庫金控
TAIWAN COOPERATIVE HOLDINGS

2024 SUSTAINABILITY REPORT

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Reporting Principles

Disclosures in this report are made in compliance with the GRI Standards 2021, the TWSE Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, the FSB "Task Force on Climate-Related Financial Disclosures" (TCFD) and the SASB standards for Commercial Banks.

Reporting Period

TCFHC has been publishing a CSR Report every year since 2011. The report was renamed the Sustainability Report in 2021 and has been published for 14 consecutive years. This report discloses the result that TCFHC has achieved in environmental, social, and corporate governance for the 2024 fiscal year (from January 1, 2024 to December 31, 2024). Part of the information can be traced back to the outcome achieved prior to 2024 or extend to the latest development in 2025, in an attempt to present overall performance or data changes.

Reporting Scope and Boundary

This report covers TCFHC and its 7 subsidiaries: Taiwan Cooperative Bank (TCB), Taiwan Cooperative Securities Company (TCS), Taiwan Cooperative Bills Finance Corporation (TCBF), Co-operative Assets Management Company (CAM), Taiwan Cooperative Securities Investment Trust Company (TCSIT), Taiwan Cooperative Venture Capital Company (TCVC), and BNP Paribas Cardif TCB Life Insurance Company (BNP TCB Life). It focuses on reporting operational activities in Taiwan, which account for 93.30% of consolidated revenue. The term "The Company" in this report refers to Taiwan Cooperative Financial Holding Co., Ltd. (TCFHC), while "The Group" includes TCFHC and its 7 subsidiaries. If there are specific disclosure requirements for the indicators, the detailed scope and calculation method will be noted in the relevant data and paragraphs.

Basis for Calculation

All information and data in this report originate from internal statistics and surveys. The data and information were collected, measured, and calculated in compliance with relevant regulations. In instances where no regulations apply, international standards are adopted. If international standards are unavailable, industry or applicable standards are used. All financial data in this report are expressed in New Taiwan Dollars (NTD). Certain financial data in the Business Strategies and Profitability section are quoted from audited financial statements.

Publication

The report is released on the Company's website (https://www.tcfhc.com.tw) on a yearly basis. It was released in June 2024 and this year, it was released in June 2025. An English version of the report has been published every year since 2018 and is available for download in the ESG section of the TCFHC website.

The illustrations used in this report were commissioned by 4 Points Design Co., Ltd. to edit this report with permission from shutterstock, and the photos were taken at events held by the Group's subsidiaries.

Report Management

Internal Audit: This report was published following review and approval by the TCFHC Board of Directors.

External Certification Note**:**

- Sustainability Report: Type 2 High Assurance in accordance with the AA1000AS v3 Standard【BSI】
- Financial Data: Audit report with an unqualified opinion (Deloitte & Touche)
- Sustainable Data: Independent limited assurance was provided by KPMG Taiwan in compliance with the ROC Assurance Guidelines 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".
- Environmental Data: ISO 14001【BSI】、ISO 14046【BSI】、ISO 14064-1【BSI, AFNOR】、ISO 14067【BSI】、ISO 20400【BSI】、ISO 46001【BSI】、ISO 50001【BSI】、TCFD【BSI】
- Governance Data: BS 10012:2017【BSI】、ISO 22301【BSI】、ISO 27001【BSI】、TPIPAS【BSI】、TIPS【IDB of MOEA】
- Occupational Health and Safety Data: ISO 45001【BSI】、TOSHMS【BSI】

Note: Some of the certifications are passed by certain subsidiaries and do not apply to the other members of the Group.

Sustainable Information Collection and Compilation	Internal Review & External Certification	Disclosure and Reporting
The content of the Sustainability Report is provided by the Sustainability Office, the 6 executive task forces and their members. After confirmed and reviewed by the conveners of each task force, the content is then compiled, edited and proofread by the Sustainability Office.	The Sustainability Report has been reviewed and approved by the Sustainability Committee (June 4, 2025) and the Board of Directors (June 20, 2025), and assured by KPMG Taiwan to conduct an independent limited assurance assessment in accordance with Assurance Standard No. 3000 "Assurance Cases for Audits or Reviews of Non-Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China, and assured by the British Standards Institution (BSI) with AA1000AS v3 assurance standard second application type Type 2 high assurance level as well.	After finalization, the Sustainability Report will be publicly disclosed on the Company's external website and the Taiwan Stock Exchange's public information observation station.

Message from the Chair GRI 2-22

In 2024, global geopolitical tensions continued to intensify, extreme weather events occurred frequently, and disruptive AI technology presented unprecedented challenges and opportunities. Amid of these turbulent changes, TCFHC remained steadfast in its core value of integrity. This company continuously strengthened corporate governance, advanced financial transformation and innovation, and fostered inclusive and mutually beneficial social development. Together with its employees, customers, and shareholders, TCFHC remained committed to enhancing competitiveness and moving toward a sustainable future.

To reinforce its sustainable development strategy and actions, TCFHC established the Sustainability Strategy Blueprint in 2024, aiming to enhance internal and external communication, focus on action directions, and ensuring the implementation of goals. The Sustainability Strategy Blueprint was built upon 3 key visions: corporate sustainability, environmental sustainability, and social sustainability. It further integrates core financial services with ESG principles, forming the "RISE" framework, which comprises 4 strategic pillars: "Resilience – Building Resilient Operations", "Inclusion – Leading Sustainable Finance", "Synergy – Creating Diversity and Inclusion", and "Enrichment – Enhancing Environmental Co-Prosperity".

Chair ***Yen-Mao Lin***

Resilience

In 2024, amid the U.S. presidential election and ongoing geopolitical disruptions such as the Russia-Ukraine war and conflicts in the Middle East, uncertainty in financial markets increased. In response to the rapidly changing international landscape and risks, TCFHC established a robust governance framework and compliance mechanisms to strengthen operational efficiency and business resilience. Building upon existing customer engagement and the synergy created across subsidiaries, we have been consistently improved asset quality. The consolidated net profit after tax reached NT$19.809 billion, while the after-tax return on net worth and after-tax return on assets were 7.84% and 0.40%, respectively. Earnings per share after tax were NT$1.26.

To comprehensively strengthen the confidentiality, integrity, and availability of its information security management system, TCFHC implemented an Information Security Policy, appointed a chief information security officer at the executive vice president level, established a management system, and formed a dedicated task force. Alongside introducing the ISO 27001 for information security management systems, TCB also adopted ISO 22301 for business continuity management systems, which enhances organizational financial resilience from a customer rights perspective by establishing emergency response, business continuity, and recovery capabilities. Furthermore, TCB annually insures up to NT$150 million in Cyber Liability Insurance to mitigate mitigating risks and prevent losses in the event of system breaches.

Inclusion

In recent years, climate finance has become a focal point of global net-zero initiatives. As a result the 29th United Nations Climate Change Conference (COP29) in 2024 was therefore referred to as the "finance COP". The designation once again emphasizes that investment and financing activities are key drivers in accelerating sustainability transition and climate action.

To jointly achieve Taiwan's Pathway to Net-Zero Emissions in 2050, TCFHC strengthened engagement efforts and actively supported enterprises in reducing carbon emissions and initiating sustainability transition through investment and financing. TCB provided comprehensive and practical carbon reduction financing solutions, successfully assisting SME borrowers in lowering emissions. It became Taiwan's first financial institution to complete carbon reduction engagement with 5,000 SMEs, embedding ESG principles into their growth strategies. Furthermore, to encourage customer engagement and showcase the substantial achievements in carbon reduction, TCFHC sponsored the 11th D&B Top1000 Elite SME Awards in 2024. This event recognized SME borrowers actively committed to sustainable development and encouraged more enterprises to join the sustainability transition.

On the investment front, in green energy businesses and the issuance of sustainable finance bonds TCB's combined investment in 2024. It also led state-owned banks in ESG bond issuance, reaching a cumulative issuance volume of NT$9 billion. TCB became the first state-owned bank to meet issuance targets for all 3 types of sustainable development use-of-proceeds bonds: green bonds, social responsibility bonds, and sustainable development bonds.

Recognizing that innovative and secure financial services are essential for advancing toward sustainability, TCFHC executed eight major digital projects, 28 business digital transformation initiatives, and one Empowering Digital Talents and CoLAB Incubator project through cross-departmental collaboration within the Digital Development Committee in 2024. The Innovation Lab (CoLAB) continued to focus on innovation governance, innovative framework methodology, and key skills development. Through close cross-departmental collaboration, it drove major digital transformation projects, validated the business feasibility for small-scale innovation solutions, and launched an AI strategy blueprint and training program, training a total of 1,105 participants. Additionally, to comprehensively protect its R&D achievements, TCFHC adopted the Taiwan Intellectual Property Management System (TIPS) in 2020 and has since passed A-level certification 3 consecutive times. Cumulatively, it has submitted over 950 patent applications, with more than 800 patents approved and applied in business operations.

Synergy

While promoting sustainable development and the net-zero transition, TCFHC recognized that all actions must uphold fairness and social inclusion, placing people at the core and adhering to the SDG principle of "leaving no one behind". Through multi-stakeholder communication and collaboration, TCFHC worked to safeguard and enhance the well-being of all stakeholders.

To advance employees' awareness of environmental sustainability and integrate the concept of environmental co-prosperity, TCFHC actively organized environmental education and protection initiatives. The Company encouraged employees to participate in ESG courses and obtain certifications to incorporate sustainable development into

their daily lives and business activities. Additionally, It prioritized gender equality, by striving to create a diverse, equal, and inclusive workplace culture. TCFHC ensured fair rights for employees of all genders in recruitment, promotion, training, parental support, and compensation. In 2024, TCFHC was recognized in Equileap's Gender Equality Report & Ranking, placing 12th among emerging market companies for gender equality and ranking first in Taiwan's financial industry.

Following the pioneering program of Seed Staff of Long-Term Care Services, TCFHC continued to cultivate trust professionals to address various challenges arising from an aging society. By the end of 2024, TCB had 848 "eldercare financial planning consultants" and 195 "family trust planning consultants" to provide clients with professional asset trust planning and LOHAS (Lifestyles of Health and Sustainability) consultation services. Furthermore, upholding people-centered values and aiming to improve social well-being, TCFHC launched a variety of inclusive financial products. These offerings included tailored loans for SMEs, startups, regional revitalization projects, agricultural/fishery industries, youth, and long-term care institutions. TCFHC's efforts to promote the Business Start-up Loan for the Unemployed of the Employment Insurance Act, Loans for Startup Assistance for Unemployed Middle-Aged Persons and Elderly Persons, and Micro/Women Start-up Loans were commended by the Ministry of Labor, reaching a market share of 27.16% at the end of 2024.

Enrichment

TCFHC supports the Paris Agreement and Taiwan's Pathway to Net-Zero Emissions in 2050. Alongside to signing the Science-Based Targets initiative (SBTi) and committing to achieving the approved SBT mid-term carbon reduction targets, TCFHC is preparing to submit its long-term SBT targets for review. To reduce carbon emissions in its operations, TCFHC conducts annual greenhouse gas (GHG) inventories covering all domestic and international locations. Through energy conservation, energy generation, and energy procurement, TCFHC continously to improves energy use efficiency and increase the renewable energy utilization rate. It also implements voluntary GHG reduction projects, introduces digital measures to achieve paperless processes, and promotes green operations. To amplify the influence of financial institutions and advance the vision of environmental co-prosperity, TCFHC hosted the 4th State-Owned Financial Institutions Joint Supplier Conference in 2024 under the theme "Carbon Has a Price, Emission Reduction for Net Zero". The event gathered over 200 suppliers and borrowers to support the 2050 net-zero transition, aiming to raise awareness of carbon reduction among both internal and external stakeholders.

To enhance the identification and management of climate-related risks and opportunities, TCFHC integrated natural environmental risk factors into its investment and financing decisions and published its first Climate and Nature-Related Financial Disclosure Report In 2024, the company,sustainability initiatives from the climate-focused Task Force on Climate-Related Financial Disclosures (TCFD) framework to include natural capital and biodiversity through the Taskforce on Nature-related Financial Disclosures (TNFD). That same year As a result, TCFHC once again received the premier Level-5+: Excellence certification from the British Standards Institution (BSI), demonstrating its commitment and proactive efforts in supporting Green Finance 3.0.

With a long-standing dedication to ESG, TCFHC has been highly recognized by both domestic and international institutions. In 2024, TCFHC was once again included in both the World Index and the Emerging Markets Index under the Dow Jones Sustainability Indices (DJSI), ranking third globally among banks and first among Taiwan's state-owned banks. Additionally, in the 2024 Carbon Disclosure Project (CDP), TCFHC made significant progress, advancing 2 levels from the previous year and achieving recognition on the Leadership (A list) list, the highest honor. Domestically, TCFHC received the Taiwan Top 100 Sustainability Exemplary Award at the Taiwan Corporate Sustainability Awards, the National Enterprise Environmental Protection Award – Silver from the Ministry of Environment, and the Sustainable Development Leadership Award from the BSI.

The rapidly evolving business environment and global challenges such as climate change present risks vastly different from those of the past but also create new opportunities. Looking ahead, TCFHC will continue to adhere to SDGs, the Principles for Responsible Investment (PRI), the Principles for Responsible Banking (PRB), and the Principles for Sustainable Insurance (PSI). TCFHC remains committed to implementing its Sustainability Strategy Blueprint, advancing sustainable development strategies, enhancing corporate governance and resilience, and collaborating with stakeholders to jointly achieve the vision of corporate sustainability, environmental sustainability, and social sustainability.

Awards and Acknowledgments

Resilience

- Taiwan Corporate Sustainability Awards (TCSA) **"Taiwan Top 100 Sustainability Exemplary Award"** and **"Corporate Sustainability Report Award – Platinum"**
- National Sustainable Development Committee, Executive Yuan **"2024 National Sustainable Development Awards – Corporate Category Honorable Mention"**
- British Standards Institution (BSI) **"ESG Sustainable Development Leadership Award"**
- Once again selected as a constituent of both the **DJSI World Index and Emerging Markets Index, ranking 3rd globally among banks.**
- Included in the **MSCI ESG Indexes**
- Included in the **FTSE Russel "FTSE4Good Emerging Index"**
- Selected as a constituent stock in the TWSE **"FTSE4Good TIP Taiwan ESG Index"** for eight consecutive years.
- Ranked in the top 6–20% in the 10th TWSE **"Corporate Governance Evaluation"**
- Included in the **"TWSE Corporate Governance 100 Index"** for 10 consecutive years

Inclusion

- TCFD Received British Standards Institution (BSI) **"Level-5+: Excellence"**, the highest-level verification
- 2024 Excellent Bank Rating **"Best Diverse Trust Award"**
- TCB won the 12th Elite Awards **"Best SME Finance Award – Excellence"** and **"Best Corporate Trust Finance Award – Merit"**
- TCB won Financial Supervisory Commission **"Best Trust Award", "Senior Care Trust Award", "Employee Welfare Trust Award", and "Trust Alliance award" under the 3rd phase of the "Trust 2.0 Project Evaluation Promoted by Trust Association"**, becoming the only financial institution to receive all 4 major awards
- TCB won 2024 "Trust Award"-**"Best Elderly Care Trust Innovation – Gold Award", "Best Urban Renewal and Old Building Reconstruction Trust Innovation – Gold Award", "Best Employee Welfare Trust Innovation – Merit Award"**, and **"Excellence in Trust Marketing – Merit Award"**
- TCB and BNP TCB Life won the **2024 Taiwan Sustainable Investment Awards (TWSIA)**-1 Gold and 1 Silver Award in the "Case Impact Category"
- TCB won the the **2024 Taiwan Sustainability Action Awards (TSAA)** – Silver Award in the Economic Category
- TCS won the 21st National Brand Yushan Award **"Best Product Award"**
- TCS won the TWSE **"2024 Outstanding Award for Anti-Fraud Evaluation of Securities Firms"**

Synergy

- Selected as a constituent stock of the **"Taiwan High Compensation 100 Index"** for 10 consecutive years
- Selected as a constituent stock of the **"Taiwan Employment Creation 99 Index"** for 8 consecutive years
- Selected in **"Equileap Emerging Markets Gender Equality Enterprises"** for the first-time, inclusion becoming the 1st from Taiwan's financial industry
- Selected as the "Insurance Dragon and Phoenix Award"-**the most desirable financial holding company** among graduates for 6 times for; BNP TCB Life also receiving won Excellence Awards in both the Internal Staff and Field Agent categories for **'Most Desired Life Insurance Company'."**
- Selected as 1111 Job Bank **"Happy Enterprise"** Gold Award for 5 times.
- TCFHC and BNP TCB Life won the **2024 Taiwan Sustainability Action Awards (TSAA)**-1 Gold and 2 Silver Awards in the "Social Category"
- TCFHC and TCS both won the 2024 Taiwan Corporate Sustainability Awards (TCSA) **"Individual Performance – Gender Equality Leadership Award"**; TCS also won the **"Individual Performance – Workplace Well-Being Leadership Award"**
- TCB won the "Labor Safety Award" as an outstanding unit selected by the Taipei City Government Department of Labor for the second consecutive year- the only financial institution to receive this honor this year
- TCB awarded by **the Ministry of Education with Gold Awards in the "Sports Activist Awards" for "Promotion", "Sponsorship", and "Long-Term Sponsorship"** categories for 16 consecutive years
- BNP TCB Life won the **"CSR Excellence Award"** at the Distinguished Public Relations Awards of the Foundation for Public Relations

Enrichment

- **Achieved "A List – Leadership Level" in the CDP**
- **TCFHC won the 2024 Taiwan Sustainability Action Awards (TSAA)** – Gold Award in the Environmental Category
- All domestic and international sites of the Group have consistently passed **ISO 14064-1 Greenhouse Gas (GHG)** I Inventory verification
- The Group's 36 locations have consistently maintained certification under both the **ISO 14001 Environmental Management System** and the **ISO 50001 Energy Management System**
- The Group has cumulatively obtained 8 **ISO 14067 Carbon Footprint Verification** Statements and 7 Product Carbon Footprint Label Certificates since 2021
- TCB Head Office Building was recognized by the Ministry of the Interior as a **"Level 1+ Near Zero Carbon Building"**, the highest grade under the existing "Building Energy-Efficiency Rating Label" system
- TCB have obtained the **EEWH certification** for 15 locations since 2020
- 5 locations of TCB successfully passed Ministry of Environment review for **voluntary GHG reduction projects**
- TCB received the Silver Award in the Non-Manufacturing Group of the Ministry of Environment's 6th **"National Enterprise Environmental Protection Awards"**

Sustainable Performance

Resilience

- NT$19.809 billion in consolidated net profit after tax, more than NT$5.165 trillion in total assets with an annual growth of 7.68%

Inclusion

- The 2nd largest market share in loans to Six Core Strategic Industries with an outstanding balance of NT$800.574 billion
- TCB to 97 charity organizations green and renewable energy loans Stands at NT$335.851 billion. Since 2016, TCB has cumulatively approved renewable energy financing projects with a total installed capacity of 2,926 MW
- TCB manage 3 loan and credit cases in compliance with the Equator Principles
- TCB issued green bonds, sustainable development bonds, and social responsibility bonds for a total of NT$9 billion since 2019
- A total of 28 "Trust and Long-Term Care Training" sessions were held by TCB, with 848 practitioners coached to obtain the professional qualification of "Senior Financial Planning Consultant", and 195 certified as "Family Trust Planning Consultants"; a total of 3 employees of TCS obtained the "Senior Financial Planning Consultant" certification
- TCB has been granted 829 FinTech patents, while TCS has obtained 1 patent
- The average customer service satisfaction rate for TCB, BNP TCB Life , and TCS is 95%
- TCSIT issued a green finance fund, which has reached a size of reached a size of NT$2.278 billion

Synergy

- The average participation rate in the Group's employee stock ownership trust reached 96.28%
- NT$18,527.91 million in employee welfare expenses
- The percentage of female managers reached 57.27%
- The average reinstatement rate of unpaid parental leave reaching 95.74%
- The amount donated to 97 charity organizations exceeded NT$15.42 million
- Spent approximately NT$6.49 million on buying local innovations and products
- Hosted 3 TCFHC Classrooms, attended by a total of 1,074 participants, to deliver knowledge on LOHAS lifestyle and long-term care
- Supported social empowerment and award academic research through donations totaling more than NT$47 million
- BNP TCB Life, in collaboration with TAFC, held close to 288 courses through Respite Academy, providing 16,858 cups of Respite Coffee, and facilitated donations totaling more than NT$28 million
- TCS and CAM organized a blood donation activity separately, collecting 204 bags of blood

Enrichment

- Promoted projects such as the "TCB Energy Conservation and Carbon Reduction", "Replace and Reduce the Number of Lightings", and "Air-Conditioning Equipment Energy Conservation Improvement". In total, around 1,898,159 kWh of electricity was saved, reducing approximately 899.73 tCO_2e
- A total of 7.9341 million kilowatt-hours of green electricity have been supplied, and 7,965 renewable energy certificates have been obtained
- 43 environmental sustainability-related education and training sessions were held, attended by up to 6,293 people
- Promoted digitalization, thereby reducing paper usage by 95,801,990 sheets, which is equivalent to a reduction of approximately 689.77 tCO_2e
- The amount of green procurement has reached NT$95.74 million
- TCB has set up solar photovoltaic power generator facilities at 17 locations since 2015, generating a total of 484,618 kWh of electricity and, reducing approximately 229.71 tCO_2e
- TCB has replaced fuel-powered scooter with electric scooters and has leased 202 company cars with green marks or energy labels

Sustainability Initiative and Assessment

TCFHC Group actively implements the SDGs and prepares sustainability reports annually in accordance with GRI, SASB, TCFD, and other standards. It is also planning to adopt IFRS S1 and S2 to improve the transparency of information and establish effective communication with stakeholders. To align more closely with global sustainable finance, initiatives the Company has formulated sustainable financial policies in accordance with PRI, PRB, and PSI to strengthen the link between its ESG and operational policies. The Company has also signed the EP and set mid-term carbon reduction targets based on SBTi. As a member of both TCFD and TNFD, the Company identifies relevant risks and opportunities to extend its financial influence and collaborate with customers to move towards low carbon transition. In addition, TCFHC actively participates in international assessments such as DJSI, S&P Global CSA, and CDP to evaluate and continuously improve its ESG performance. The Company has been induded in the DISI components, recognized as an S&P Global Sustainability Yearbook Member, and listed in indices suchas the MSCI ESG Indexes and the "FTSE4Good Emerging Markets Index".

United Nations Sustainable Development Goals (SDGs)

Handling Status

TCFHC Group develops its sustainable strategy blueprint in 6 areas, which are corporate governance, sustainable finance, customer commitment, employee care, environmental sustainability, and social inclusion. At the same time, TCFHC Group incorporates SDGs and ESG into its operational policies, continues to improve its sustainable strategies and goals, and extends its influence in the financial industry through innovative financial products and services. Please refer to Sustainable Performance for relevant results.

Science-Based Targets initiative (SBTi)

Handling Status

- Passed the mid-term carbon reduction target review in August 2023, becoming the 1st among Taiwan's state-owned financial holding companies.
- Committed to net zero in July 2023, with targets to be set for review based on the SBTi methodology.

GRI Standards

Handling Status

To improve the transparency of information disclosed in reports and better meet the expectations of stakeholders, TCFHC prepares sustainability reports annually following the GRI Standards and the 5 principles of the AA1000 Stakeholder Engagement Standards. TCFHC designs stakeholder engagement surveys based on these standards to understand material topics of concern to our stakeholders and formulate response measures.

Sustainability Accounting Standards Board (SASB) Standards

Handling Status

ESG results are disclosed annually in accordance with SASB Standards for commercial banks. Disclosed indicators are certified by a third-party.

International Financial Reporting Standards (IFRS) S1 and S2

Handling Status

In response to the global trend of integrating sustainability information into financial reporting, TCFHC is among the 1st listed companies designated by the Financial Supervisory Commission under Taiwan's "Roadmap for Taiwan Listed Companies to Align with IFRS Sustainability Disclosure Standards". To ensure the smooth introduction of a sustainability information chapter in the 2026 annual report, to be published in 2027, the Company has established a cross-departmental IFRS Sustainability Disclosure Standards Taskforce responsible for formulating and promoting the introduction plan.

Equator Principles (EP)

Handling Status

In March 2022, TCFHC signed to support the EP, becoming the 1st financial institution in Taiwan to join as a financial holding company.

Principles for Responsible Investment (PRI) Principles for Responsible Banking (PRB) Principles for Sustainable Insurance (PSI)

Handling Status

Facing the risk of climate change, TCFHC Group actively promotes sustainable finance in compliance with international regulations. TCFHC Group follows PRI, PRB, and PSI, implements sustainable finance policies, and continues to strengthen the link between its ESG and business strategies.

Stewardship Principles for Institutional Investors

Handling Status

TCB, TCS, BNP TCB Life, and TCSIT signed the compliance statement for the "Stewardship Principles for Institutional Investors" continued to closely monitor invested companies' implementation of regularly ESG through engagement in dialogues and participation in their shareholders' meetings, and disclosed due diligence reports along with annual voting and engagement records, proactively fulfilling activism as a shareholder.

Taskforce on Nature-related Financial Disclosures (TNFD)

Handling Status

- In December 2023, the Company became the 1st among Taiwan's state-owned financial holding companies to be approved as a member of the "Taskforce on Nature-related Financial Disclosures Forum".
- In 2024, the Company published its 1st "Climate and Nature-Related Financial Disclosure Report", progressively adopting the TNFD framework to expand its sustainability perspective to include natural capital and biodiversity.

Task Force on Climate-Related Financial Disclosures (TCFD)

Handling Status

The Company became a TCFD supporter in December 2020 and established a cross-subsidiary TCFD Taskforce. The Company has gradually established the Group's climate-related risks identification, measurement, monitoring, reporting, and other management procedures according to TCFD's "Governance", "Strategy", "Risk Management", and "Metrics and Targets".

2024 Assessment Results

Published the "2023 Climate and Nature-related Financial Disclosure Report", in which the TCFD disclosures once again received the highest verification rating of "Level-5+: Excellence" from the British Standards Institution (BSI) in 2024.

Dow Jones Sustainable Index (DJSI)

Handling Status

Since 2022, TCFHC has proactively responded to CSA questionnaires and actively improved its ESG practices, aiming to be included in the Dow Jones Sustainability Index.

2024 Assessment Results

Included as a component in both the "World Index" and the "Emerging Market Index"

Selected as a Sustainability Yearbook Member, ranking in the Top 5%

Carbon Disclosure Project (CDP)

Handling Status

Since 2021, TCFHC has been responding to the climate change questionnaires issued by the international nonprofit organization CDP. TCFHC conducts assessments of the environmental impacts of its business operations, as well as the climate risks and opportunities it faces, and formulates appropriate response measures.

2024 Assessment Results

A List (leadership)

MSCI

2024 Assessment Results

Included as part of the MSCI ESG Indexes, with an ESG rating of AA

FTSE Russell

2024 Assessment Results

Included as part of the "FTSE4Good Emerging Index", with an ESG rating of 3.1

Sustainalytics

2024 Assessment Results

ESG risk score of 22.02

ISS

2024 Assessment Results

ESG rating of C

Moody's

2024 Assessment Results

ESG score of 23

Sino Pac+ ESG

2024 Assessment Results

A

Taiwan Corporate Governance Evaluation

2024 Assessment Results

6%~20%

Taiwan Sustainability Evaluation

2024 Assessment Results

AAA

CH1

About TCFHC

1.1 Introduction of TCFHC GRI 2-1, 2-6, 2-23, 2-24

Taiwan Cooperative Financial Holding Co., Ltd. (TCFHC) (hereinafter referred to as the Company) was established on December 1, 2011. It has a total of 7 subsidiaries, including Taiwan Cooperative Bank (TCB), Taiwan Cooperative Securities (TCS), Co-Operative Asset Management (CAM), Taiwan Cooperative Bills Finance (TCBF), BNP Paribas Cardif TCB Life Insurance (BNP TCB Life), Taiwan Cooperative Securities Investment Trust (TCSIT), and Taiwan Cooperative Venture Capital (TCVC). With TCB being the core business, which has been restructured as Taiwan Provincial Government's Co-operative Bank from Taiwan Cooperative Industrial Bank in October 1946, TCB underwent privatization and the merger with Farmers Bank of China. It also gradually expanded its business up to a financial holding company, which became TCFHC that has the most extensive service networks in Taiwan in terms of the number of physical branch.

Date of Establishment
December 1, 2011

Location of Headquarters
Taipei City, R.O.C. (Taiwan)

Core Value
Proactive, Agile, Innovative

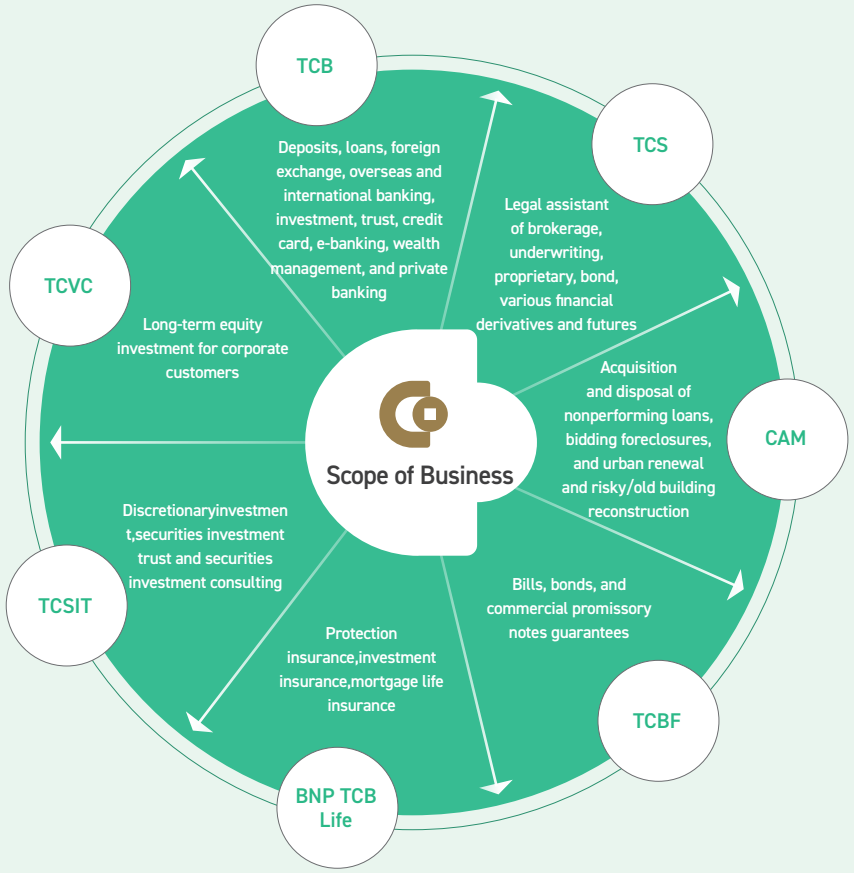
Industry
Financial

No. of Employees
9,676

Total Assets
NT$ 5,165,510 million

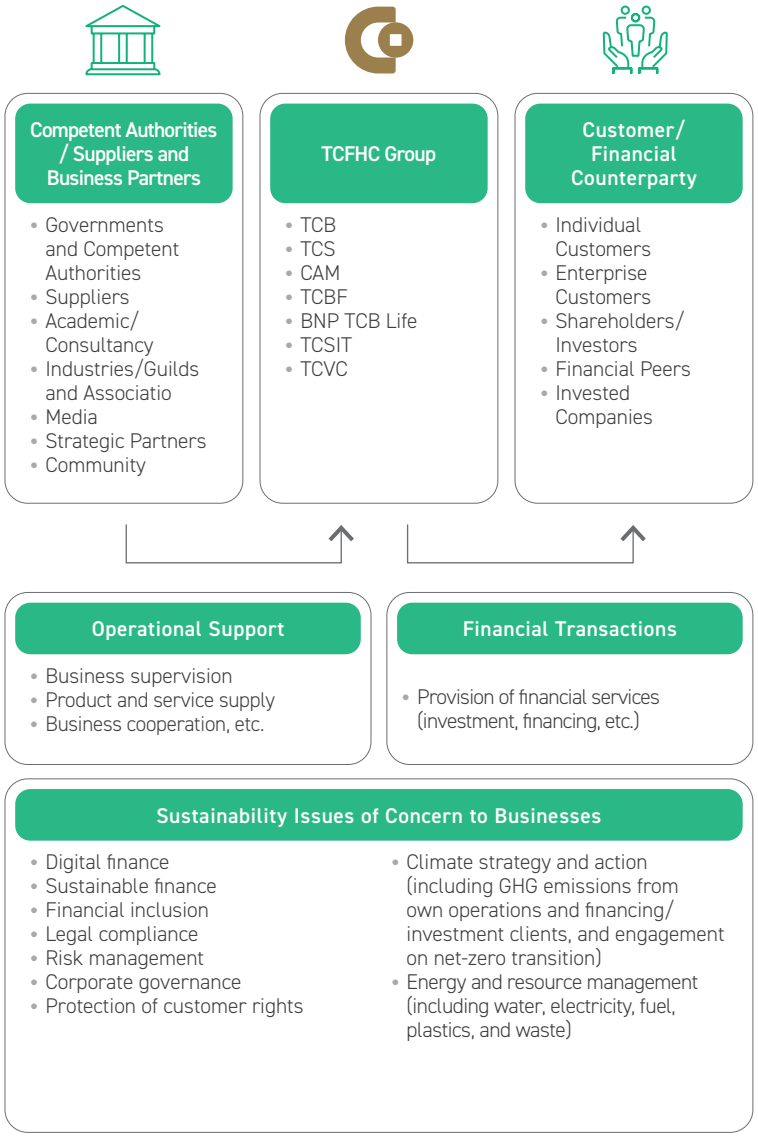
Paid-in Capital
NT$ 152,242 million

TWSE stock code
TWSE: 5880



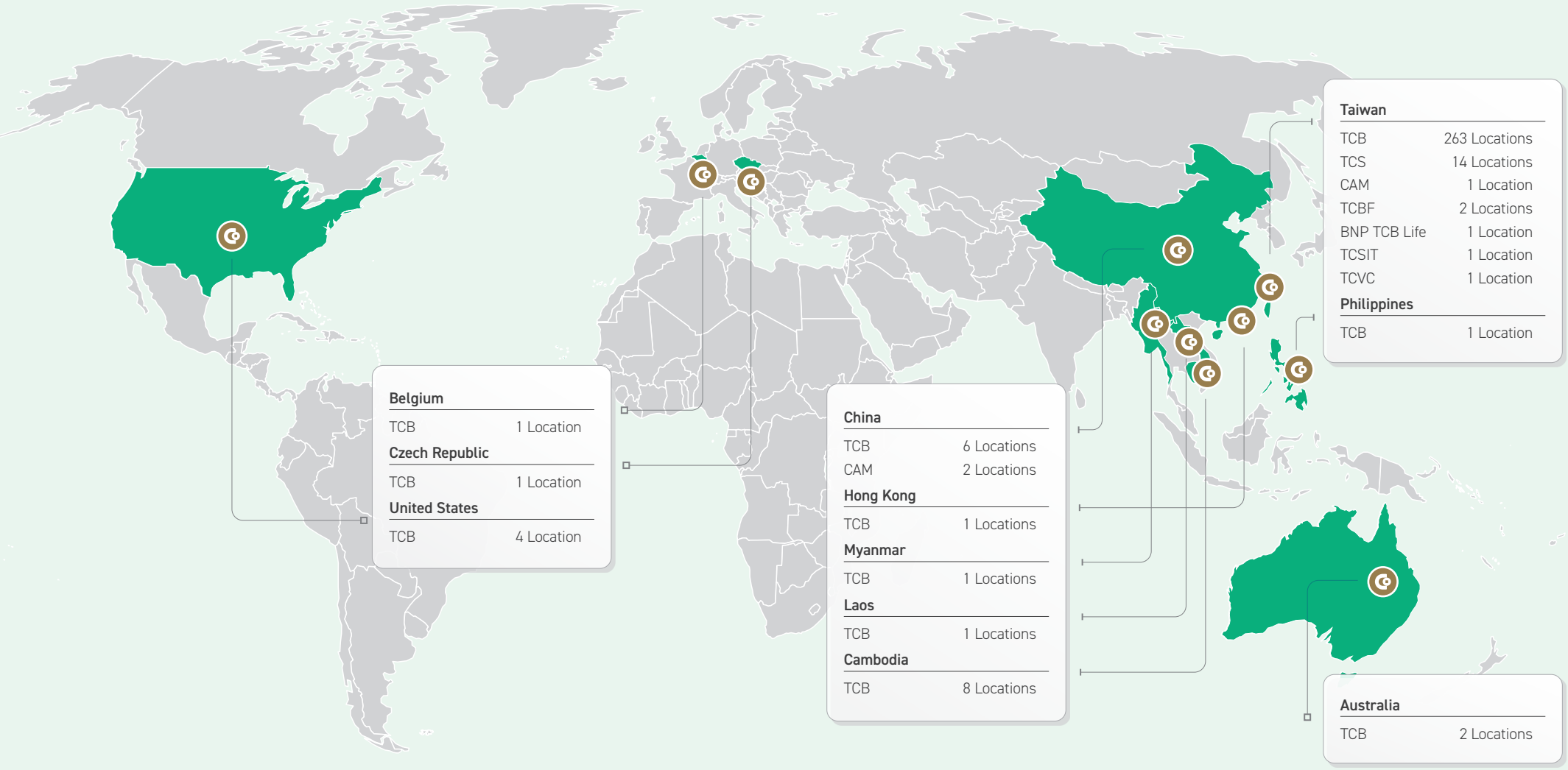
(As of December 31, 2024)

Value Chain



Business Locations

The location of TCFHC Group headquarters is in Taiwan, and its business locations span across 4 continents, including Asia, Europe, America, and Oceania, covering major financial centers. Its overseas expansion is focused on countries in Asia, focusing on developing in the emerging markets in Southeast Asia. As of the end of 2024, the total number of business locations for TCFHC around the world is 311, including 283 domestic locations and 28 overseas locations distributed across 11 countries.



1.2 Business Strategies and Profitability GRI 2-28, 201-1

With a robust customer base and the synergistic group-wide efficiency, the Company has remained solid and strong operations. The combined after-tax net profit in 2024 came to NT$19.809 billion and the after-tax earnings per share were NT$1.26 while the after-tax return on equity and after-tax return on assets were 7.84% and 0.40%, respectively. In the future, the Group will continue to pursue excellence and growth on the solid foundation built with prior efforts.

To response to changes in the financial environment and trend in digital technologies, the Company continues to develop a culture of digital innovation within the Group, fostering innovative forward-thinking that seeks changes and thinks out of the box. The Company encourages innovation of FinTech through Digital Development Committee and CoLAB (Innovation LAB). At the same time, the Company follows "a global network, regional management, and local relationships" in actively adjusting its international development strategies, and takes steps to strengthen and extend its business reach. The Company currently have 28 overseas locations with plans for further expansion. In the future, the Company will actively strengthen its overseas expansion and combine resources in the Group to provide a full range of quality financial services and build itself up to a regional financial institution in Asia.

The Company incorporates sustainability into daily operations and regards it as a primary business policy. Looking ahead, we will continue to follow the Sustainable Strategy Blueprint, built on the vision of "corporate, environmental, and social sustainability". Through "RISE", which comprises the four strategic pillars of "Resilience – Building Resilient Operations", "Inclusion – Leading Sustainable Finance", "Synergy – Creating Diversity and Inclusion", and "Enrichment – Enhancing Environmental Co-Prosperity", we will continue to implement ESG initiatives, actively develop a diverse range of financial products and services, and leverage financial influence to work with stakeholders in pursuing economic, environmental, and social integration.

After-tax Return on Equity **7.84%**

After-tax Return on Asset **0.40%**

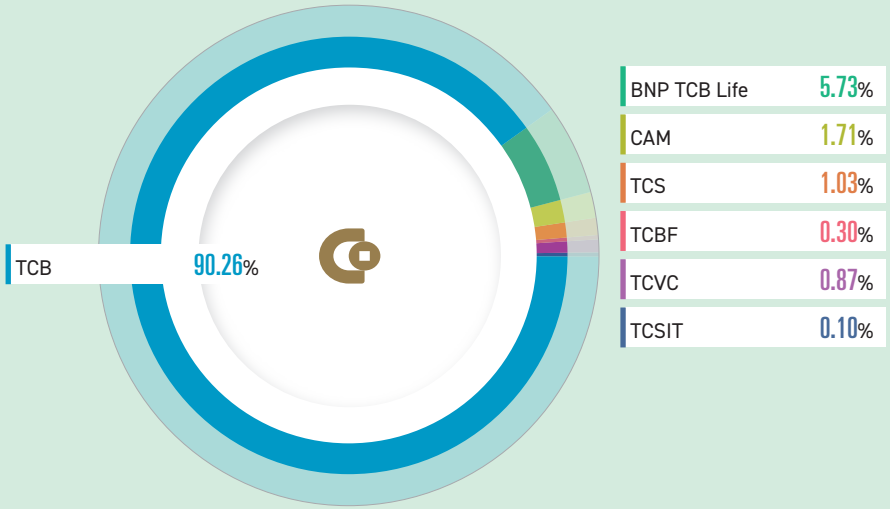
Business Performance

Unit: NT$

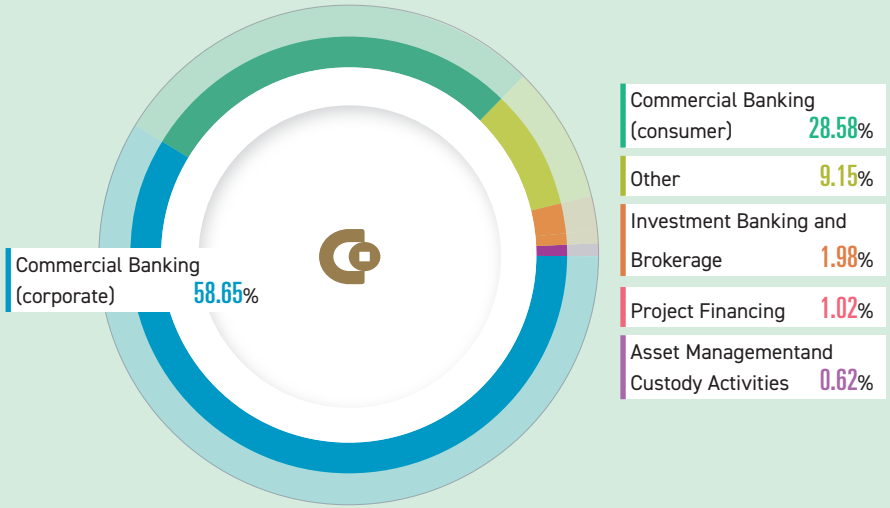
		2022	2023	2024
Business Operations Overview	Total assets (NT$ million)	4,476,168	4,797,206	5,165,510
	Total liabilities (NT$ million)	4,255,405	4,551,428	4,905,753
	Equity (NT$ million)	220,763	245,779	259,757
	Net worth per share (NT$)	15.38	16.31	16.69
	Net income after taxes (NT$ million)	20,817	17,878	19,809
	Average revenue per employee (NT$ thousand)	5,475	6,279	6,737
	Average profit per employee (NT$ thousand)	2,143	1,829	2,028
	Expense on employee welfare (NT$ thousand)	17,541,280	17,292,237	18,527,912
Profitability	Return on assets (%, after tax)	0.47	0.39	0.40
	Return on equity (%, after tax)	8.98	7.66	7.84
	Net income ratio (%)	39.14	29.13	30.09
	After-tax earnings per share (NT$) Note 1	1.33	1.13	1.26
Distribution of Dividend/ Tax/Donation	Cash dividend per share (NT$)	0.50	0.65	0.7
	Stock dividend per share (NT$)	0.50	0.35	0.3
	Income tax paid (NT$ thousand)	3,473,534	2,942,388	6,266,549
	Donation (NT$ thousand)	363,645	350,312	358,192

Note 1.When the earnings per share is calculated, impacts from bonus shares issued have been included as part of retroactive adjustments.
2.The financial information from the table above is excerpted from the 2024 consolidated financial statement of the Company and its subsidiaries.

Profitability Portfolio by Subsidiary in 2024



Income Percentage by Business Category



Tax Governance

Tax Governance Policy

In response to the growing prevalence of tax governance worldwide, TCFHC has implemented the "Tax Governance Policy" and the " Related Party Transaction Transfer and Pricing Policy " to establish the Company's corporate tax culture, govern tax affairs and manage tax risks. The Board of Directors is the ultimate tax risk management unit responsible for approving the "Tax Governance Policy" and reviewing the policy to reflect international tax trends and assessing the need for revision every year.

The Group implements corporate governance, commit to operating in compliance with tax law and file and pays taxes honestly in compliance with local regulations and spirit of the law applicable to domestic and overseas offices. The Group honestly declares and pays taxes, and properly uses the government's tax incentive policies to save taxes reasonably.

The Group does not adopt anti-tax avoidance business practices, refuses to set up offices in tax havens or low tax regions to reduce tax burdens, and prohibits manipulation of profits or losses through any non-arm's length transaction or special transaction structure.

Tax Governance Risk Management

Tax Compliance Risk and Management: The Group files and pays taxes in compliance with tax regulations. In particular, business income tax is audited by the authorized CPA(s) before the report is submitted internally. The Accounting Department is the tax management unit and responsible for conducting 2 independent compliance audits each year to ensure that tax personnel comply with internal operating procedures and tax laws for routine tax filing, filing for suspension of payment, annual filing and payment, and filing of various types of income. It is also responsible for reporting tax management to the Board of Directors.

Tax Law Management: In the event of changes in tax laws, in addition to consulting related personnel, we actively inquire the opinions of other financial institutions and discuss response strategies with our accountants to adjust internal operating procedures and related policies at appropriate times and ensure that internal operations and management are consistent with regulations.

Improvement of Tax Governance Capabilities: To ensure personnel in charge are familiar with tax laws, the CPA provides information on the latest developments in tax laws whenever necessary. Personnel also participate in external tax courses whenever necessary to improve their professional skills.

Disclosure of Tax Information: The Group's tax information is based on the financial statements audited and certified by the CPA firm, and it is disclosed through public channels such as the official website and the annual report for the shareholders' meeting.

Stakeholders' Communication and Management of Tax Issues

The Company actively communicate tax issues with stakeholders through various channels. We support to improve tax environment and strengthen social trust by actually participating in tax initiatives. We take the initiatives to engage with tax authorities in discussing issues about taxes and cooperate with auditors as well.

2024 Tax Information by Region

Unit: NT$ million

Tax Jurisdiction	Primary Activities	No. of Employees	Net Revenue	Profit (Loss) before Tax	Income Tax Accrued (Current Year)	Income Tax Paid
Taiwan	Banking, insurance, securities, bills, assets management, investment trust, security investment consulting and venture capital	9,307	61,417	24,231	2,458	5,657
United States	Banking	68	1,803	875	173	239
Cambodia	Banking	151	548	-909	15	16
Hong Kong	Banking	33	668	501	84	148
Australia	Banking	29	301	161	45	56
Laos	Banking	14	-99	20	2	1
Belgium	Banking	9	197	21	22	39
Philippines	Banking	12	131	-41	0	20
China	Banking, financing and leasing	147	858	120	83	91

Business Locations and Major Operations

Tax Jurisdiction	Subject Name (Entity Included in the Consolidated Statement)	Primary Activities
Taiwan	TCFHC	Investment and management of invested enterprises
	TCB	Deposits, loans, foreign exchange, overseas and international banking, investment, trust, credit card, e-banking, wealth management, and private banking
	BNP TCB Life	Protection insurance, investment insurance, mortgage life insurance
	TCS	Legal assistant of brokerage, underwriting, proprietary, bond, various financial derivatives and futures
	TCSIT	Discretionary investment,securities investment trust and securities investment consulting
	TCBF	Bills, bonds, and commercial promissory notes guarantees
	TCVC	Long-term equity investment for corporate customers
	CAM	Acquisition and disposal of non-performing loans, bidding foreclosures, and urban renewal and risky/old building reconstruction
	TCSIC	Securities investment consulting
United States	TCB - Los Angeles Branch	Commercial lending, foreign exchange, international syndicated loans, investment in securities
	TCB - Seattle Branch	Deposits (U.S. citizens or residents must deposit more than $250,000 for the 1st time), commercial lending, foreign exchange, international syndicated loans, investment in securities
	TCB - New York Branch	
	TCB - Huston Branch	
Cambodia	TCB - Phnom Penh Branch	Check deposits in US dollars and Cambodian currency, current deposits, time deposits, commercial loans, personal housing loans and foreign exchange
	TCB - Tuek Thla Sub-Branch	
	TCB - Pur Senchey Sub-Branch	
	TCB - Siem Reap Sub-Branch	
	TCB - City Center Sub-Branch	
	TCB - Veng Sreng Sub-Branch	
	TCB - Sihanouk Ville Sub-Branch	
	TCB - Tuol Kouk Sub-Branch	

Tax Jurisdiction	Subject Name (Entity Included in the Consolidated Statement)	Primary Activities
Hong Kong	TCB - Hong Kong Branch	Deposits, commercial lending, foreign exchange, international syndicated loans, investment in securities
Australia	TCB - Sydney Branch	Deposits, commercial lending, foreign exchange, international syndicated loans, investment in securities
	TCB - Melbourne Branch	
Laos	TCB - Vientiane Capital Branch	Deposits, commercial lending, personal housing loans and foreign exchange
Belgium	United Taiwan Bank	International syndicated loan, investment in securities
Philippines	TCB - Manila Offshore Banking Branch	Foreign currency banking business other than Philippine currency (peso): investment in securities, foreign exchange, deposits, commercial lending, international syndicated loans
China	TCB - Suzhou Branch	Deposits, commercial lending and foreign exchange
	TCB - Suzhou New District Sub-Branch	
	TCB - Tianjin Branch	
	TCB - Fuzhou Branch	
	TCB - Changsha Branch	
	Cooperative International Leasing Corporation Limited	Leasing, financial leasing, purchase of leased property at home and abroad, disposal of residual value of leased property, maintenance, lease transaction consultation

Effective Tax Rates, Cash Tax Rate and Industry Average

	2023	2024	Average	Industry Average
Effective Tax Rate Note 1	18.98	21.05	20.08	21.29
Cash Tax Rate Note 2	13.33	25.09	19.57	19.94

Note 1. Effective tax rate = Income tax expense after adjustment/earning before tax x 100%.
2. Cash tax rate = Cash tax paid/earning before tax x 100%.
3. The Group's main revenue (more than 90%) comes from Taiwan. Taiwan's statutory income tax rate is 20%, which is lower than the average effective tax rate of 21.29% in the global banking industry. However, after adjusting for timing differences in 2024, the Group's effective tax rate is 21.05%.

Unit: NT$ thousand

	2023	2024	Average
Earnings Before Tax (A)	22,074,663	24,979,261	23,526,962
Income Tax Expense (B)	4,196,448	5,170,000	4,683,224
Cumulative Acceptable Adjustments (C) Time Difference	6,367	-87,345	40,489
Effective Tax Rate (%) ((B-C)/A)	18.98	21.05	20.08
Cash Taxes Paid (D)	2,942,388	6,266,549	4,604,469
Cash Tax Rate (%) (D/A)	13.33	25.09	19.57

Participation in Industry Associations and Organizations

TCFHC does financially relevant business and takes part in related industrial associations and domestic and international initiatives, too. For example, TCFHC is a member of 46 associations including the Bankers Association of the Republic of China, the Trust Association of R.O.C, and Asian Bankers Association (ABA). In these associations, 14 positions are filled by high-ranking executives of TCFHC to hopefully exercise joint industrial impacts through exchange and collaboration. In 2024, TCFHC Group spent a total of NT$316.26 million on participation in associations focused on industry communication and development. In particular, the Group donated NT$299.22 million to the Small and Medium Enterprise Credit Guarantee Fund of Taiwan (TSMEG).

Unit: NT$

	2021	2022	2023	2024
Small and Medium Enterprise Credit Guarantee Fund (SMEG)	305,777,867	313,718,580	295,839,225	299,223,556
Bankers Association of the Republic of China	3,663,385	3,618,270	3,603,065	3,447,360
Taiwan Financial Services Roundtable	2,500,000	2,500,000	2,500,000	2,500,000
Other	8,210,002	11,175,119	10,992,861	11,091,903
Total	320,151,254	331,011,969	312,935,151	316,262,819
Data Coverage Rate (%)	100	100	100	100

Note 1. The Company has not made any donations or related expenditures to political organizations or lobbying activities in the past 4 years.
2. The Group did not take part in climate-related lobbying in 2024.

The Group has long supported the Bankers Association of the Republic of China (BAROC). Yen-Mao Lin, chairman of TCFHC and TCB, serves as a managing director of BAROC and participates in its operations. In line with the Financial Supervisory Commission's "Green Finance Action Plan 3.0", BAROC has been strengthening sustainability finance training for senior management and employees of banks, as well as conducting research related to sustainable finance. TCFHC is also a member of BAROC's "Climate Change Risk Management Taskforce", jointly contributing to the development of practical guides on climate risk management and financed emissions.

Key Issues

	Financial Inclusion	Sustainable Finance | Climate Change
Association	◇ Taiwan Financial Services Roundtable ◇ Small and Medium Enterprise Credit Guarantee Fund of Taiwan (TSMEG)	Bankers Association of the Republic of China
Operation	• In 2024, the Taiwan Financial Services Roundtable continued to operate the "Charity Fund for Financial Services Industry Education", assisting young students from disadvantaged families in smoothly completing their education and promoting financial literacy advocacy initiatives. • Yu-Wan Chen, executive vice president of TCFHC and TCB, serves as a director of the Small & Medium Enterprise Credit Guarantee Fund of Taiwan (TSMEG). In 2024, TSMEG continued to advance government policies by supporting loans for youth entrepreneurs and assisting the development of startups, cultural and creative enterprises, and other SMEs with growth potential but limited access to financing, offering diversified funding channels.	Yen-Mao Lin, chairman of TCFHC and TCB, serves a managing director of the Bankers Association of the Republic of China (BAROC). Drawing on the Task Force on Climate-Related Financial Disclosures (TCFD) framework and international practices, BAROC has been developing the "Practical Guide to Climate-Related Risk Management for Domestic Banks". In alignment with the Financial Supervisory Commission's "Green Finance Action Plan 3.0", BAROC has also completed the "Practical Guide to Financed Emissions (Scope 3) for Domestic Bank Investment and Financing Portfolios", aiming to guide borrowing enterprises in implementing ESG practices. The guide also encourages companies to reference the "Guidelines for the Determination of Sustainable Economic Activities" when conducting green credit operations, with the aim of leveraging the financial sector's capital influence to channel funds toward "sustainable economic activities", thereby driving corporate sustainable development and low-carbon transition.
2024 Expenditure	NT$301,723,556	NT$3,447,360

Credit Rating

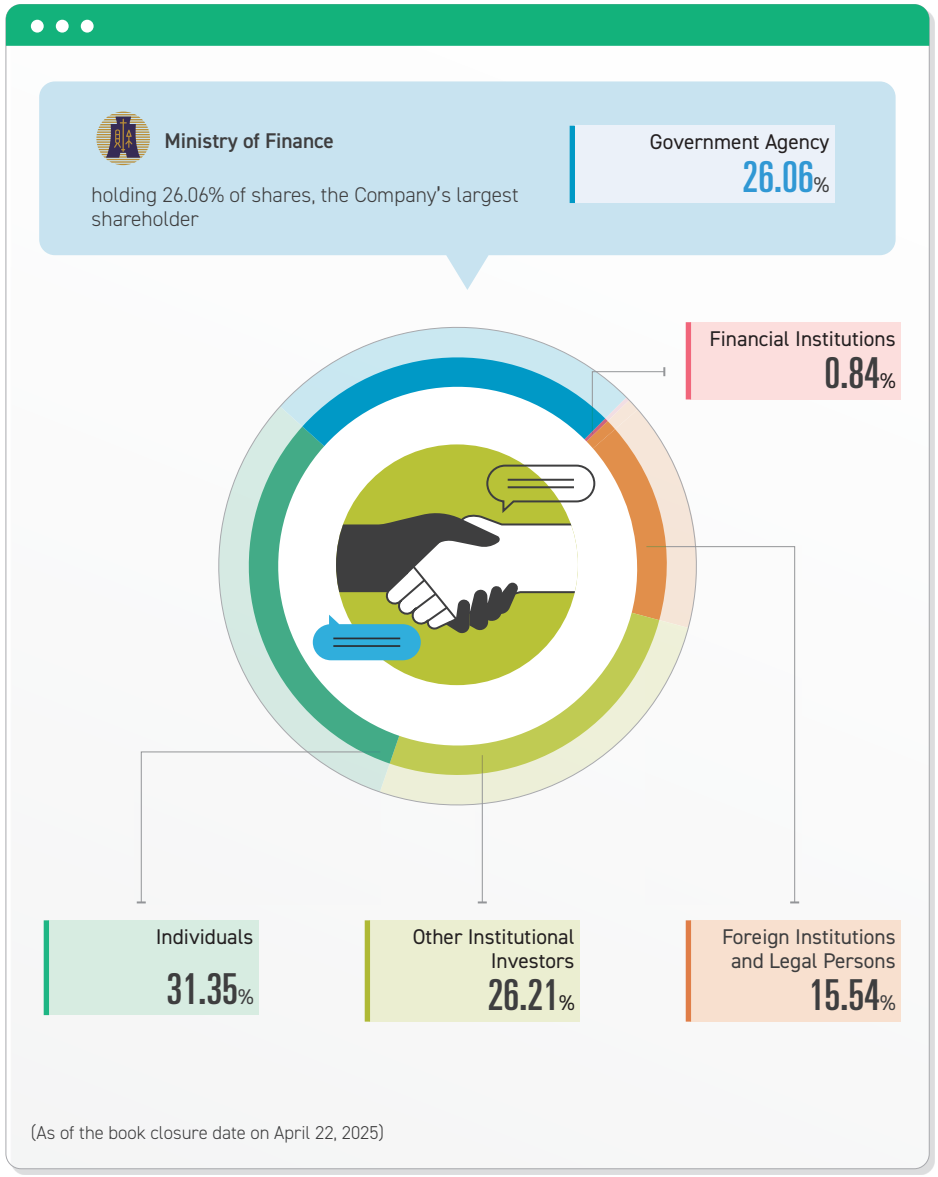
According to credit rating reports released by domestic and foreign credit rating agencies, the Group has a strong market presence and strong corporate values in the Taiwan's banking industries. In addition, the core subsidiary TCB has a robust capital level, with its source of funds and liquidity structure rated as stable and adequate, respectively. Most of the outlooks hold at "Stable", which shows the Group's excellent competitive advantages and corporate governance performance in the market as well as trustworthiness to customers and investors.

Company	Rating Agency	Long-term Credit Rating	Short-term Credit Rating	Outlook
TCFHC	S&P Global Ratings	BBB	A-2	Stable
	Taiwan Ratings	twAA-	twA-1+	Stable
TCB	S&P Global Ratings	A+	A-1	Stable
	Taiwan Ratings	twAAA	twA-1+	Stable
TCS	Taiwan Ratings	twAA-	twA-1+	Stable
CAM	Taiwan Ratings	twA+	twA-1	Stable
TCBF	Fitch Ratings	AA+ (twn)	F1+ (twn)	Stable
BNP TCB Life	Taiwan Ratings	twAA-	-	Stable

Shareholders' Structure

The Company is a financial holding company established in accordance with the "Financial Holding Company Act" and the "Company Act". Matters pertaining to corporate governance and business management are carried out in accordance with regulatory requirements and the "Company's Articles of Incorporation". The Ministry of Finance is the Company's largest shareholder (holding 26.06% of shares). Apart from the Ministry of Finance, no other government agencies hold any shares. Other major shareholders include Chunghwa Post Co., Ltd., Taiwan Tobacco and Liquor Corporation, and National Farmers' Association, R.O.C., other domestic and foreign enterprises and institutions, reflecting a stable shareholding structure and no preferred stocks are issued. The general shareholders' meeting of the Company is held annually around the mid-year, in which updated relevant business operation overview is reported along with discussions on financial statements, distribution of earnings, and amendments of bylaws etc.

Shareholding Ratio of the Shareholders



(As of the book closure date on April 22, 2025)

CH2

Stutainability Goverance

2.1 Sustainable Development Committee

GRI 2-9, 2-12, 2-13, 2-14

To continuously enhance sustainability governance, the Company has established a Sustainable Development Committee under the supervision of the Board of Directors, appointed a chief sustainability officer, and designated a dedicated "Sustainability Office" to oversee and drive the Group's sustainable development.

The Sustainable Development Committee consists of 5 to 7 members, and is chaired and convened by the chair of TCFHC. All initial members are independent directors, possessing the knowledge, skills, and qualities necessary for sustainable development. The Committee leads 6 major executive taskforces, which are corporate governance, sustainable finance, customer commitment, employee care, environmental sustainability, and social inclusion. Executive vice presidents serve as conveners of these taskforces. Fach taskforce set specific and measurable short-, medium-, and long-term targets. Progress is actively tracked, and plans are modified on an ongoing basis. The Committee reports the annual sustainable development action plans and accomplishments to the Board of Directors every year. Aiming to follow a top-down systematic approach to effectively initiate sustainable developments.

The Sustainable Development Committee convenes at least once every quarter and held a total of four meetings in 2024. Agenda items included tracking the progress of annual targets and other taskforce projects, reviewing ESG-related policies and regulations, and reporting on the implementation of ethical corporate management. In addition, in 2024 the Sustainable Development Committee and 6 major taskforces reported matters concerning sustainable development to the Board of Directors 13 times in total. Supervision imposed by the Board of Directors over sustainable developments are as follows. All proposals have been carefully examined and fully discussed by directors, with related suggestions provided to advance in sustainable development efficacy:

1. The GHG inventory planning, in line with the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies" was reported on April 29, July 27, and November 25, 2024.
2. A total of 4 policies and guidelines related to ESG were amended on January 22 and April 29, 2024.
3. The Sustainability Report (Including sustainable development execution goals, achievements, and stakeholder communication performance), the Climate and Nature-Related Financial Disclosure Report, and the formulation of the Sustainable Strategy Blueprint were reported on June 24, 2024.
4. The implementation of ethical corporate management and corresponding measures were reported on March 25 and September 23, 2024.
5. The procurement proposal for consulting services related to the implementation of IFRS Sustainability Disclosure Standards was reviewed on November 25, 2024.
6. The proposal to incorporate sustainability information management into the internal control system was reviewed on December 20, 2024.

Board Oversight

- Highest ESG governance unit
- Supervise the implementation of sustainable development initiatives and ethical management practices .
- Ensure consistency between the Group's sustainability strategy and its overall development objectives.

Board of Directors

Sustainable Development Committee

Committee Chair: TCFHC Chair
Member: 5 to 7 directors (including independent directors)

Management Oversight

- Approve the strategic direction for the development of ESG policies, action plans, and targets.
- Ensure the effectiveness of sustainability disclosure and stakeholder communication.
- Monitor the implementation of action plans and the achievement of targets by the six execution task forces.

President

Chief Sustainability Officer

Sustainability Office

Executive level

ESG 6 Major Excutive Taskforces

Corporate Governance Task Force	Customer Commitment Task Force	Employee Care Task Force	Environmental Sustainability Task Force	Sustainable Finance Task Force	Social Inclusion Task Force
Corporate Governance	Protection of Customer Rights and Interests	Protection of Employee Rights and Interests	Environmental Protection	Sustainable Products and Services	Social Care
Ethical Management	Maintenance of Customer Relations	Employee Remuneration and Benefits	Corporate Carbon Reduction Management	Responsible Finance	Social Participation
Risk Management	Customer Communication and Grievance	Employer-Employee Relations	Resource and Waste Management	Climate Strategy	Support of Sports Development
Legal Compliance	Financial Inclusion	Talent Development	Supplier Management		
Internal Audit	Innovative Service	Occupational Safety and Health	Green Procurement		
Information Transparency					
Information Security					
Shareholders' Rights and Interests					

- Set short, medium, and long-term goals
- Implement sustainable development action plans

Sustainable Development History of TCFHC

2012

- Release of the first (2011) Corporate Social Responsibility Report
- Promoted corporate social responsibility through 5 main themes, "corporate governance", "customer care", "employee care", "environmental protection", and "social participation"
- Continued to care for rural children with the theme of "TCB Care Doubles for Babies"

2013

- TCB won the "Help Young Entrepreneurs Realize Their Dreams - Contribution Award" from the Small and Medium Enterprise Administration (SMEA), Ministry of Economic Affairs
- TCB won the "Excellent Personal Data Protection and Management" award at the "2013 BSI Forward-Looking Annual Conference on International Information Security Standards and Trends"

2014

- Formation of the "Corporate Social Responsibility Best Practice Principles", "Corporate Governance Best Practice Principles", and "Ethical Corporate Management Best Practice Principles"
- Established the "Audit Committee"
- Independent directors accounted for up to 20% of membership
- Hosted the 11th APEC SMEfi annual conference with the central theme of "consolidating financing for SMEs and supporting their needs for innovation" in support of the growth of SMEs

2015

- Fulfillment rate of electronic official documents reached 90% for TCB
- TCB launched the 1st commercial-type reverse mortgage loan, "Bagful of Happiness", to achieve financial inclusion

2016

- Established the "Ethical Management Committee"
- Promoted e-bills, with an increase of nearly 25% sent compared to the preceding year
- Introduced the "5+2 Emerging Industry Loans" that have an unparalleled market share to drive growth of the industry

2017

- Added the "Green Procurement Principles" to the Procurement Guidelines to promote environmental protection

2018

- Formulated the "Board of Directors Performance Evaluation Guidelines"
- Introduced the "ISO 50001 Energy Management System" and "ISO 14064-1 Greenhouse Gas Inventory" to the headquarters building

2019

- Established the "Corporate Social Responsibility Committee"
- Formulated the "Human Rights Policy", "Supplier Management Policy", and "Commitment of Environmental Sustainability Clauses"
- Released the first (2018) English version of the Corporate Social Responsibility Report
- Issued NT$1 billion in green bonds

2020

- Signed the TCFD
- A total of 10 locations received certifications for "ISO 14064-1 Greenhouse Gas Inventory", "ISO 50001 Energy Management System", and "ISO 14001 Environmental Management System"

2021

- The "Corporate Social Responsibility Committee" was renamed the "Sustainable Development Committee" and a new "Sustainable Finance Taskforce" was established under the Committee
- Established the 1st "Sustainability Office" among state-owned financial institutions
- Formulated the "Sustainability Policy" and "Sustainable Financial Policy"
- Issued NT$1 billion in sustainable development bonds and NT$1 billion in social responsibility bonds

2022

- Amended the "Corporate Social Responsibility Best Practice Principles" to the "Sustainable Development Best Practice Principles"
- Formulated the "Sustainable Procurement Policy"
- Became Taiwan's 1st financial institution to sign and support the "Equator Principles" as a financial holding company
- Became Taiwan's 1st state-owned financial holding company committed to following SBTi in setting interim carbon reduction goals
- The 2021 carbon emissions data across all domestic and foreign offices passed "ISO 14064-1 Greenhouse Gas Inventory" verification for the 1st time
- The Group passed "ISO 20400 Sustainable Procurement-Guidance" verification
- 23 locations passed "ISO 50001 Energy Management Systems" and "ISO 14001 Environmental Management Systems" verification
- Issued NT$2.5 billion in sustainable development bonds

2023

- Upgraded the "Sustainable Development Committee" to a functional committee supervised by the Board of Directors; the "Sustainability Office", originally a task-based group, was elevated to a formal management unit, with a "chief sustainability officer" appointed to provide direct supervision
- Formulated the "Financial Inclusion Policy", "Occupational Safety and Health Policy", and "Environmental Sustainability and Energy-Related Policy"
- Became the 1st state-owned financial holding company reviewed and approved by the SBTi for its interim carbon reduction goals, and committed to setting net-zero goals in alignment with SBTi
- Became the 1st stated-owned financial holding company to join the "Taskforce on Nature-related Financial Disclosure (TNFD)"
- Formulated the "Internal Carbon Pricing"
- Issued NT$2.5 billion in sustainable development bonds

2024

- Formulated the Group's Sustainable Strategy Blueprint with the vision of "corporate, environmental, and social sustainability", and established the strategic pillars of "RISE" — "Resilience – Building Resilient Operations", "Inclusion – Leading Sustainable Finance", "Synergy – Creating Diversity and Inclusion", and "Enrichment – Enhancing Environmental Co-Prosperity"—to guide the Group's sustainability direction
- Published the first "Climate and Nature-Related Financial Disclosure Report", focusing on natural capital and biodiversity
- Established a cross-departmental IFRS Taskforce
- Established a cross-departmental "Anti-Fraud Taskforce", introducing the technology-based "Eagle Eye Early Warning Model" and integrating internal resources to fight fraud
- Established the "Responsible Mapping System Guidelines"
- Issued NT$1 billion in social responsibility bonds

2.2 Material Topics and Stakeholder Engagement

GRI 2-16、2-17、2-18、2-25、2-29、3-1、3-2、3-3

Communication with Stakeholders

The primary step for TCFHC to pursue sustainable development is to identify internal and external stakeholders, understand their issues of concerns, and facilitate a harmonious development with respect to the environment, finance, and society. The Company has set up a "Stakeholder" section on the "Sustainable Development" webpage. Through transparent and smooth communication channels, the Company collects stakeholders' concerns about sustainable topics, discloses relevant information in this report, and responds promptly by taking appropriate response measures. In 2024, a total of 110 events were held, with 19,842 participants (71 events by the primary subsidiary TCB [Note], with 11,963 participants), to help stakeholders understand the SDGs and Taiwan's sustainable development policies.

Stakeholder	No. of Activity Sessions	No. of Participants
Directors, supervisors, and senior management personnel	7	397
Employees	80	12,788
Customers	14	4,449
Community	5	1,274
Academic institutions/consulting firms/ industries/guilds and associations	4	934
Total	110	19,842

Note: TCB organizes education and training related to sustainable development on a regular basis every year, and develops training plans for directors, supervisors, senior management personnel, employees, customers, and communities. The training courses include sustainable development trends, sustainable loan business, corporate sustainability transformation, LOHAS lifestyle, environmental sustainability, energy and resource management, and social inclusion.

Based on the 5 major principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES)—dependency, responsibility, influence, representative, and diversity—TCFHC has identified 8 major categories of stakeholders who are most influential and relevant to TCFHC's operations, namely employees, shareholders/investors, customers, suppliers, community, governments and competent authorities, media, academia/consultancy/industries/guilds and associations.

Employees

- Employees are important assets of an enterprise.
- Taking care of employees is to realize social care.
- Forming a comprehensive remuneration and benefit policy to pave way for recruiting talents has laid the foundation for corporate sustainability.
- With the establishment of a positive work environment and smooth communication channels, labor-management harmony can be promoted and employee cohesion strengthened.

Academic institutions/consulting firms/industries/guilds and associations

- Assistance in early response to regulatory changes to maintain sustainable competitive advantages.
- Participate or organize seminars with the aim of seeking further development through exchanging opinions.

Shareholders/investors

- Shareholders/investors support steady business operations.
- Shareholders/investors influence the direction of business development.
- Caring for business performance protects the rights and interests of shareholders and investors.

Governments and competent authorities

- Authorities that regulate financial institutions and monitor legal compliance of their business activities.
- Complying with relevant laws and regulations and making legal compliance the fundamental requirement for pursuing development.
- Support the competent authorities' policies and targets to facilitate society's growth.

Community

- Community is the foundation of business development.
- Pay attention to the impact of operations on local communities and increase community recognition.
- Uphold the principle of "contributing to society in return for what it provides" and continue to care for disadvantaged groups while pursuing growth.

Suppliers

- Suppliers are a part of corporate sustainable operation value chain.
- Quality and legal compliance of suppliers is complement to the steady development of corporations.
- Cooperation between corporations and suppliers strengthens the depth and breadth of sustainable development.

Media

- Media impacts corporate image and reputation.
- Media increases the transparency of information disclosure.

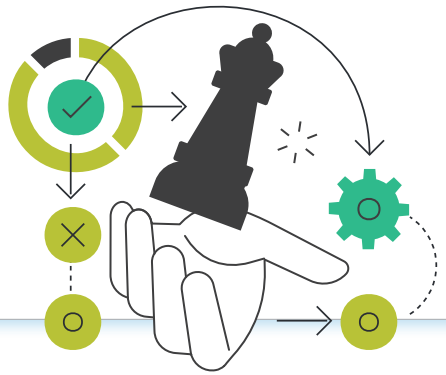
Customers

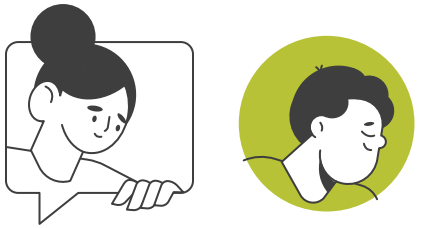
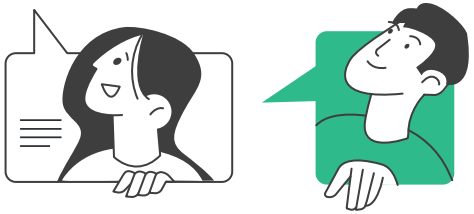
- Customers ensure the continuance of corporate sustainable development.
- Ensuring customer care has set the tone for creating positive influence through operation of core business.
- Emphasize customer satisfaction and improve service quality.

2024 Stakeholders' Key Issues of Concern, Engagement Channels, and Communication Frequency and Results

TCFHC established engagement means and channels for each stakeholder category in order to collect their opinions and feedback. Actual communication with stakeholders is also reported to the Board of Directors every year.

Stakeholder	Key Issues of Concern	Dedicated Contact Person and Method	Engagement Channels	Frequency and Result of Communication
Employees	Information Security Legal Compliance Employee Remuneration and Benefits	- Contact person: Ms. Chang, A.V.P. & Senior Manager of TCFHC's Human Resources Department - Telephone: +886-2-21738888 ext. 3011	• Form a corporate union, sign a collective bargaining agreement, and hold periodic employer-employee meetings, Employee Welfare Committee meetings, and Occupational Safety and Health Committee meetings. • Set up an employee comment mailbox as a channel for exchanges between the employer and the employed. • Set up an exclusive section for employees to file complaints and a hotline to report sexual harassment. • Set up a complaint mailbox and telephone on the official website.	• Subsidiaries regularly held employer-employee meetings. • A total of 17,577 training hours were completed in occupational safety and health education programs.
Shareholders/ Investors	Legal Compliance Ethical Management Sustainable Finance	Spokesperson - Name: Yu-Wan Chen - Title: E.V.P - Telephone: (02)2173-8888 - Email: spokesman@tcfhc.com.tw Deputy spokesperson - Name: Ling-Tsui Huang - Title: E.V.P - Telephone: (02)2173-8888 - Email: spokesman@tcfhc.com.tw Stock transfer agency - Name: Yuanta Securities Co., Ltd. - Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City - Telephone: (02)2586-5859	• Convene yearly general shareholders' meetings. • Convene quarterly investor seminars. • Release business performance on a monthly basis. • Periodically announce the management overview, financial information, and updates of the Company on the Investor Relations section of the Chinese and English websites of TCFHC. • Disclose matters to be announced on the Market Observation Post System periodically/from time to time. • Set up a Stakeholder section on the official website providing contact information. • Provide a feedback form in the Sustainable Development section of the official website, as well as phone number and email address.	• 1 shareholders' meeting and 4 investor seminars were held. • A total of 166 material information disclosures in Chinese and English and 23 announcements were made.



Stakeholder	Key Issues of Concern	Dedicated Contact Person and Method	Engagement Channels	Frequency and Result of Communication
Customers	Information Security Ethical Management Protection of Customer Rights	TCFHC - Telephone: (02)2173-8888 - Website: https://www.tcfhc.com.tw TCB - Telephone: 0800-033-175 or +886-4-2227-3131 - Website: https://www.tcb-bank.com.tw TCS - Telephone: (02)2752-8000 - Website: https://www.tcfhc-sec.com.tw TCBF - Telephone: (02)2522-1656 - Website: https://www.tcb-bills.com.tw CAM - Telephone: (02)2382-0868 - Website: https://www.coamc.com.tw TCSIT - Telephone: (02)2181-5999 - Website: https://www.tcb-am.com.tw TCVC - Telephone: (02)2395-2115 - Website: https://www.tcfhc-vc.com.tw BNP TCB Life - Telephone: 0800-033-133 - Website: https://my.tcb-life.com.tw	 • Provide customers with product information on official website as a channel for financial information and service inquiry. • Set up a 24/7 toll-free customer service hotline, official website's mailbox, and complaint hotline. • Establish customer data confidentiality measures to fulfill the confidentiality obligation towards customers' personal information, and place these on the homepage of the official website, disclosed or announced in the ways designated by the competent authority • Continue holding investment and wealth management workshops to maintain customer relationships.	• Satisfaction in TCB's service performance evaluation was 93.1%. • Satisfaction rate among TCB's wealth management customers reached 96.02%. • TCS customer service hotline gained 100% satisfaction rate. • BNP TCB Life gained a customer satisfaction rate of 97.8%. • TCB organized 316 financial planning seminars with a total of 5,935 participants. • TCS organized 68 financial planning seminars with a total of 2,085 participants. 
Suppliers	Information Security Ethical Management Digital Finance	- Contact person: Mr. Shi, Deputy Director, TCFHC Administration Department - Telephone: +886-2-21738888 ext. 3205 - Contact person: Mr. Juch, A.V.P. & Senior Manager of General Affairs Team, TCFHC Administration Department - Telephone: +886-2-21738888 ext. 3270	• When the amount of a procurement project reaches NT$1 million, suppliers are required to sign the "Commitment of Supplier to CSR and Environmental Sustainability Clause".	• A total of 458 commitments have been signed.

Stakeholder	Key Issues of Concern	Dedicated Contact Person and Method	Engagement Channels	Frequency and Result of Communication
Community	Ethical Management Risk Management Protection of Customer Rights	- Contact person: TCFHC Administration Department - Telephone: (02)2173-8888 - Website: https://www.tcfhc.com.tw - Email: pr@tcfhc.com.tw	• Hold winter philanthropic activities every year and support local sports activities. • Participate in charity and academic events and charity marathons while organizing fundraising events every year. • To promote long-term care policies, hold the TCB Lecture Hall and Respite Academy courses. Additionally, consistently issue stamp collection passbooks to encourage employees to take part in charity activities. • Invest resources to cultivate national table tennis, baseball, and badminton players in support of athletic events every year.	• The Group donated approximately NT$15.42 million to 97 charity organizations. • 3 sessions of TCB Lecture Hall (Happy Living and Secure Caring Master Class) and 24 Respite Academy courses were held. • TCS held 1 campus wealth management seminar with 11 participants. • TCSIT held 1 campus wealth management seminar with 34 participants. • The TCB sports teams sent players to compete in a total of 45 games around the world.
Governments and Competent Authorities	Information Security Legal Compliance Business Performance Sustainable Finance Protection of Customer Rights	- Contact person: TCFHC Administration Department - Telephone: (02)2173-8888 - Website: https://www.tcfhc.com.tw - Email: pr@tcfhc.com.tw	• Compliance with laws and regulations and provision of relevant information in cooperation with supervision and inspections by competent authorities. • Compliance with policies of the competent authorities and participation in various meetings held by them.	• Internal evaluations of the Board of Directors and functional committees were completed. • Formulated the "Declaration on the Compliance of Ethical Management by Directors and Senior Management" and received a total of 109 signed declarations from all directors and senior management of TCFHC and its subsidiaries, attaining a 100% of signing rate in 2024. • TCFHC was selected as a constituent of the TWSE CG 100 Index, TWSE RA Taiwan Employment Creation 99 Index, and TWSE RAFI Taiwan High Compensation 100 Index. • TCB, TCS, TCSIT, and BNP TCB Life regularly disclose their stewardship principles for institutional investors report on their official website every year.
Media	Corporate Governance Training and Development Employee Remuneration and Benefits	- Contact person: TCFHC Administration Department - Telephone: (02)2173-8888 - Website: https://www.tcfhc.com.tw - Email: pr@tcfhc.com.tw	• Hold investor conferences periodically to enhance the transparency of financial information. • Hold press conferences and release product and event promotional materials from time to time. • Invite media whenever needed, arrange interviews by spokespersons, and provide related press releases.	• 4 investor conferences were held. • A total of 92 press releases were issued by TCFHC. For details, please refer to the **News Center**.
Academic Institutions/ Consultancy Firms/ Industries/ Guilds and Associations	Information Security Risk Management Sustainable Finance Digital Finance Financial Inclusion Protection of Customer Rights Climate Strategies and Actions	- Contact person: TCFHC Administration Department - Telephone: (02)2173-8888 - Website: https://www.tcfhc.com.tw - Email: pr@tcfhc.com.tw	• Participate in or hold forums or academic seminars whenever needed to exchange opinions and stay informed about the developmental trends in financial industry. • Participate in meetings and forums that are held periodically by societies and associations to keep track of regulatory changes and to ensure compliance by operations every year.	• The Group has joined 46 guilds and associations.

Defining Material Topics

To effectively communicate with stakeholders and implement sustainability initiatives, TCFHC annually follows the GRI standards and the principle of double materiality—addressing both financial and non-financial aspects, to identify material topics. The topics. refer to financial development trends, as well as sustainability issues prioritized by well-known enterprises every year. At the same time, the Company evaluates its operating status based on the 4 principles of sustainability, materiality, completeness, and stakeholder inclusiveness. It also engages the members of the 6 major executive taskforces under the Sustainable Development Committee to discuss and compile suggestions from external stakeholders. The sustainability and financial impacts of various issues on the economy, environment, and population (including human rights) are evaluated to identify material topics and align them with the SDGs. In addition, the results of the material topic are included in the operational assessment items of each subsidiary and integrated into enterprise risk management (ERM), enabling a continued focus on development priorities and the enhancement of responses to stakeholder issues of concern.

Procedure of Defining Material Topics

18 sustainability issues

Identified 18 sustainability issues by referring to international sustainability standards and assessments such as GRI, SASB, TCFD, TNFD, DJSI, and the SDGs, as well as the sustainability reports of domestic and foreign peers in the same industry and their topics of interest.

27 questionnaires on the degree of impact on sustainability [Note 1]

The Sustainability Office distributed "questionnaires on the degree of impact on sustainability" within the Company to collect professional opinions of the 6 major executive taskforces. The Company recorded the degree of impact of 18 sustainability issues on the economy, environment, and population (including human rights) through quantifying the "probability of occurrence" and the "scale and scope" of positive and negative impacts [Note 2]. The results were then analyzed in conjunction with the opinions of the executive taskforce members.

27 questionnaires on the degree of financial impact [Note 3]

The Sustainability Office distributed "questionnaires on the degree of financial impact" within the Company to collect the professional opinions of the 6 major taskforces. By considering both the duration and the financial effects of each sustainability issue, the Company recorded the degree of financial impact of 18 sustainability issues on the Group [Note 4]. The results were then analyzed in conjunction with the opinions of the executive taskforce members.

1,186 questionnaires on the degree of concern of stakeholders [Note 5]

The Sustainability Office distributed "questionnaires on the degree of concern regarding sustainability issues" to 8 groups of highly relevant stakeholders. We evaluated their degree of concern regarding each issue on a scale of 1–5, and the results were analyzed accordingly.

Ranking by materiality score

The Sustainability Office conducted internal discussions and considered the overall operations of the Company. We referred to results of the questionnaires on the degree of impact on sustainability, the degree of financial impact, and the degree of concern of stakeholders. Based on the materiality scores, 12 sustainability issues were identified and ranked as material topics for 2024.

12 material topics

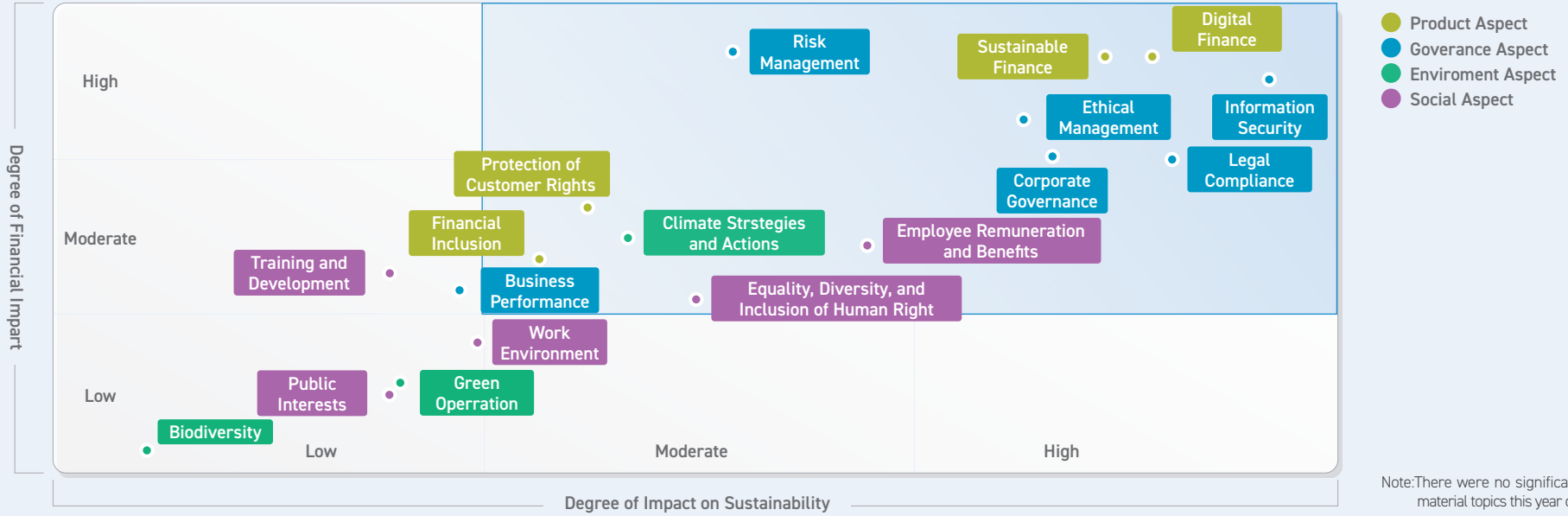
For the 12 material topics, the internal management confirmed their significance and the boundaries to be considered, ensuring completeness and transparency in disclosure.

8 stakeholder categories

Including the analyzed results of material topics in the Sustainability Report, and being reviewed by the Sustainable Development Committee. After being approved by the Committee, submitted the report to the Board of Directors for review to ensure a full disclosure and truthful representation of ESG implementation in the Company and to facilitate effective communication with 8 categories of stakeholders.

Note 1. Questionnaires on the degree of impact on sustainability: A total of 27 valid questionnaires were collected, completed by the Sustainability Office, other senior management, and 6 taskforces, including corporate governance, sustainable finance, commitment to customers, employee care, environmental sustainability, and social inclusion.
2. Sustainability impacts are assessed as either positive or negative according to the GRI Standards 2021 edition. Positive impacts are assessed based on the probability of occurrence and the scale and scope of their effects, while negative impacts are evaluated based on the probability of occurrence and the severity of their effects.
3. Questionnaires on the degree of financial impact: A total of 27 valid questionnaires were collected, completed by the Sustainability Office, other senior management, and 6 taskforces, including corporate governance, sustainable finance, commitment to customers, employee care, environmental sustainability, and social inclusion.
4. Financial impacts are assessed as either positive or negative according to the GRI Standards 2021 edition. The assessment also considers the duration and the degree of financial impact of each sustainability issue.
5. Questionnaires on the degree of concern: 397 from customers, 571 from employees, 6 from the government and competent authorities, 10 from shareholders/investors, 10 from suppliers, 182 from communities, 6 from media, and 4 from academic institutions/consulting firms/industries/guilds and associations. According to the statistics of the Company, the top 5 material topics of concern to external stakeholders, ranked by score, are employee remuneration and benefits, information security, protection of customer rights, ethical management, and regulatory compliance.

2024 Materiality Martix



Note:There were no significant changes in the material topics this year compared to 2023.

Material Topics and Management

TCFHC has set up management approach for material topics to ensure that their impacts on the operation and stakeholders by are effectively managed through policy, implementation resources allocation, and performance management of performance.

The Scope of Impact for Material Topics in 2024

Material Topic	Significance to TCFHC	Main Impacts on Stakeholders	Scope of Impact	Impact on External Stakeholders and Dimensions	Degree of Financial Impact	GRI	SASB	SDGs	Chapter of Sustainability Report
Information Security	Protecting transactions and confidential information, setting information and network security comprehensive management strategy to ensure the rights and interests of customers and the reputation of the Group.	☑ Employees ☑ Shareholders/Investors ☑ Customers ☑ Governments and competent authorities ☑ Media	☑ Operations ☑ Products/ Services	☑ Society ☑ Consumers/End Users	High	• GRI 3-3 Management of Material Topics	• FN-CB-230a.1 • FN-CB-230a.2	• SDG 8 • SDG 9	CH3_Resilience

Material Topic	Significance to TCFHC	Main Impacts on Stakeholders	Scope of Impact	Impact on External Stakeholders and Dimensions	Degree of Financial Impact	GRI	SASB	SDGs	Chapter of Sustainability Report
Digital Finance	In response to the trends in banking transformation, establishing a digital financial system to facilitate and popularize financial products and services.	Shareholders/Investors Customers Governments and Competent Authorities Media	Operations Products/ Services	Environment Society Consumers/end Users	High	• GRI 3-3 Management of Material Topics	-	• SDG 4 • SDG 8 • SDG 9 • SDG 10	CH4_Inclusion
Sustainable Finance	Leveraging core financial influence to guide capital flows towards sustainable industries or projects and provide products and services that enhance environmental and social benefits, and establish an assessment mechanism for ESG risks.	Shareholders/Investors Customers Community Governments and Competent Authorities Media Academic Institutions/ Industries/Guilds and Associations	Operations Products/ Services	Environment Society Consumers/end Users	High	• GRI 3-3 Management of Material Topics	• FN-CB-410a.2 • FN-CB-410b.1 • FN-CB-410b.2 • FN-CB-410b.3 • FN-CB-410b.4	• SDG 7 • SDG 8 • SDG 9 • SDG 12 • SDG 13 • SDG 17	CH2_ Sustainability Governance CH4_Inclusion
Legal Compliance	Ensuring legal and regulatory compliance can reduce operational risks and avoid penalties, thereby promoting businesses and expanding the scale of operations.	Employees Shareholders/Investors Customers Governments and Competent Authorities Media Suppliers	Operations Products/ Services Supply Chains	Environment Society Consumers/End Sers External personnel (such as supply chains and contractors)	High	• GRI 2-27 Legal Compliance • GRI 3-3 Management of Material Topics • GRI 417Marketing and Labeling	-	• SDG 10 • SDG 16	CH3_Resilience
Corporate Governance	Sound corporate governance is the foundation of sustainable development, strengthening the stability and transparency of business operations, and enhancing long-term competitiveness.	Shareholders/Investors Governments and Competent Authorities Media	Operations Products/ Services	Society Consumers/End Users	High	• GRI 3-3 Management of Material Topics	-	• SDG 5 • SDG 12 • SDG 16	CH3_Resilience
Ethical Managemen	Perfect integrity management helps to build integral and ethical values as well as culture of an enterprise, stabilize its operations, and boost sustainable management.	Employees Customers Governments and Competent Authorities Media Suppliers Shareholders/Investors	Operations Products/ Services Supply Chains	Society Consumers/End Users External Personnel (such as supply chains and contractors)	High	• GRI 3-3 Management of Material Topics • GRI 205 Anti-corruption • GRI 206 Anti-competitive Behavior	• FN-CB-510a.1 • FN-CB-510a.2	• SDG 10 • SDG 16	CH3_ Resilience
Risk Managemen	To respond to changes in the financial environment, various emerging risks, and business crises, appropriate risk management policies should be formulated, and effective risk management mechanisms should be established to ensure sound and sustainable business development.	Shareholders/Investors Customers Suppliers Governments and Competent Authorities Media	Operations Products/ Services Supply Chains	Society Consumers/End Users External Personnel (such as supply chains and contractors)	High	• GRI 3-3 Management of Material Topics	• FN-CB-550a.2	• SDG 12	CH3_Resilience

Material Topic	Significance to TCFHC	Main Impacts on Stakeholders	Scope of Impact	Impact on External Stakeholders and Dimensions	Degree of Financial Impact	GRI	SASB	SDGs	Chapter of Sustainability Report
Employee Remuneration and Benefits	Talent is the most important asset of an enterprise. Good compensation and welfare help attract and retain talent and stay competitive.	⊙ Employees ⊙ Shareholders/Investors ⊙ Governments and Competent Authorities ⊙ Academic Institutions/ Consulting firms/Industries/ Guilds and Associations	⊙ Operations	⊙ Society	Moderate	• GRI 3-3 Management of Material Topics • GRI 201 Economic Performance • GRI 401 Employment	-	• SDG 5 • SDG 8	CH5_Synergy
Equality, diversity, and inclusion of human rights	Implementing sexual equality, prohibiting discrimination, and protecting the right to work are the responsibilities of enterprises to protect human rights and are fundamental principles valued internationally.	⊙ Employees ⊙ Customers ⊙ Suppliers ⊙ Governments and Competent Authorities	⊙ Operations ⊙ Supply Chains	⊙ Society ⊙ External Personnel (such as supply chains and contractors)	Moderate	• GRI 3-3 Management of Material Topics • GRI 403 Occupational Safety and Health • GRI 405 Diversity and Equal Opportunity • GRI 406 Non-discrimination • GRI 407 Freedom of Association and Collective Bargaining • GRI 409 Forced or Compulsory Labor	-	• SDG 4 • SDG 5 • SDG 8 • SDG 10 • SDG 16	CH5_Syngery
Climate strategies and actions	The physical and transition risks caused by extreme climate on the financial systems are becoming more apparent. In addition to identifying, assessing, and managing climate change risks, enterprises need to combine their business strategies to address the risks and opportunities brought about by climate change.	⊙ Employees ⊙ Customers ⊙ Suppliers ⊙ Academic institutions/ consulting firms/industries/ guilds and associations	⊙ Operations ⊙ Products/ services ⊙ Supply chains	⊙ Environment ⊙ Consumers/end users ⊙ External personnel (such as supply chains and contractors)	Moderate	• GRI 3-3 Management of Material Topics • GRI 201 Economic Performance	-	• SDG 7 • SDG 12 • SDG 13	CH4_Inclusion CH6_ Enrichment
Protection of Customer Rights	Pay attention to customer privacy and systematically managing and analyzing customer feedback towards financial products and services to enhance customer satisfaction and maintain a competitive advantage in the market.	⊙ Employees ⊙ Shareholders/investors ⊙ Customers ⊙ Governments and competent authorities ⊙ Media	⊙ Operations ⊙ Products/ services	⊙ Society ⊙ Consumers/end users	Moderate	• GRI 3-3 Management of Material Topics • GRI 417 Marketing and Labeling • GRI 418 Customer Privacy	-	• SDG 10 • SDG 16	CH4_Inclusion
Financial Inclusion	Introduce inclusive financial products and services to make people with different backgrounds all entitled to fair financial services or resources.	⊙ Employees ⊙ Shareholders/Investors ⊙ Customers ⊙ Community	⊙ Products/ Services	⊙ Society ⊙ Consumers/End Users	Moderate	• GRI 3-3 Management of Material Topics	• FN-CB-240a.1 • FN-CB-240a.2 • FN-CB-240a.4	• SDG 1 • SDG 8 • SDG 9 • SDG 10	CH4_Inclusion CH5_Synergy

Note: The financial impact of material topic is moderate or high.

Description of Impact Management of Material Topics in 2024

Material Topic	Positive Impact	Potential/Actual Negative Impact	Channels for Filing Complaints and Seeking Remedies	Remedial Measures	Process of Internal Improvements and Tracking Methods
Information Security	Strengthening the safety net of information security and employee awareness of information security to prevent intrusions by hackers and customer data breaches and to protect the rights and interests of stakeholders and the Company's important operational information.	Information leakage, stealing, or losing customer data can violate the privacy of stakeholders or expose them to extortion, which may violate the law, and the Company may face litigation risks.	• Employee suggestion mailboxes and internal communication channels. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Tip-off hotline and email address. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Formulate the "Personal Data Protection Management Policy". • Timely response, reporting, and prevention measures are taken according to internal guidelines. If the rights of customers are violated or business operations are affected, competent authorities shall be notified within a specified time limit. • Conduct education and training on the protection of personal information and information security for employees. • Seeking compensation from suppliers who violate information security or clauses of nondisclosure agreements. • The personnel involved in violations are disciplined according to the employee reward and punishment system.	• Hold Computer Information Security Incident Response Team (CSIRT) meetings to monitor and review information security incidents and strengthen and implement the effectiveness of information security response mechanisms. • Personal data protection incidents are reviewed and overseen by the "Personal Information Protection Management Committee", convened by the chief compliance officer of TCFHC. • Conduct business continuity plan tests semiannually.
Digital Finance	Establish digital financial systems, optimize service processes and operational efficiency, reduce carbon emissions by reducing paper usage, increase financial service penetration rate, and enhance customers' digital service experience.	Technical risks have increased, such as failures in information technology systems, which may cause market disruptions, trade stagnation, transfer difficulties, or an inability to ensure normal transactions due to capacity or operation issues, potentially violating customer rights.	• 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Customers may seek assistance from the personnel at business locations during operating hours.	• Subsidiaries have established emergency response measures to ensure uninterrupted operations. In the event of system abnormalities, the issue should be reported immediately to the designated contact person, and suppliers should be contacted to identify the cause and resolve the issue. • After identifying the root of the problem, remedial measures will be formulated in collaboration with the relevant business unit.	• Assign dedicated personnel to review system operations periodically and maintain contact with the corresponding contact person to deal with abnormal situations immediately when they occur. • Improve the professional knowledge and skills of information-related personnel. • Conduct regular maintenance, inspection, updates, maintenance, or upgrade of equipment and systems.
Sustainable Finance	Upholding financial influence to address ESG issues and guiding capital flows towards sustainable industries or items through diversified business, reducing impacts on the environment, and human rights, thereby implementing sustainable development goals.	The lack of ESG factors in the process of investing and financing decisions may lead to misjudgment of the long-term value of the target and result in financial losses, as well as indirectly causing negative impacts on the environment and labor rights.	• Employee suggestion mailboxes and internal communication channels. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Strengthen ESG education, training, and professional capabilities of employees to reduce the risk of misjudgment of ESG factors in investment and financing decisions.	• ESG principles have been included in the review of the credit process to reduce ESG risks involved in the process of making financing decisions. Regular reviews and follow-ups are also conducted to strengthen post-loan management. • Evaluate ESG risks during the investment and decision-making, and understand the ESG rating and any negative news related to the investment target by referencing external sources such as the Market Observation Post System (MOPS), sustainability reports, ESG reports from credit rating agencies, and Bloomberg.

Material Topic	Positive Impact	Potential/Actual Negative Impact	Channels for Filing Complaints and Seeking Remedies	Remedial Measures	Process of Internal Improvements and Tracking Methods
Legal compliance	Legal compliance can reduce operational risks, avoid penalties, protect the natural environment, and the rights and interests of stakeholders.	The human rights of stakeholders are violated due to illegal activities, or the environment is polluted due to environmental crimes and other negative impacts, or penalties are imposed by competent authorities.	• Employee suggestion box. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Tip-off hotline and email address. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Review the deficiencies in each specific case where penalties have been imposed and make improvements accordingly. • Incorporate legal compliance deficiencies as part of the criteria for reviewing the implementation of subsidiaries' regulatory compliance systems. • The personnel involved in violations will be disciplined according to the employee reward and punishment system.	• Whenever a major regulatory violation is discovered, it should be reported to the Board of Directors immediately. Additionally, a compliance report should be reported to the Audit Committee and Board of Directors every 6 months. The report shall contain an analysis of the causes of significant deficiencies or malpractices in compliance matters, potential impacts, as well as recommendations for improvement. • Follow up on the improvement status in the quarterly meetings of the "Taskforce on Legal Compliance and AML/CFT" and the semiannual meeting of the "Compliance Committee".
Corporate governance	Combining the corporate governance structure with governance charters, stipulated by referring to actual operations and such bylaws as the "Articles of Incorporation" and the "Corporate Governance Best Practice Principle", to establish a well-grounded corporate governance system and ensure sound operations.	Poor management by the Board of Directors and functional committees has led to incorrect decisions regarding operations and business development, financial losses of the Company, violation of customer rights, and other negative impacts.	• Employee suggestion box. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Tip-off hotline and email address. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Relevant laws and regulations are formulated and are complied with accordingly. • Regularly conduct relevant education and training for the Group's senior executives and all employees, appropriately arrange directors' advanced training, and participate in lectures, seminars, and seminars covering corporate governance topics such as finance, risk management, business, legal affairs, accounting, or internal control systems.	• Internal performance evaluations are carried out by both the Board of Directors and functional committees every year. External institutions, teams of experts, or scholars are commissioned to carry out evaluations at least every 3 years. The evaluation results are reported to the Board of Directors by the end of March of the following year. • Conduct the "Communication Symposium between the Audit Committee and the Internal Audit Supervisor" and the "Symposium between Responsible Persons (Directors) and Internal Auditors" every 6 months.
Ethical management	Combine integrity and moral values as part of the Company's business strategy to avoid dishonesty, implement the Company's integrity management philosophy, and enhance corporate transparency and customer trust.	In cases of violations of integrity management, the Company and its customers may bear losses and may even be punished by the competent authority, which will impact the Company's image and operational performance.	• Employee suggestion box. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Tip-off hotline, mailing address, and email address. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Corporate regulations such as the "Ethical Corporate Management Best Practice Principles" and the "Ethical Management Procedures and Code of Conduct" are defined to be followed. • Signed the "Declaration on the Compliance of Ethical Management by Directors and Senior Management" and the "Statement of Employee Code of Conduct". • Regularly conduct education and training for the Group's senior executives and all employees.	• The Company has established a "Sustainable Development Committee" under the Board of Directors, which also serves as the dedicated unit for promoting ethical management practices. • The Company and subsidiaries report compliance status of the Ethical Corporate Management Best Practice Principles to their respective Board of Directors every year.

Material Topic	Positive Impact	Potential/Actual Negative Impact	Channels for Filing Complaints and Seeking Remedies	Remedial Measures	Process of Internal Improvements and Tracking Methods
Risk management	Establish an effective risk management mechanism to ensure a quick recovery and safeguard asset security when crises occur, and maintain the stability of financial market.	Failure to implement risk management in advance may lead to harm to customer rights, financial losses for the Company, operational crises, reputational damage, or other negative impacts that are difficult to quantify.	• Employee suggestion box. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Tip-off hotline and email address. • Set up a Stakeholder section on the official website providing corresponding contact channels.	• Relevant concentration limits, determined based on industry categories, industries of concern, countries, same group, and operational regulations related to operational risks and significant credit risk reporting, are formulated. • Establish early warning and implement response measures, strengthen credit and investment business management through real-time reporting and tracking, and improve risk management efficiency.	• Monitor and report on various limits and risk exposures on a monthly basis, and submit various risk management information to the Risk Management Committee, the Audit Committee, and the Board of Directors every quarter.
Employee remuneration and benefits	To foster a good working environment and inspire employees' enthusiasm and synergy, TCFHC has a comprehensive remuneration policy and benefits system, providing stable remuneration and multi-faceted employee benefits to create a diverse happy workplace.	Without a reasonable and competitive compensation and welfare systems, brain drain or talent gap can occur and impact operations and development.	• Employee suggestion box.	• Formulate reasonable compensation policies and build a diverse and friendly workplace. • The Group provides employee benefit measures that are superior to regulatory standards, such as pregnancy leave, maternity leave, pregnancy check-up leave, and miscarriage leave, making adjustments and additions whenever necessary. • Provide an employee stock ownership trust to increase the willingness of employees to stay with the Company for the long haul. • In support of government policies, childbirth subsidies are provided to encourage childbirth.	• Evaluate factors such as operating performance, industry standards, salary increases for civil servants, and commodity prices, and adjust salaries in a timely manner. • Evaluate, adjust, or add employee benefits in a timely manner, based on operating performance and industry standards. • Understand if employees are satisfied with compensation and welfare measures through employee satisfaction surveys.
Equality, diversity, and inclusion of human rights	All groups have equal employment rights, inclusion and diversity of employees are promoted, a friendly workplace is fostered, and employment discrimination is eliminated.	Employees work overtime, gender-friendly workplace is not implemented, and employment discrimination appears.	• Employee suggestion box. • Sexual harassment complaint hotline. • Regular employer-employee meetings are held quarterly.	• Monthly reviews are conducted on the overtime status of each unit to prevent excessive workloads. • The "Human Rights Policy" is formulated to prevent discrimination and sexual harassment, the "Regulations for Prevention, Correction, Complaint, Investigation and Handling, and Punishment of Sexual Harassment at Workplace" is formulated, and the "Sexual Harassment Complaints Review Committee" is established to handle complaint cases.	• In addition to conducting audits on units with abnormal overtime hours, personnel are also irregularly assigned to randomly inspect the overtime status of each unit. • Conduct human rights due diligence annually to review the frequency of occurrence and level of influence of human rights risks regularly, and propose improvement measures.

Material Topic	Positive Impact	Potential/Actual Negative Impact	Channels for Filing Complaints and Seeking Remedies	Remedial Measures	Process of Internal Improvements and Tracking Methods
Climate strategies and actions	Assessing the financial impacts of climate change and investing resources to develop sustainable financial products in advance to improve global warming issues, promote sustainable market, and develop new sustainable business models.	Failure to evaluate the impacts of climate change in advance and take relevant actions has led the Company to face climate-related financial losses and indirectly contributed to worsening global warming, extreme weather, and biodiversity extinction crisis.	• Set up a Stakeholder section on the official website providing corresponding contact channels.	• Identify, assess, respond to significant climate risks, and establish limits for "high-pollution and carbon-intensive industries".	• Monitor and report on risk exposures of high-pollution and carbon-intensive industries" on a monthly basis, and submit various risk management information to the Risk Management Committee, the Audit Committee, and the Board of Directors every quarter.
Protection of customer rights	Provide a comprehensive communication mechanism to understand customer feedback on financial products and services promptly and safeguard the rights and interests of customers.	If customers are treated unfairly, or the Company fails to understand their needs, this may violate customer rights due to operating procedures or services, resulting in customer distrust.	• 24/7 toll-free customer service hotline, customer service email, and a complaint channel. • Set up customer feedback boxes at business locations. • Require business management units or business locations dedicate personnel or supervisors responsible for customer complaints for timely and appropriate handling.	• Conduct regular education and training for employees, and collect and compile customer complaint cases to strengthen education and training, and promotion. • Incorporate handling customer complaints into performance assessments to improve each unit's quality of handling complaints and prevent incidents from occurring. • When handling complaint cases, in addition to informing customers of the preliminary actions taken, the Company should also understand the cause of the complaint and adopt appropriate measures based on the level of risks and severity of the case.	• Establish a "Consumer Protection and Fair Customer Treatment Promotion Committee" responsible for formulating and supervising the "Fair Customer Treatment Policy" and the "Strategy of the Principles for Treating Customers Fairly". The committee reviews and improves the handling of customer complaints and financial consumer dispute cases, as well as measures for improving fair customer treatments, and reports them to the Board of Directors. • Regularly collect messages and report the reasons analyzed and improvement plans by each business management unit. • Regularly monitor the business management units' implementation of resolutions made by the "Consumer Protection and Fair Customer Treatment Promotion Committee".
Financial inclusion	Protect the rights of various groups to access financial services and introduce inclusive financial products to promote social equity and realize inclusive growth.	Disadvantaged groups are unable to access affordable financial services or lack of barrier-free facilities resulting in the violation of the rights of people with disabilities.	• Business units. • 24/7 toll-free customer service hotline, customer service email, and a complaint channel.	• Formulation of a "Financial Inclusion Policy". • The Company actively and continuously follows the "Friendly Financial Service Guidelines for Banks" to provide friendly financial services to people with disabilities and affordable financial services to disadvantaged groups. • The Company cooperates with insurance companies to promote the "micro personal accident insurance" and the "small amount whole life insurance", enabling specific groups or economically disadvantaged groups to obtain basic protection.	• Strengthening the education and training on friendly financial services to establish a corporate culture that values friendly financial services. • Record the implementation status of friendly financial service measures every year and optimize barrier-free facilities.

2.3 Sustainable Strategy Blueprint and Goals

Sustainable Strategy Blueprint

The TCFHC Group's Sustainable Strategy Blueprint is guided by the vision of "corporate, environmental, and social sustainability". Integrating the 3 major ESG dimensions with its core sustainable finance business, the Group has established the strategic pillars of "RISE" — "Resilience – Building Resilient Operations", "Inclusion – Leading Sustainable Finance", "Synergy – Creating Diversity and Inclusion", and "Enrichment – Enhancing Environmental Co-Prosperity"—to focus development direction and strengthen goal implementation. In order to tackle the risks associated with international sustainable development trends and climate change, TCFHC has implemented the "Sustainability Policy", the "Sustainable Financial Policy", and the "Sustainable Development Best Practice Principles" as the highest guiding principles for its subsidiaries to understand ESG risks and opportunities. At the same time, TCFHC has integrated United Nations' Sustainable Development Goals (SDGs) and ESG factors into its business guidelines while continuing to refine its strategies and goals. The aim is to work together with stakeholders to pursue economic, environmental, and social inclusion.

Establish a robust governance framework and compliance mechanisms to ensure ethical management practices and a culture of accountability, fostering steady growth of the Company.

The targeted areas include corporate governance, risk management, regulatory compliance, internal audit, shareholder rights, and information security.

SDG 10、16

Strive to create a respectful and diverse workplace and social environment, with a strong focus on the rights and well-being of employees and all communities.

The targeted areas include talent attraction and retention, career management and learning, occupational safety and health, human rights and equality, joyful learning, healthy living, community stability, and caregiving support.

SDG 3、4、5、8、10

Proactively integrate ESG into products and services, leveraging financial influence through stakeholder engagement to provide socially equitable and inclusive solutions.

The targeted areas include financial inclusion, sustainable finance, digital finance, and the protection of customer rights and interests.

SDG 1、8、9、10、12、13

Incorporate environmentally friendly thinking into daily operations and the value chain, effectively managing climate and nature-related risks and opportunities to do our part for the planet.

The targeted areas include climate strategy and action, nature risk management, green operations, supplier management and green procurement, and climate change risk management.

SDG 6、7、12、13

Implementation Status of Short-, Medium-, and Long-Term Goals

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Resilience	Conduct internal performance evaluations of the Board of Directors.	The internal performance evaluation for 2024 has been approved by the Board of Directors and disclosed in the annual report and on the website of the Company, detailing the implementation, criteria, and results of the evaluation.	Achieved	Conduct internal performance evaluations of the Board of Directors.	Annually implement internal/triennially commission external professional independent institutions to evaluate the performance of the Board of Directors. The evaluation results are reported to the Board of Directors and disclosed on the Company's website before the end of the first quarter of the following year.	10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Corporate governance
	All directors have an average attendance rate of over 85% for the Board of Directors meetings in the current year. All independent directors reach an average attendance rate of over 80% or higher for meetings of functional committees (audit, remuneration, and ethical management committees).	All directors had an average attendance rate of 95.71% for the Board of Directors meetings in the current year. All independent directors reached an average attendance rate of more than 80% for meetings of functional committees.		All directors have an average attendance rate of over 85% for the Board of Directors meetings in the current year. All independent directors reach an average attendance rate of over 80% for meetings of functional committees (audit, remuneration, and sustainable development committees).	Push for either gender to hold 1/3 or more of the seats on the Board of Directors.		
	Be selected as a constituent of the "TWSE Corporate Governance 100 Index".	Has been selected as a constituent of the "TWSE Corporate Governance 100 Index".		Continue to be selected as a constituent of the "TWSE Corporate Governance 100 Index".			
	Deepen corporate legal compliance culture on an ongoing basis: • Continue to supervise subsidiaries in conducting training programs according to the annual training schedule. • Conduct on-site supervision and assessments at each subsidiary at least once every six months, and provide additional on-site guidance as needed to evaluate the effectiveness of regulatory compliance systems.	Deepen corporate legal compliance culture on an ongoing basis: • The handling status of each subsidiary has been followed up on continuously through quarterly AML/CFT reports, legal compliance and AML/CFT meetings held by taskforces, and meetings of the Legal Compliance Committee. It is also included into the on-site supervision and assessment reviews conducted once every half year. • On-site supervision and assessments were conducted for both the 1st and 2nd halves of the year for all subsidiaries, and audit findings have been included in the compliance system implementation evaluation.	Achieved	Deepen corporate legal compliance culture on an ongoing basis: • Continuously follow up on the status of regulatory compliance and AML/CFT implementation at each subsidiary through quarterly AML/CFT reports, legal compliance and AML/CFT meetings held by taskforces, and meetings of the Legal Compliance Committee. • Conduct on-site supervision and assessments at each subsidiary at least once every six months, and provide additional on-site guidance as needed to evaluate the effectiveness of regulatory compliance systems.	Deepen corporate legal compliance culture on an ongoing basis: • Continue to supervise subsidiaries in conducting training programs according to the annual training schedule. • To implement ESG-related regulations, the Group continuously monitors the progress of corresponding measures, aiming to enhance its overall sustainability value.		Legal compliance

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Resilience	Strengthen the foundation of AML/CFT: Training for directors, supervisors, and executives in the Group is organized every year. Courses are designed by subsidiaries based on their business nature and relevant on-the-job training is provided to employees on an ongoing basis. General tests and mystery guest tests are arranged to raise employees' awareness of AML/CFT activities and attract more attention to these activities.	The training for the Group's directors, supervisors, and executives for 2024 was completed by the end of April. In addition, the AML/CFT tests and mystery guest tests were completed, and all performance was rated good.	Achieved	Training for directors, supervisors, and executives in the Group is organized every year. Relevant on-the-job training is provided to employees on an ongoing basis and general tests and mystery guest tests are arranged.	Continue to strengthen the foundation of AML/CFT.		Legal Compliance
	Hold 1 simulation drill of the Group's information security incident and emergency response plan every 6 months.	TCFHC and its subsidiaries have completed situational drills on information security incidents and emergency response plans in the 1st and 2nd halves of the year.	Achieved	Continue to hold 1 simulation drill of the Group's information security incident and emergency response plan every 6 months.	Continue to encourage subsidiaries to obtain international information security certifications and maintain their validity.	10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Information Security
	Obtain international information security certifications: • TCB, BNP TCB Life, and TCS maintained the validity of the "ISO 27001 Information Security Management" certifications. • TCB maintained the validity of "ISO 22301 Business Continuity Management System" certification.	Obtain international information security certifications: • "ISO 27001 Information Security Management System": TCB completed its three-year re-certification in January. BNP TCB Life completed the version upgrade audit to the 2022 edition in May, and TCS completed its reassessment in December. • "ISO 22301 Business Continuity Management System": TCB passed a reassessment in October.		• Encourage subsidiaries to obtain international information security certifications and maintain their validity: • TCB undergoes annual reassessments for "ISO 27001" and "ISO 22301". • BNP TCB Life and TCS undergo annual reassessments for "ISO 27001".			
	Encourage IT personnel of each subsidiary to obtain international information security certifications and incorporate this into the evaluation of their performance in executing information security projects.	International information security certification of information security staff at respective subsidiaries is included as part of the annual performance assessment of information security management efficacy of the subsidiaries.		Continue to promote participation of information security personnel at the Group's subsidiaries in various international certification training programs, encouraging them to obtain internationally recognized information security certifications. In addition, incorporate this into the evaluation of each subsidiary's performance in executing information security projects, and report the implementation status during the Group's joint information security defense meetings.			

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Resilience	Optimize the identification, measurement, monitoring, and control procedures of emerging risks.	With reference to the World Economic Forum's (WEF) Global Risks Report 2024, an emerging risk assessment and identification survey was developed. After being completed by each subsidiary, the 3 key emerging risks identified were: "loss of biodiversity and ecosystem collapse", "adverse outcomes of artificial intelligence technologies", and "misinformation and disinformation". The Group's Emerging Risk Meeting was held on March.	Achieved	Enhance subsidiaries' ability to identify the potential operational impacts of emerging risk factors in relation to their business activities, and regularly report corresponding response measures to the Risk Management Committee.	Continue to optimize the identification, measurement, monitoring, and control procedures of emerging risks.	10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Risk Management
Inclusion	TCB and BNP TCB Life continue to obtain valid certification for "BS 10012:2017 Personal Information Management System".	Continued to maintain the validity of "BS 10012 Personal Information Management System".	Achieved	Continue to obtain valid certification for "BS 10012:2017 Personal Information Management System".		1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Protection of Customer Rights
	Maintain the validity of the TPIPAS-issued dp.mark for TCS.	TCS has passed the verification for renewal.		Maintain the validity of the TPIPAS-issued dp.mark.			
	All subsidiaries organize personal information protection system training and achieve a 100% completion rate.	All subsidiaries have organized personal information protection system training and achieved a 100% completion rate.		Continuously organize personal information protection system training and achieve a 100% completion rate.			
	• Set a goal for TCB to increase customer satisfaction to over 93% year by year or achieve an annual satisfactory resolution rate of over 80%. • Set a goal for BNP TCB Life and TCS to increase satisfaction rates across all channels to over 95% or reduce the number of customer complaints compared to the previous year.	• Customer satisfaction for TCB business units was 93.10%, with 185 customer complaints and a satisfactory resolution rate of 92.97%. The satisfaction rate among wealth management customers reached 96.02%. • BNP TCB Life achieved a customer satisfaction rate of 97.80% with 84 customer complaints, down by 3 compared to the previous year, and Satisfaction toward customer service of TCS was 100%.		• TCB aims to increase customer satisfaction to over 93.5% year by year or achieves an annual satisfactory resolution rate of over 80%. • BNP TCB Life and TCS aim to increase satisfaction rates to over 95% or reduce the number of customer complaints compared to the previous year.	• TCB aims to increase customer satisfaction to over 95% year by year or achieves an annual satisfactory resolution rate of over 80%. • BNP TCB Life and TCS aim to increase satisfaction rates to over 95% or reduce the number of customer complaints compared to the previous year.		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Inclusion	TCB increases total transaction volume through e-channels by 5%, or 47,376,474 transactions.	A total of 49,961,894 transactions were conducted through e-channels.	Achieved	Increase the actual transaction volume through e-channels by 5% compared to the previous year.	Increase the total transaction volume through e-channels by 25%.	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Digital Finance
	TCB adds 3,000 TWQR stores.	4,449 new TWQR stores have been added.		Add 3,000 TWQR stores.	Add 15,000 TWQR stores.		
	• Submit 900 patent applications to the Intellectual Property Office, Ministry of Economic Affairs. • "Digital Marketing" aims at cross-department proposals and development of staff with agile innovation and digital marketing mindsets to enhance customer experience. • Implement the "AI Innovative Application" plan and collaboratively define AI to be applied by employees through an AI maturity assessment.	• A total of 954 patent applications have been submitted. • Digital marketing training has been completed, involving 13 cross-department collaborations and 4 product marketing teams. The program included 1 executive information briefing, 7 courses and workshops, and trained a total of 336 participants. An external panel of professional judges selected "Green Financing" as the winning proposal. • Planned AI training and innovative application programs to shape the AI strategic roadmap, completing 12 workshops, 5 Python courses, 5 cross-departmental courses on the AI lifecycle, 3 AI trend-sharing sessions for senior executives, and 1 AI empowerment strategy consensus-building seminar, with a total of 1,404 participants trained.		• Submit a total of 1,050 patent applications to the Intellectual Property Office, Ministry of Economic Affairs. • Based on CoLAB members, AI seed member training was conducted across the Bank to help build the Bank's AI strategic roadmap.	• Submit a total of 1,400 patent applications to the Intellectual Property Office, Ministry of Economic Affairs. • CoLAB continues to respond to project goals and agile organizational trends by promoting a flexible project organization with CoLAB members as seed staff and leading various large innovative projects and introducing applicable innovative AI technologies.		
	The number of users of TCB intelligent customer services reaches 509,000.	The number of users of intelligent customer services reached 510,000.		The number of users of intelligent customer services increases by 56,000 compared to the previous year.	The number of users of intelligent customer services increases by 470,000 in 2030 compared to 2025.		
	The number of TCB credit cards linked to Taiwan Pay mobile payment is 179,000.	The number of credit cards linked to Taiwan Pay mobile payment is 193,161.		The number of credit cards linked to Taiwan Pay mobile payment is 192,000.	The number of credit cards linked to Taiwan Pay mobile payment exceeds 257,600 by 2030.		
	TCB receives 6,670 new online mortgage and loan applications.	Received 9,096 new online mortgage and loan applications.		Receive 8,300 new online mortgage and loan applications.	The annual target number of new cases increases by 15% compared to the previous year's target.		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Inclusion	10 new insurance products have been launched onto the TCB mobile insurance application.	12 new insurance products have been launched onto the mobile insurance application.	Achieved	10 new insurance products have been launched onto the mobile insurance application.	63 new insurance products have been launched onto the mobile insurance application system by 2030.	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Digital Finance
	Bilingual branches are established evenly in northern, central, and southern Taiwan, with a total of 45 branches being established.	45 bilingual branches have been established.		Bilingual branches are established evenly in northern, central, and southern Taiwan, with a total of 46 branches being established.	All domestic branches will be established as bilingual branches by 2026.		Financial Inclusion
	Continue to promote and develop diverse financial inclusion products: • 2,400 new housing loans for youths are approved. • 2,100 new loans for youth entrepreneurs are approved. • 30 new loans for students studying aboard are approved.	Continue to promote and develop diverse financial inclusion products: • 9,072 new housing loans for youths have been approved. • 2,288 new loans for youth entrepreneurs have been approved. • 50 new loans for students studying aboard have been approved.		Continue to promote and develop diverse financial inclusion products: • 2,400 new housing loans for youths are approved. • 2,205 new loans for youth entrepreneurs are approved. • 32 new loans for students studying aboard are approved.	Continue to promote and develop diverse financial inclusion products: The number of new approvals for housing loans for youths, loans for youth entrepreneurs, and loans for students studying abroad increases by 5% annually compared to the previous year.		
	TCB adds 5,500 new beneficiaries to the Property Trust of Seniors and the Disabled.	Added 9,943 new beneficiaries to the Property Trust of Seniors and the Disabled.		Add 5,750 new beneficiaries to the Property Trust of Seniors and the Disabled.	The number of beneficiaries added to the Property Trust of Seniors and the Disabled is 6,000, 6,250, 6,500, 6,750, and 7,000 people, respectively.		
	TCB organizes a total of 3 sessions of the TCB Lecture Hall in the northern, central, and southern Taiwan, featuring a more diverse range of topics and integrating financial products from its subsidiaries into the presentations.	3 sessions of the TCB Lecture Hall were held in August across northern, central, and southern Taiwan.		Organize a total of 3 sessions of the TCB Lecture Hall in the northern, central, and southern Taiwan, featuring a more diverse range of topics and integrating financial products from its subsidiaries into the presentations.	Continue to organize the TCB Lecture Hall sessions to familiarize more people with the TCFHC Group's financial products and plan for a happy and healthy retirement life in advance.		
	TCB organizes 1 financial management education and recreation camp every year.	Organized 1 financial management education and recreation camp.		Organize 1 financial management education and recreation camp annually.	Organized a total of 5 financial management education and recreation camps.		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Inclusion	Organize a total of 376 financial management seminars, tax seminars, customer engagement sessions, and industry and commerce forums: • BNP TCB Life: 20 financial management seminars and customer engagement sessions. • TCB: 313 financial management seminars; visit entities across various sectors such as social welfare organizations, medical institutions, schools, and elder care institutions to organize 5 trust education and promotion sessions. • TCS: 37 branch seminars, investor conferences, VIP client gatherings, online information meetings, and large-scale seminars. • TCSIT: 1 campus financial management seminar.	Organized a total of 535 financial management seminars, tax seminars, customer engagement sessions, and industry and commerce forums: • BNP TCB Life: 72 financial management seminars and customer engagement sessions. • TCB: 316 financial management seminars; visited entities across various sectors such as social welfare organizations, medical institutions, schools, and elder care institutions to organize 52 trust education and promotion sessions. • TCS: 94 branch seminars, investor conferences, VIP client gatherings, online information meetings, and large-scale seminars. • TCSIT: 1 campus financial management seminar.	Achieved	Organize a total of 403 financial management seminars, tax seminars, customer engagement sessions, and industry and commerce forums: • BNP TCB Life: 20 financial management seminars and customer engagement sessions. • TCB: 329 financial management seminars; visit entities across various sectors such as social welfare organizations, medical institutions, schools, and elder care institutions to organize 5 trust education and promotion sessions. • TCS: 48 branch seminars, investor conferences, VIP client gatherings, online information meetings, and large-scale seminars. • TCSIT: 1 campus financial management seminar.	Continue to organize a total of 2,276 financial management seminars, tax seminars, customer engagement sessions, and industry and commerce forums: • BNP TCB Life: 100 financial management seminars and customer engagement sessions. • TCB: 1,905 financial management seminars; visit entities across various sectors such as social welfare organizations, medical institutions, schools, and elder care institutions to organize 25 trust education and promotion sessions. • TCS: 240 branch seminars, investor conferences, VIP client gatherings, online information meetings, and large-scale seminars. • TCSIT: 5 campus financial management seminars.	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Financial Inclusion
	252 loan cases by TCB for urban renewal and the reconstruction of time-worn buildings, amounting to NT$178 billion.	291 loan cases for urban renewal and the reconstruction of time-worn buildings, amounting to NT$227.902 billion.	Achieved	311 loan cases for urban renewal and the reconstruction of time-worn buildings, amounting to NT$232.6 billion.	Continuously increase the number and amount of loans for urban renewal and the reconstruction of time-worn buildings by 10% every year.		Sustainable Finance
	TCB approves NT$632 billion in loans for the "Six Core Strategic Industries".	Approved NT$800.574 billion in loans for the "Six Core Strategic Industries".		Approve NT$830 billion in loans for the "Six Core Strategic Industries".	Additionally approve NT$10 billion in loans for the "Six Core Strategic Industries" every year.		
	TCB supports offshore wind power and green industries and reaches 2,900 MW in total installed capacity of renewable energy financing.	The total installed capacity of approved renewable energy financing projects reached 2,926 MW.		The total installed capacity of approved renewable energy financing projects reaches 2,980 MW.	The total installed capacity of approved renewable energy financing projects increases by 60 MW annually.		
	TCB handles NT$974 million in green consumption loans.	Handled NT$1.817 billion in green consumption loans.		Handle NT$1.454 billion in green consumption loans.	A 10% annual increase in the amount of green consumption loans compared to the previous year.		

Note: In order to comply with real estate loan concentration management, TCB estimate that the volume of new mortgage loans undertaken in 2025 will be lower than in 2024, so the 2025 target is sei lower than the actual volume of the previous year.

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Inclusion	• TCB issues 1 sustainable development bond (including green/social responsibility/sustainable development bonds/sustainability-linked bonds [SLBs]). • The investment ceiling of TCB in industrial sectors that are known for high levels of pollution and high carbon emissions is 24%.	• 1 social responsibility bond was issued at the end of September. • As of the end of December, the investment ratio in industrial sectors that are known for high levels of pollution and high carbon emissions was 13%.	Achieved	• Issue at least 1 sustainable development bond every year. • The investment ceiling in industrial sectors that are known for high levels of pollution and high carbon emissions increases by 1% from the preceding year.		1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Sustainable Finance
	TCVC increases its green investment allocation by NT$35 million.	Increased the green investment allocation by NT$96 million.		Increase the green investment allocation by NT$38.5 million.	Increase the green investment allocation by 10% compared with to previous year's target, while ensure it does not exceed 5% of the organization's net worth.		
	• TCB will monitor the issuance of green bonds in the market and, while ensuring alignment with SBT-compliant investment targets, will appropriately increase its bond underwriting ratio. • TCS continues to increase the ratio of green bond underwriting and environmentally friendly IPOs/SPOs.	• TCB's green bond underwriting ratio reached 55.56%, representing a 47.54% increase compared to the previous year. • TCS's ratio of green bond underwriting and environmentally friendly IPOs/SPOs was 22.73%, representing a 2.99% increase compared to the previous year.		• TCB's green bond underwriting ratio is 40%. • TCS's target ratio for underwriting sustainable development bonds and environmentally friendly projects is 25%.	• From 2026 to 2030, TCB increases its green bond underwriting ratio by 2% each year. • TCS's target ratio for underwriting sustainable development bonds and environmentally friendly projects is 26%.		
	TCB increases the number of eco-friendly credit cards issued to 200,000 or higher.	The number of eco-friendly credit cards issued is 224,127.		Increase the number of eco-friendly credit cards issued to 240,000 or higher.	Increase the number of eco-friendly credit cards issued to 340,000 or higher.		
	TCB: • Participate in Mastercard's "Priceless Planet Coalition" global reforestation program. • Strengthen the promotion of e-bills.	• Allocated US$5,000 to take part in the Mastercard's "Priceless Planet Coalition" global reforestation program and Strengthened the promotion of e-bills by offering incentives such as 500 Gold Points for first-time enrollment and a lifetime waiver of the annual fee during the e-bill use period. These measures encouraged cardholders to adopt paperless services and practice a sustainable green lifestyle.		Participate in Mastercard's "Priceless Planet Coalition". and reinforce the promotion of paperless practices while living a sustainable green life together with cardholders.	Obtain reduction label certification for credit cards by 2026.		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Inclusion	TCS submits the annual due diligence report to the Board of Directors for review, publishes it in the Sustainable Development section of the official website, and reports it through the "Securities and Futures Industry ESG Implementation Information Control System".	The due diligence report was submitted to the Board of Directors and approved at the end of July. It has been published on the official website, and progress on this measure is reported quarterly.	Achieved	Submit the annual due diligence report to the Board of Directors for review, publish it in the Sustainable Development section of the official website, and report it through the "Securities and Futures Industry ESG Implementation Information Control System".	Include ESG topics in the investment decision making process, strengthen conversations and interactions on ESG topics with invested companies, and improve the content of ESG disclosures in the due diligence report.	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Sustainable Finance
	BNP TCB Life annually discloses information on the implementation of due diligence on its official website.	Information related to the annual implementation of due diligence was disclosed on the website before the end of September.		Information on the annual implementation of due diligence is disclosed on the website before the end of September each year.			
	TCB has an electronic voting rate of over 95%, TCS over 94.4%, and TCSIT 100% when attending shareholders' meetings held by TWSE/TPEx-listed companies in which they invest.	The electronic voting rate in shareholders' meetings of TWSE/TPEx-listed investee companies was approximately 96.75% for TCB, 100% for TCS, and 100% for TCSIT.		TCB has an electronic voting rate of over 95.5%, TCS over 96.4%, and TCSIT 100% when attending shareholders' meetings held by TWSE/TPEx-listed companies in which they invest.	TCB has an electronic voting rate of over 98%, TCS over 97%, and TCSIT 100% when attending shareholders' meetings held by TWSE/TPEx-listed companies in which they invest.		
	TCB considers constituents of FTSE4Good TIP Taiwan ESG Index, MSCI Taiwan ESG Sustainability High Dividend Yield 30 Index, Taiwan Employment Creation 99 Index, TWSE RAFI Taiwan High Compensation 100 Index, or Taiwan CG 100 Index when selecting domestic stocks. These companies are to account for 62% or more of TCB's domestic stock portfolio.	As of the end of December, the shareholding ratio of relevant companies within the domestic equity portfolio was approximately 72.65%.		Consider constituents of FTSE4Good TIP Taiwan ESG Index, MSCI Taiwan ESG Sustainability High Dividend Yield 30 Index, Taiwan Employment Creation 99 Index, TWSE RAFI Taiwan High Compensation 100 Index, or Taiwan CG 100 Index when selecting domestic stocks. These companies are to account for 64% or more of TCB's domestic stock portfolio.	Consider constituents of FTSE4Good TIP Taiwan ESG Index, MSCI Taiwan ESG Sustainability High Dividend Yield 30 Index, Taiwan Employment Creation 99 Index, TWSE RAFI Taiwan High Compensation 100 Index, or Taiwan CG 100 Index when selecting domestic stocks. These companies are to account for 72% of TCB's domestic stock portfolio in both 2029 and 2023.		
	Establish annual investment and financing targets in accordance with the SBT framework.	For detailed targets and implementation measures, please refer to 2.4 Toward Net-Zero Transition		Establish annual investment and financing targets in accordance with the SBT framework.	Establish annual investment and financing targets in accordance with the SBT framework		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Synergy	TCB conducts the year-end promotion evaluation among employees; employees' salaries increase by up to 2.5% on average.	Conducted the year-end promotion evaluation, with an average salary increase of up to 6.65%.	Achieved	Continue with the year-end promotion evaluation program among employees, with an average annual salary increase remaining at 2.5%.		3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Employee remuneration and benefits
	• TCB proactively implements the employee stock ownership trust system, bringing the enrollment rate among employees up to 95%. • Other subsidiaries outside TCFHC and TCB proactively implement the employee stock ownership trust system, bringing the average enrollment rate among employees up to 80%.	• The enrollment rate of TCB's employees in the employee stock ownership trust among employees reached 97.52%. • The average enrollment rate of employees of other subsidiaries outside TCFHC and TCB in the employee stock ownership trust among employees reached 84.30%.		• TCB proactively implements the employee stock ownership trust, bringing the enrollment rate among employees up to 95%. • Other subsidiaries outside TCFHC and TCB proactively implement the employee stock ownership trust system, bringing the average enrollment rate among employees up to 80%.	Other subsidiaries of the Group proactively implement the employee stock ownership trust system, bringing the average enrollment rate among employees up to 90%.		
	The Group continues to implement the employee childbirth allowance and subsidy policy, with total subsidies reaching NT$10 million over the year.	Subsidized 149 employees and gave a total of NT$16.40 million in maternity allowances.		Continue to implement the employee childbirth allowance and subsidy policy, with total subsidies reaching NT$10 million each year.			
	The Group provides general and specific health examination subsidies for employees above a certain age, with total subsidies reaching NT$5 million over the year.	• A headcount of 1,036 people applied for general health examinations, with the value of subsidies reaching NT$6.916 million. • A headcount of 425 people applied for specific health examinations, with the value of subsidies reaching NT$2.428 million.		Provide general and specific health examination subsidies for employees above a certain age, with total subsidies reaching NT$5 million each year.			
	TCB cares about the lifelong happiness of single colleagues. In addition to encouraging colleagues to participate in networking events held externally, it organizes at least 1 internal networking event for the unmarried.	Held the internal networking event for unmarried colleagues in April.		In addition to encouraging colleagues to participate in networking events held externally, continue to hold at least 1 internal networking event for the unmarried each year.			
	TCB continues to provide budget and subsidies for social club events in order to encourage employees to take part in leisure activities besides work.	15 employee clubs, including the badminton club, have been registered and formed, with total subsidies worth NT$391,260.		Continue to subsidize social clubs and encourage employees to engage themselves to leisure activities for a balanced mind and body and relieving stress from work.			

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Synergy	TCFHC and TCB have prenatal check-up and childbirth leaves available for fathers-to-be that are superior to regulatory requirements as a maternal care-friendly measure.	Changed the title as required by law to "prenatal check-up and childbirth leaves for fathers-to-be". The number of days involved in the leave is the same as the regulatory requirement, that is, 7 days. However, to facilitate employees to flexibly use the time to keep their postpartum spouses company, the duration available for the leave application has been extended to 15 days before and after child birth.	Achieved	TCFHC and all subsidiaries continue to enforce maternal care-friendly measures.		3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Employee remuneration and benefits
	Vie for being selected as constituents of the "TWSE RA Taiwan Employment Creation 99 Index" and the "TWSE RAFT" Taiwan High Compensation 100 Index".	Continued to be selected as constituents in the "Taiwan High Salary 100 Index" and the "Taiwan Employment 99 Index", having been selected as a component stock for 10 and 8 consecutive years, respectively.		Continue to be selected as constituents of the "TWSE RA Taiwan Employment Creation 99 Index" and the "TWSE RAFT" Taiwan High Compensation 100 Index".			
	The Group's overall turnover is below 5%.	The Group's overall turnover rate(excluding retirements) was 3.78%.		The group's turnover rate has remained below 10% annually(below 5% excluding retirement).			
	TCFHC and all subsidiaries are required to conduct an employee satisfaction survey at least once every 2 years. The average employee satisfaction score across the Group is above 4 (out of 5).	The employee satisfaction survey has been completed, with a valid response rate of 97.37%and an average satisfaction score of 4.33 out of 5.		Conduct an employee satisfaction survey at least once every 2 years. The average employee satisfaction score across the Group is above 4 (out of 5).			
	Group companies that have obtained the "AED Safe Venue" certification maintain the validity of their certification.	• Maintained the validity of the "AED Safe Venue" certification: • TCB: 11 locations. • CAM 1 location. • BNP TCB Life: 1 location.		Companies that have obtained the "AED Safe Venue" certification continue to conduct at least 1 first aid skills training session annually to maintain the validity of the certification.			
	TCB passes the re-verification of the "ISO 45001 Occupational Safety and Sanitation Management System" and the "TOSHMS Taiwan Occupational Safety and Health Management System".	In July, the follow-up audit verifications were conducted for the "ISO 45001 Occupational Safety and Sanitation Management System" and the "TOSHMS Taiwan Occupational Safety and Health Management System".		Maintain the validity of the "ISO 45001 Occupational Safety and Health Management System" and the "TOSHMS Taiwan Occupational Safety and Health Management System" certifications.			
	TCB conducts the "Occupational Health and Safety Lectures", with a total of 8,000 training hours.	Conducted the "Occupational Health and Safety Lectures", with a total of 17,332 training hours.		Continue to conduct the "Occupational Health and Safety Lectures" annually, with a total of 8,000 training hours.			

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Synergy	Employee union participation rates at TCB and TCS reach 90%, ensuring that employees are protected under collective agreements.	TCB, TCS and TCSIT have been estabilshed employee unions, with a total of 8,829 members and an average membership rate of 98.29%.	Achieved	Employee union participation rates at TCB and TCS are continuously maintained above 90%, ensuring that most employees are protected under collective agreements.		3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Equality, Diversity, and Inclusion of Human Rights
	The ratio of disabled employees hired by the Group reaches 1%.	The ratio of disabled employees hired was 1.16%		The ratio of disabled employees hired reaches 1%.			
	Each subsidiary within the Group conducts an annual human rights due diligence assessment for employees.	The human rights due diligence assessment process was completed in March.		Continue to conduct annual human rights due diligence assessments for employees.			
	TCB conducts 1 human rights due diligence assessment for suppliers.	Completed 1 human rights due diligence assessment for suppliers.		TCFHC and each subsidiary conduct 1 annual human rights due diligence assessment for suppliers.			
	The number of cooperative schools reaches 20.	Partnerships have been established with 20 cooperative schools.		Continue to work with approximately 20 cooperative schools each year.			
	TCFHC and each subsidiary cumulatively organize 35 events in support of various public welfare organizations and charities.	A total of 97 public welfare and charity events have been held, with donations exceeding NT$15.426 million.		Cumulatively organize 50 events in support of various public welfare organizations and charities.	Cumulatively organize 250 events in support of various public welfare organizations and charities.		
	Donate a rebate of 0.25% to 0.325% of customer affinity card spending to partner organizations for charitable purposes, with the total amount of rebates reaching NT$4 million.	The cumulative rebate amounts totaled NT$4.078 million.		Donate a rebate of 0.25% to 0.325% of customer affinity card spending to partner organizations for charitable purposes, with the total amount of rebates reaching NT$4 million.	Continue implementing the TCB credit card charitable rebate program, with cumulative rebate amounts exceeding NT$49 million from the date of issuance through 2030.		
	Support the Taiwan Association of Family Caregivers in organizing Respite Academy courses and Respite Coffee events, benefiting a total of approximately 3,400 participants.	Supported the Taiwan Association of Family Caregivers in organizing Respite Academy courses and Respite Coffee events, benefiting a total of approximately 3,700 participants.		Support the Taiwan Association of Family Caregivers in organizing Respite Academy courses and Respite Coffee events, benefiting a total of approximately 3,400 participants.	Organize 120 Respite Academy classes (including online and offline) with 3,600 participants and provide Respite Coffee to 13,000 family caregivers.		
	The number of users of flexible respite and practical instructor services exceeds 60.	A total of 75 people applied for the flexible respite and practical instructor services exceeds.		The number of users of flexible respite and practical instructor services exceeds 60.	The number of users of flexible respite and practical instructor services exceeds 400.		
	Organize 2 promotional events for long-term care, with an expected attendance of 500 people.	Organized 5 long-term care events, with an attendance of 580 people.		Organize 2 promotional events for long-term care, with an expected attendance of 500 people.	From 2026 to 2030, organize 10 long-term care events, with an expected attendance of 2,500 people.		

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026–2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Enrichment	Deepen physical climate scenario analysis.	A flood risk scenario analysis was conducted for real estate collateral, operating sites, and IT system suppliers in accordance with the Joint Credit Information Center's "Climate Physical Risk Information Integration Platform and Database for the Financial Industry". The results were disclosed in the 2023 Climate and Nature-Related Financial Disclosure Report.	Achieved	In line with the TWSE's promotion of the IFRS Sustainability Disclosure Standards, the S2 "Climate-related Disclosures" standard is implemented to estimate the expected financial impacts of climate-related risks on financial statements.	In accordance with developments in international research and guidelines from domestic competent authorities, continue to enhance climate governance, strategy, risk management, metrics, and targets.	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Climate Strategies and Actions
	As part of TNFD adoption and disclosure, conduct a biodiversity hotspot analysis for collateral assets and operating sites.	In accordance with the LEAP framework, a biodiversity hotspot analysis was conducted for collateral assets and business locations. Industry dependencies and impacts were identified using the ENCORE methodology, with the results disclosed in the 2023 Climate and Nature-Related Financial Disclosure Report.		Conduct identification of nature-related risks and opportunities in investment and financing activities, along with spatial overlay analysis of nature dependencies and impact factors.	In accordance with developments in international research and guidelines from domestic competent authorities, continue to enhance TNFD disclosure.		
	TCB obtains the "Building Energy-Efficiency Rating Label" for 2 sites and the "Green Building Label" for 3 sites.	• The Head Office Building and the Chi Shan Branch have obtained the "Building Energy-Efficiency Rating Label". • The Dashe, Jiancheng, and Wandan branches have obtained the "Green Building Label".		TCB obtains either the "Building Energy-Efficiency Rating Label" or the "Green Building Label" for 5 locations.	From 2019 to 2030, TCB cumulatively obtains the "Building Energy-Efficiency Rating Label" or the "Green Building Label" for 25 locations, accounting for over 15% of its self-owned branches (160 locations as of 2019).		
	TCB completes the establishment of 5 to 7 solar-powered branches.	A total of 6 solar-powered branches have been completed, including Rende, Bei Miaoli, Beigang, Donggang, Hsinchu, and Bei Sinying.		Complete 5 to 7 solar-powered branches each year, with a total of 40 to 54 such branches completed by the end of 2030.			
	Promotion of environmental issues: • Each subsidiary organizes at least 1 activity related to environmental issues. • The total number of participants across the Group exceeds 300.	• Each subsidiary organized at least 1 activity, with a total of 9 activities related to environmental issues. • The total number of participants across the Group reached 300.		Promotion of environmental issues: • Each subsidiary holds at least 1 activity related to environmental issues annually. • In the given year, the total number of participants across the Group exceeds 300. • Provide donations to environmental public welfare organizations, schools, or government			

Strategic Pillar	2024 Goal Implementation Status		Achievement Status	Short-Term Goal (2025)	Medium- to Long-Term Goal (2026-2030)	SDGs	2024 Material Topics
	Goal	Implementation Details					
Enrichment	The Group's Scope 1 and Scope 2 GHG emissions (in metric tons of CO_2e) decrease by 13.75% compared to 2021.	• The target for Scope 1 and Scope 2 GHG emissions in 2024 was 23,925.18 metric tons of CO_2e. • The actual Scope 1 and Scope 2 greenhouse gas emissions amounted to approximately 18,816.21 metric tons of CO_2e, representing a reduction of around 32.16% compared to the target value.	Achieved	The Group's Scope 1 and Scope 2 GHG emissions (in metric tons of CO_2e) decrease by 18.33% compared to 2021.	The Group's Scope 1 and Scope 2 GHG emissions decrease by 50.4% by 2032 compared to 2021.	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Climate Strategies and Actions
	Water consumption decreases by an average of 1% annually compared to the past 3 years.	The water consumption target for 2024 was 285,560 kL, while the actual consumption was 284,834 kL.		Water consumption decreases by an average of 1% annually compared to the past 3 years.			
	Electricity consumption decreases by an average of 1% annually compared to the past 3 years.	The electricity consumption target for 2024 was 45,114,885 kWh, while the actual consumption amounted to 41,731,727 kWh (including both non-renewable and renewable energy), indicating that the reduction target was not met.		Electricity consumption decreases by an average of 1% annually compared to the past 3 years.			
	Fuel consumption decreases by an average of 1% annually compared to the past 3 years.	The fuel consumption target for 2024 was 387,171 L, while the actual consumption was 379,291 L.		Fuel consumption decreases by an average of 1% annually compared to the past 3 years.			
	Renewable energy accounts for 13.75% of total electricity consumption.	In 2024, the amount of renewable energy used (including self-generated solar power) was 8.419 million kWh, accounting for 17.15% of the total electricity consumption of 49.097 million kWh in the baseline year 2021.		Renewable energy accounts for 18.33% of total electricity consumption.	Adjust renewable energy usage on a rolling basis in accordance with the carbon reduction targets set by the SBTi.		
	All subsidiaries and TCB's Head Office 17 units , maintain the validity of their "ISO 14001 Environmental Management Systems" and "ISO 50001 Energy Management Systems" certifications.	Maintained the validity of the "ISO 14001 Environmental Management Systems" and "ISO 50001 Energy Management Systems" certifications.		All subsidiaries and TCB's Head Office 17 units maintain the validity of their "ISO 14001 Environmental Management Systems" and "ISO 50001 Energy Management Systems" certifications.			
	TCB's Head Office Building and IT Department implement the "ISO 46001 Water Efficiency Management Systems" certification.	Passed the verification for "ISO 46001 Water Resources Efficiency Management".		TCB's Head Office Building and IT Department implement the "ISO 46001 Water Efficiency Management Systems" certification.	TCB continues to conduct "ISO 46001 Water Efficiency Management System" certification annually for 2 major high water-consuming sites.		

2.4 Toward Net-Zero Transition

Grounded in science, TCFHC aligns with international standards and leverages data and technology as accelerators to support its decision-making and operations, driving the climate transition.

Aligning with international standards and establishing a carbon emissions management system

Following the "ISO 14064-1 Greenhouse gas (GHG) Inventory" and the PCAF international financial carbon emissions management standards, TCFHC utilizes a carbon emissions inventory management system to establish a consistent and standardized carbon inventory mechanism and manage carbon emissions data. With the aid of technology, the system facilitates the inspection of carbon emissions data and the implementation status of management goals, enabling timely responses to potential risks and opportunities.

Supporting global initiatives and implementing sustainable finance with scientific and standardized approaches

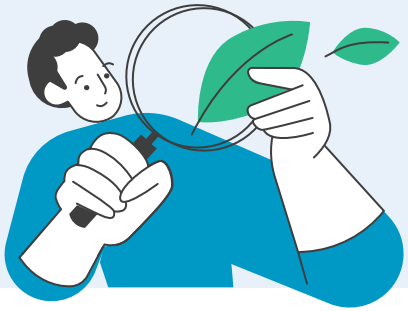
TCFHC became a TCFD supporter in 2020, and in 2022, it was the first financial institution in Taiwan to join the Equator Principles Association under a financial holding company identity. In 2023, it passed the SBTi review of its interim carbon reduction targets and committed to net zero. TCFHC also became the first state-owned financial holding company in Taiwan to join the TNFD Forum. Starting in 2024, it adopted the LEAP approach, integrating TCFD and TNFD to publish its inaugural "Climate and Nature-Related Financial Disclosure Report", which focuses on biodiversity. The report received the highest level of certification, "Level-5+: Excellence", from BSI, demonstrating tangible actions to protect the planet.

Integrating climate risk factors into investment and financing processes, and collaborating with stakeholders on the net-zero transition

To address climate change risks, TCFHC evaluates the implementation of environmental protection during the investment and financing review processes. If significant risks are identified, it will further communicate and supervise improvements. If no substantial improvements are made, the continuation of the transaction will be re-evaluated, thereby leveraging financial influence.

Net-Zero Transition Pathway

TCFHC continues to disclose climate- and nature-related information in accordance with the four pillars of TCFD and TNFD: governance, strategy, risk management, and metrics & targets. Its interim carbon reduction targets have been approved by the SBTi. In addition, TCFHC has set a timeline to phase out coal by 2040 and will continue advancing toward its 2050 net-zero target through scientific approaches and resilient risk management.



2022
Completed GHG inventory for all domestic and overseas branches and investment/ financing activities (2021 data)

2023
First state-owned financial holding company in Taiwan to have interim carbon reduction targets approved by SBTi

2030
Submit net-zero targets to SBTi for review

2040
Divest from coal and unconventional oil & gas industries

2050
Achieve net-zero emissions

Climate and Environmental Actions

2024
- Introduced a carbon emissions management system to monitor and manage emissions data
- Established an ESG risk management system for investment and financing
- Hosted the "Carbon Has Value: Reduce Emissions to Achieve Net Zero" supplier conference, engaging over 200 suppliers in joint action

2023
- Set investment and financing limits for high-pollution and carbon-intensive industries
- Received SBTi approval for interim carbon reduction targets and committed to setting a net-zero goal
- Became a member of the TNFD Forum
- Hosted the ESG Targeted Industries Unblinded Forum, introducing 3 "prescriptions" for sustainable transition
- Completed carbon reduction engagements with 5,000 SMEs
- Launched "Green and Sustainable Time Deposits", directing funds toward green or social impact investment projects

2022
- Signed and supported the "Equator Principles" as a financial holding company
- Committed to setting interim carbon reduction targets under SBTi
- Completed "ISO 14064-1 Greenhouse gas (GHG) Inventory" for 2021 emissions across all domestic and overseas locations
- Pioneered a transition consensus camp, providing carbon emissions health checks to over 1,500 businesses

2021
- Launched a "Sustainability-Linked Loan Program", offering preferential terms to encourage enterprises to practice sustainability
- Achieved bond issuance targets across the 3 ESG pillars, raising funds to support green and social impact investment projects

2020
- Signed on as a TCFD supporter and formed a cross-subsidiary TCFD taskforce

2019
- Formulated the "Supplier Management Policy" and the "Undertaking on Environmental Sustainability Clauses"

2018
- Introduced the "ISO 50001 Energy Management System" and "ISO 14064-1 Greenhouse Gas Inventory" to the headquarters building

2017
- Added the "Green Procurement Principles" to the Procurement Guidelines to promote environmental protection

From Low Carbon to Net Zero

Science-Based Targets (SBT) and Achievement Status

Scope		Goal	2024 Targets	2024 Achievement Status
Scopes 1 & 2		By 2032, reduce absolute emissions by 50.4% compared to the baseline year (2021)	In line with the science-based carbon reduction targets, Scope 1 and Scope 2 GHG emissions in 2024 are to be reduced by 13.75% compared to 2021, with a target of 23,925.18 metric tons of CO_2e.	The actual Scope 1 and Scope 2 GHG emissions for 2024 are approximately 18,816.21 metric tons of CO_2e, a decrease of approximately 32.16% compared to the baseline year.
Scope 3	Investment	**Listed equity and corporate bonds:** By 2027, 35.7% of the equity and corporate bond investment portfolio in (calculated based on investment amount) will set by SBTs	20.8% of TCFHC's listed equity and corporate bonds portfolio (by invested value) will set SBTs in 2024	The proportion of setting SBT in relevant position reached 25.3%
	Financing	**Power generation project financing:** Financing for renewable energy power generation projects will continue up to 2030	Continue to provide renewable energy power supply project finance	There's only renewable energy power supply project finance in relevant position
		Commercial real estate loans: By 2030, the emissions intensity ($kgCO_2e/m^2$) of commercial real estate loans will decrease by 53.4% compared to the 2021 baseline year	The GHG emission intensity ($kgCO_2e/m^2$) from the commercial real estate loans will decrease 19.45% by 2024 from the base year 2021	Emission intensity reduced by 43.1%
		Long-term corporate loans – power generation sector: By 2030, the emissions intensity (tCO_2e/MWh) of long-term loans to the power generation sector will decrease by 43.9% compared to the 2021 baseline year	The GHG emission intensity (tCO_2e/ MWh) from the electric power supply will decrease14.56% by 2024 from the base year 2021	Emission intensity increased by 24.8%
		Long-term corporate loans – commercial building-related industries: By 2030, the emissions intensity ($kgCO_2e/m^2$) of long-term loans to the commercial building-related sector will decrease by 52.8% compared to the 2021 baseline year	The GHG emission intensity ($kgCO_2e/m^2$) from the commercial real estate long term loans will decrease 19.25% by 2024 from the base year 2021	Emission intensity reduced by 14.1%
		Long-term corporate loans – corporate lending By 2027, 35% of the corporate loan portfolio in sectors such as petrochemicals, oil and gas, steel, pulp and paper, cement, transportation, and electronics manufacturing will be covered by borrowers with their own SBTs	20% of its corporate loan portfolio (long-term debt) by loan value within the fossil fuel, steel, pulp and paper, cement, transportation, electronic manufacturing sectors will set SBT in 2024	Set SBT target ratio for relevant position to reach 16.8%

2050 Net-Zero Emissions

Net-Zero Emissions from Financial Assets

From 2021, the Group has followed the PCAF guidelines to carry out a carbon inventory of its financial assets, covering long-term debts, power generation project financing, commercial mortgage-backed loans, and equity and bond investment portfolios. For long-term loans and equity and bond investments, we also analyze carbon emission intensity by industry to identify high-emission sectors as reference targets for strengthened engagement and transition supports. At the same time, we are studying ways to integrate and carbon emission factors into investment and financing decision-making processes to optimize overall climate risk management. Moving forward, the Group will refer to and evaluate the adoption of the SBTi and Taiwan's net-zero pathway to support the decarbonization and net-zero transition of its investment and financing activities.

Analysis of Carbon Emissions of Financial Assets

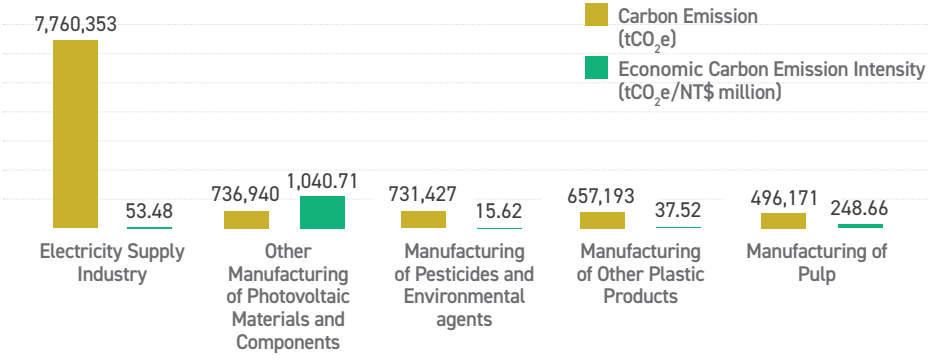
	2022	2023	2024
Carbon emission amount (metric tons of CO_2e)	6,445,412	14,210,397	23,989,360
Economic carbon emission intensity (metric tons of CO_2e/NT$1 million)	5.90	4.98	7.57
Data quality	3.19	3.10	3.03
Coverage ratio of the total investment and financing portfolio (%)	28.30	68.87	70.62

Note: Please refer to the 2024 TCFD & TNFD Report for detailed information on carbon emissions from previous years.

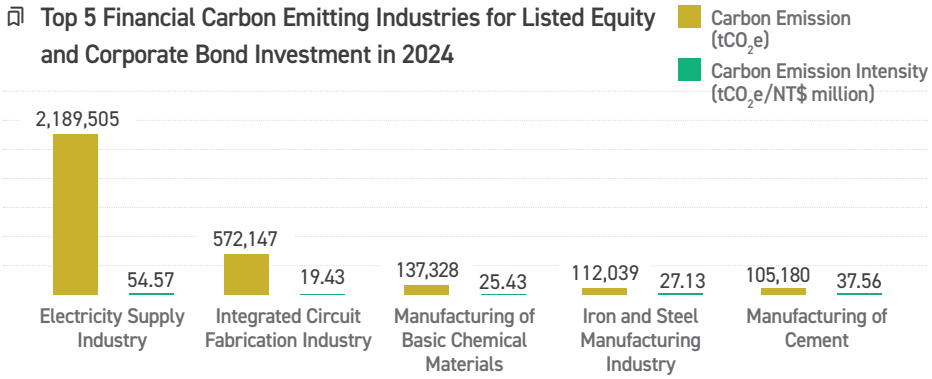
Financial Carbon Emission Proportion and Carbon Emission Intensity of Each Asset Category in 2024

Asset Category	Carbon Emission Amount (metric tons of tCO_2e)	Carbon Emissions Proportion	Economic Carbon Emission Intensity(metric tons of CO_2e/NT$1 million)
Business loans	17,849,656	74.4	12.78
Listed equity and corporate bonds	134,465	0.6	2.51
Corporate Bond Investment	3,322,382	13.8	10.06
Sovereign debt investments	2,284,128	9.5	5.33
Project financing	19,899	0.1	3.60
Commercial real estate loans	144,688	0.6	0.90
Mortgages	234,142	1.0	0.29
Motor vehicle loans	0	0.0	0.00

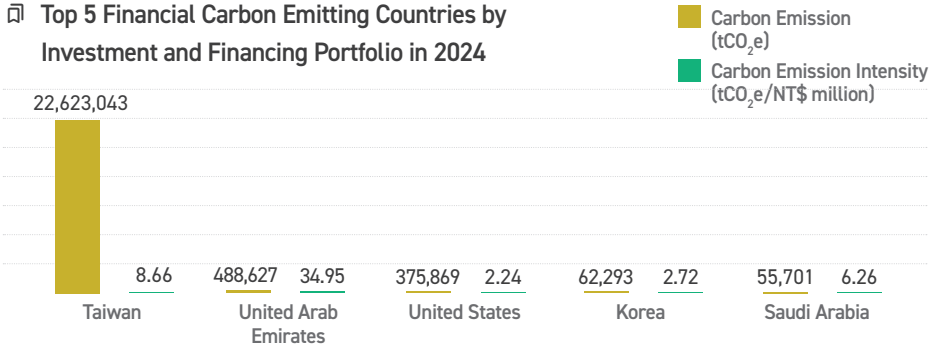
Top 5 Financial Carbon Emitting Industries for Business Loans in 2024



Top 5 Financial Carbon Emitting Industries for Listed Equity and Corporate Bond Investment in 2024

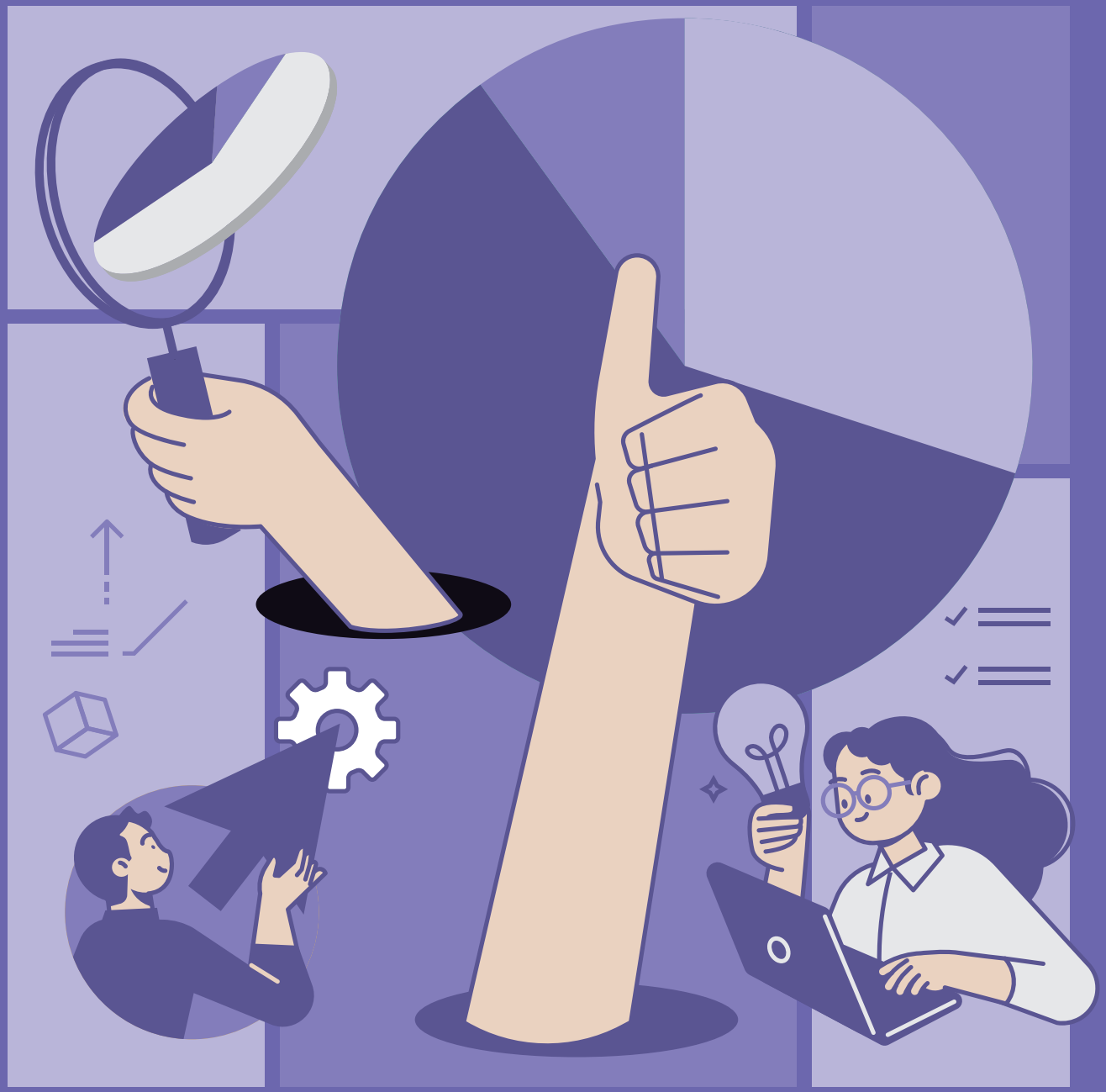


Top 5 Financial Carbon Emitting Countries by Investment and Financing Portfolio in 2024



CH3

Resilience



Stakeholders of Concern

- Employees
- Shareholders/ Investors
- Customers
- Suppliers
- Governments and Competent Authorities
- Media

Corresponding Material Topics

- Information Security
- Legal Compliance
- Risk Management
- Ethical Management
- Corporate Governance

3.1 Corporate Governance

GRI 2-9、2-10、2-11、2-12、2-13、2-14、2-15、2-16、2-17、2-18、2-19、2-20、2-21、405-1

Corporate governance is the 1st step toward corporate sustainability and a key benchmark for measuring sustainable development. Sound corporate governance is embodied when the Board of Directors and management operate under the premise of serving the best interests of the company and its stakeholders, effectively overseeing and assisting corporate management and operations to achieve business goals. Meanwhile, it encourages the enterprise to utilize resources and become more efficient, thereby strengthening competitiveness and promoting the wellbeing of the public and society.

Corporate Governance Framework

TCFHC follows the FSC's "Corporate Governance 3.0 – Sustainable Development Roadmap" and the TWSE and SFI's "Corporate Governance Evaluation of TWSE/TPEx-Listed Companies" in enforcing corporate governance, in order to effectively promote corporate governance and business performance, boost organizational operations, and protect the rights of shareholders, employees, customers, and other stakeholders.

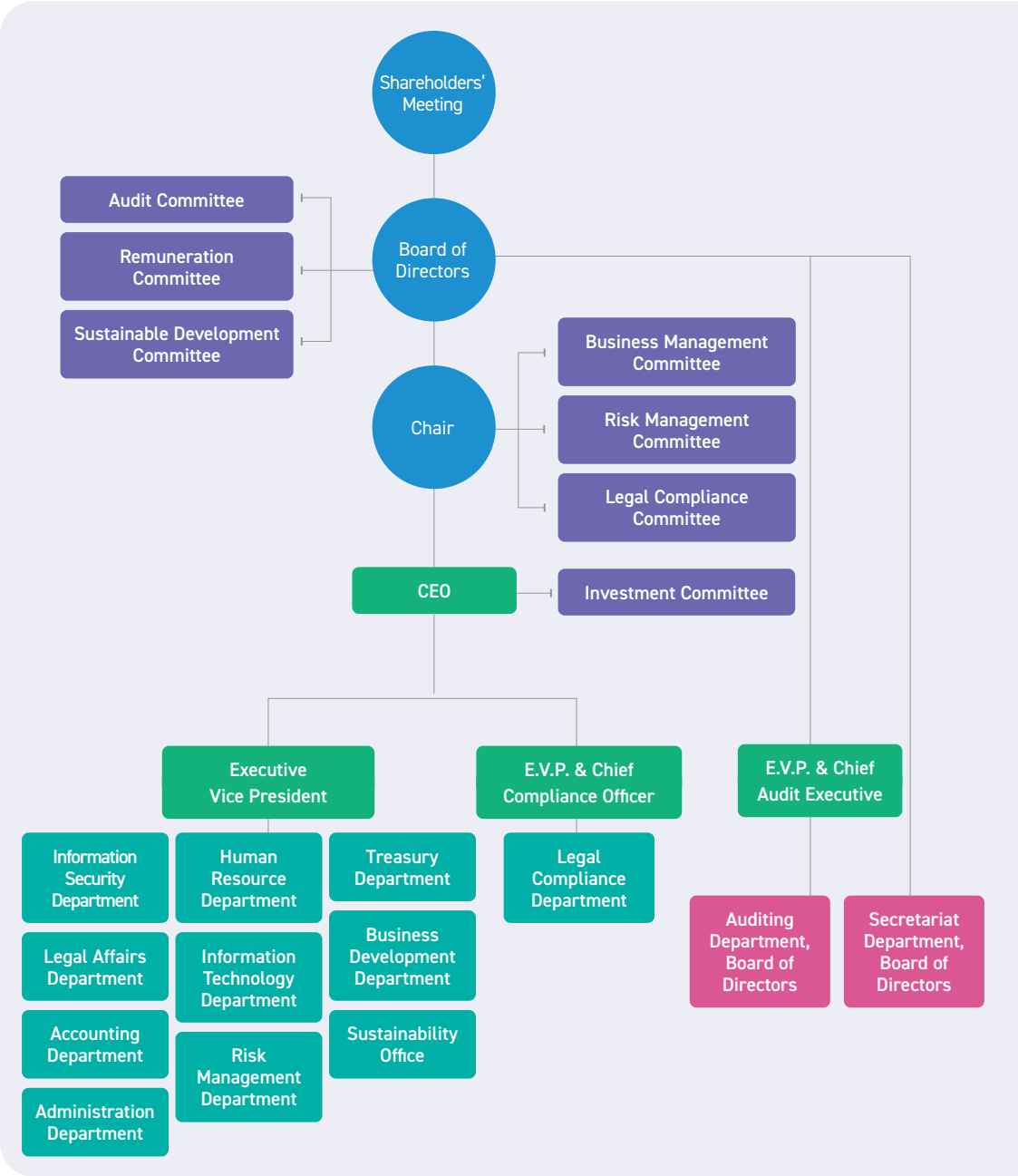
Board Structure and Operating Mechanisms

Operations of the Board of Directors

TCFHC has a well-defined corporate governance framework and complies with governance-related regulations, including the "Articles of Incorporation", "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles", and "Sustainable Development Best Practice Principles". Based on these, the Board of Directors is entrusted with the highest authority in corporate governance and is responsible for making sustainable development decisions on economic, social, and environmental aspects.

Since 2021, directors and independent directors have been elected through a candidate nomination system, with shareholders selecting from a list of nominees for directors and independent directors. They serve a term of 3 years. In 2024, 14 Board of Directors meetings were held, with an attendance rate of 95.71% for all 5th term directors.

The Board of Directors has 15 members, consisting of 1 executive director, 5 independent directors, and 9 non-executive directors. The chair of the Board and the CEO are not the same person, nor are they spouses or close relatives within the 1st degree of kinship. There are no spousal or familial relationships within the 2nd degree of kinship among the directors, and independent directors may serve a maximum of 3 consecutive terms. These measures ensure the independence of the Company's Board of Directors.



The members of the Company's 5th Board of Directors possess rich experience and expertise in various fields, including business management, leadership and decision-making, industry knowledge, international perspectives, financial accounting and taxation, and law. Among them, 1 independent director has served for less than 3 years, 2 independent directors have served for more than 3 years but less than 6 years, and 2 independent directors have served for more than 6 years but less than 9 years. The average tenure of the 5th-term Board members is 3 years. Currently, 3 directors of the Company are employees (including those from affiliates). The number of directors concurrently serving as the Company's manager does not exceed one-third of the total number of directors. The age distribution of the directors is diverse, with 2 directors under the age of 50, 5 directors aged between 50 and 60, and 8 directors aged 61 or above, as of April 2, 2025. In terms of gender, there are 13 male directors (86.67%) and 2 female directors (13.33%). Regarding industry experience, 78.57% of the directors have relevant Global Industry Classification Standard (GICS) financial work experience (Tso-Cheng Su, as an executive director, is not included in this calculation). TCFHC places equal importance on gender equality and has set a goal of having at least 2 female members on the Board. At present, the number of female members on the Board of Directors for this term is 2, which meets the goal. The relevant implementations are listed as follows:

Core Diversity Items / Director		External Independence[Note]	Basic Composition					Independent Directors Tenure			Industry Experience			Professional Background and Skills							GICS Work Experience
			Nationality	Gender	Age			< 3 years	>= 3 years and < 6 years	>= 6 years and < 9 years	Banking	Insurance	Security	Law	Accounting	Finance	Taxes	Marketing	Information Technology	Risk Management	
					Under 50	50-60	61 and above														
Non-executive director	Yen-Mao Lin	Independent director	R.O.C (Taiwan)	Male			◉				◉					◉				◉	Financials
Executive director	Tso-Cheng Su	Executive director	R.O.C (Taiwan)	Male			◉				◉	◉				◉		◉		◉	Financials
Non-executive director	Yen-Dar Den	Independent director	R.O.C (Taiwan)	Male			◉				◉					◉					Financials
Non-executive director	Jui-Tang Chiang	Independent director	R.O.C (Taiwan)	Male			◉				◉	◉		◉				◉		◉	Financials
Non-executive director	Chung-Yung Lee	Independent director	R.O.C (Taiwan)	Male		◉					◉				◉	◉				◉	Financials
Non-executive director	Kuo-Tai Tsai	Independent director	R.O.C (Taiwan)	Male		◉					◉							◉			Financials
Non-executive director	Shen-Gang Mai	Independent director	R.O.C (Taiwan)	Male			◉				◉		◉			◉		◉			Financials
Non-executive director	Dong-Liarng Yang	Independent director	R.O.C (Taiwan)	Male			◉											◉			Financials, Consumer Staples
Non-executive director	Chun-Hung Chen	Independent director	R.O.C (Taiwan)	Male	◉						◉										Financials
Non-executive director	Jia-Hau Shiu	Independent director	R.O.C (Taiwan)	Male	◉						◉				◉	◉		◉			Financials
Independent director	Hsuan-Chu Lin	Independent director	R.O.C (Taiwan)	Male		◉				◉					◉	◉				◉	Financials
Independent director	Arthur Shay	Independent director	R.O.C (Taiwan)	Male			◉			◉				◉					◉		Communication Services
Independent director	Min-Chu Chang	Independent director	R.O.C (Taiwan)	Female		◉			◉					◉							—
Independent director	Hann-Chyi Lin	Independent director	R.O.C (Taiwan)	Male			◉		◉		◉		◉		◉	◉					Financials
Independent director	Beatrice Liu	Independent director	R.O.C (Taiwan)	Female		◉		◉							◉		◉				—

Note: Independent directors must meet the following criteria for external independence. Directors must be non-executive directors, meet at least 4 of the 9 indicators listed below, and satisfy at least 2 of the first 3 indicators.

1. Have not been employed as an executive by the Company in the last year.
2. The director and members of their family shall not have received more than US$60,000 in compensation per year from the Company and its subsidiaries.
3. The members of the director's family shall not have been executive officers of the Company or any of its subsidiaries.
4. Not an advisor to the Company, not a related party of the Company's consulting firm, and not a member of the Company's executive management team.
5. Not a related party of any of the Company's key clients or suppliers.
6. Not a party to a personal service agreement with the Company or any member of its executive management team.
7. Not a related party of any NGO receiving material donations from the Company.
8. Not an auditor or accountant of the Company.
9. Not involved in any other matters that present a conflict of interest, as deemed by the Board of Directors.

Functional Committees

To leverage the roles and strengthen the independence of the Board of Directors, the Company has established 3 functional committees under the Board which are the Remuneration Committee, the Audit Committee, and the Sustainable Development Committee. In addition, special committees have been established under the chair to enhance corporate governance and improve risk management and legal compliance systems.

	Remuneration Committee	Audit Committee	Sustainable Development Committee
Composition	The committee shall consist of 3 or more members, all of whom shall be appointed by the Board of Directors. More than half of the members must also be independent directors. The members shall elect 1 of these independent directors as the convener.	All independent directors shall serve as committee members, with the number of members not fewer than 3. Starting from 2024, the number of members may also not be less than one-third of the total number of directors. However, for directors whose terms have not expired in 2024, the requirement shall apply upon the expiration of their current term. 1 member shall be elected among them as the convener, and at least 1 member must possess expertise in accounting or finance.	The committee shall have 5 to 7 members, with the chair of the Board of Directors serving as the chair and convener. The remaining members shall be appointed by the Board from among the directors, of whom at least half shall be independent directors.
Responsibilities	Establish and regularly review the performance of directors and managers, as well as the remuneration policies, systems, standards, and structures.	Supervise the Company in the fair presentation of financial statements, the appointment, dismissal, independence, and performance of certified public accountants, the effective implementation of internal control, compliance with laws and regulations, and the control of existing and potential risks.	Promote sustainable development, integrate integrity and ethical values into the corporate management strategy, supervise the establishment of sustainable development and ethical corporate management-related systems, review annual sustainable development goals, implementation solutions, and the sustainability report, track and reflect on the annual sustainable development goals and fulfillment of ethical corporate management, and review, report, or file for reference other matters concerning sustainable development or ethical corporate management.
Operations	• Meeting at least twice every year. • In 2024, 8 meetings were convened, with an in-person attendance rate of 100%.	• Meeting at least once every quarter. • In 2024, 13 meetings were convened, with an in-person attendance rate of 98.46%.	• Meeting at least once every quarter. • In 2024, 4 meetings were convened, with an in-person attendance rate of 100%.
Performance Evaluations	Regularly conduct internal and external performance evaluations in accordance with the "Board of Directors Performance Evaluation Guidelines".		

Critical Concerns

Each responsible unit of the Company reports critical concerns to the Board of Directors in accordance with practical operations or regulatory requirements, enabling the Board of Directors stay informed and communicate in real time. A total of 23 events occurred in 2024. For more information, please refer to the official website.

Continuing Education for Directors

TCFHC follows the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" and arranges training for directors to reinforce their professional capabilities, thereby facilitating corporate governance.

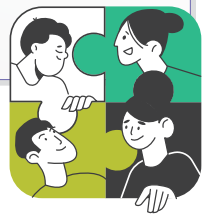
In 2024, directors completed a total of 186 hours of training encompassing corporate governance, fintech, IT security, anti-money laundering, risk management, and internal control and audit. In addition, to enable directors to effectively keep abreast of ESG issues and development trends, each director participated in 1 or more ESG-related courses. For details of the courses that TCFHC directors have participated in, please visit the TWSE Market Observation Post System website for inquiry.

Board of Directors and Key Management Succession Plan

Succession Planning for Board Members

The Company's Board of Directors is composed of 15 members, including 6 directors representing government shareholders—nominated by the Ministry of Finance, the largest shareholder—from among senior civil servants, professional managers, and industry experts; 4 directors representing private shareholders; and 5 independent directors with extensive management experience, academic expertise, or professional qualifications.

- Board of Directors: 15 Members
- 6 Goverment Shareholders Representatives
- 4 Private Shareholders Representatives
- 5 Independent Directors



Directors representing government shareholders form the majority of the Board. They are selected by the Ministry of Finance based on professional competence. In recent years, the Company has achieved steady profit growth and stable dividend distributions, earning strong recognition from investors for its management performance. The Company provides appropriate continuing education for its directors, offering thematic lectures, seminars, forums, or advanced training courses on topics related to corporate governance, including finance, risk management, business operations, legal affairs, accounting, and internal control systems, in order to cultivate future successors.

Independent directors are elected through a candidate nomination system and must possess professional qualifications and work experience in fields such as business, law, finance, accounting, or areas relevant to the Company's operations. Their expertise makes a substantial contribution to the Company's efforts to protect consumers and investors and to enhance corporate governance.

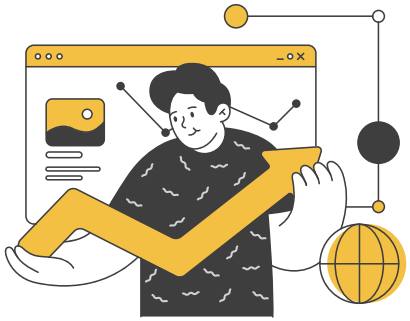
Succession Planning for Key Management

In pursuit of sustainable operations and to ensure uninterrupted business continuity, the Company has established a "Management Team Development Plan" in accordance with the "Corporate Governance Best Practice Principles." This plan involves the regular selection of outstanding personnel for training and evaluation for promotion, in order to expand the talent pool of potential management team members (including key executives such as the CEO, Vice President, and department heads). The plan aims to balance organizational operational goals with individual career development. The Board of Directors periodically evaluates the development and implementation of this plan.

Performance Policies Evaluation of the Board of Directors

The "Board of Directors Performance Evaluation Guidelines" were established to enhance the operational effectiveness of TCFHC's Board of Directors. The Board of Directors and functional committees shall conduct internal performance evaluations each year. They shall also engage external professional independent institutions or teams of external experts and scholars to conduct evaluations at least once every 3 years. The evaluation results shall be reported to the Board of Directors by the end of March of the following year. The result of such evaluations are used as a reference for appointing or nominating directors, while the results of each individual director's evaluation serve as reference for determining their respective individual remuneration.

In 2023, the Company engaged a third-party institution to conduct an external performance evaluation of the Board of Directors. The overall performance in 3 major aspects, namely, "Structure", "People", and "Process and Information" was rated "Advanced", "Advanced", and "Benchmark", respectively. The scope of the Board of Directors' internal evaluation for 2024 included the Board as a whole, individual members of the Board, and functional committees. The evaluation methods consisted of internal self-assessments and self-assessments by directors and committee members. All evaluation results were rated as "Good". The evaluation cycle, period, scope, methods, and results of the performance of TCFHC's Board of Directors are all announced on the Company's official website.



External Performance Evaluations

Evaluation Aspect	Structure of the Board of Directors	Members	Processes and Information
Aspects Evaluated	• Structure and processes of the Board of Directors • Composition of the Board of Directors • Institutional and organizational structure	• Roles and responsibilities • Behavior and culture • Director training and development	• Supervision over risk control • Supervision over filing, disclosure, and performance
Evaluation Results	Advanced	Advanced	Benchmark

Internal Performance Evaluations

Evaluation Aspect	Board of Directors	Individual Directors	Functional Committees
Evaluation Indicator	• Level of involvement in the Company's operations Note • Improvement in the quality of decision-making of the Board of Directors • Composition and structure of the Board of Directors • Election of directors and continuing education • Internal control	• Understanding of the Company's goals and missions • Understanding of directors' duties • Level of involvement in the Company's operations Note • Internal relations management and communication • Directors' expertise and continuing education • Internal control	• Level of involvement in the Company's operations Note • Understanding of functional committees' duties • Improvement in the quality of decision-making of functional committees • Composition of functional committees and member selection • Internal control
Evaluation Results	Good	Good	Good

Note: The level of involvement in the Company's operations includes a minimum attendance requirement of 80%.

Remuneration of Directors and Senior Management

Directors

The Company's directors' remuneration includes monthly compensation, health check-up subsidies (on a reimbursement basis), and directors' remuneration. The monthly compensation standard for directors (excluding the chair) is authorized by the Board of Directors based on the recommendations of the Remuneration Committee. It is determined with comprehensive consideration of their level of participation in the Company's operations, the value of their contributions, the Company's operating performance, and common industry standards. In addition, the Company conducts an internal performance evaluation of directors annually and an external evaluation every three years. The results are submitted to the Remuneration Committee and the Board of Directors as a reference for determining directors' compensation. Independent directors who serve as members of functional committees receive research fees based on the number of meetings attended. Directors' compensation is based on the Company's pre-tax profits before deducting employee and director compensation, and must not exceed the maximum limit (no more than 1%) set in the Articles of Incorporation. This is subject to review and approval by the Remuneration Committee and the Board of Directors and is then reported at the shareholders' meeting. As for the Chair's compensation, it is specified in the Articles of Incorporation that it shall be 1.25 times the total income received by the General Manager.

Senior Management

The Company has established its Articles of Incorporation and regulations governing salary, bonuses, and remuneration. Remuneration is determined based on managerial grade level, position, and individual performance evaluations. In order to ensure that remuneration remains aligned with general market standards, the Company regularly reviews the annual remuneration levels of comparable positions within the industry. Furthermore, the salaries and annual bonuses for all personnel at the managerial level and above are submitted annually to the Remuneration Committee and the Board of Directors for review and approval.

Fixed Remuneration

The salaries of the Company's senior management (excluding the CEO) are determined based on the corresponding grade and level in accordance with the Company's "Employee Salary Scale". Each year, the proposed salary standards for these positions are submitted to the Remuneration Committee for recommendation and then presented to the Board of Directors for approval. Any new or revised standards for supervisory position allowances and meal stipends follow the same procedure—first reviewed by the Remuneration Committee, then submitted to the Board of Directors for deliberation and approval before implementation. At the end of each year, in accordance with regulatory requirements, the Company also submits the remuneration policies for managerial personnel to the Remuneration Committee for review and evaluation.

The CEO remuneration standard is proposed annually by the Remuneration Committee and subsequently submitted to the Board of Directors for approval. Any adjustments to this compensation follow the same procedure.

Variable Remuneration

Variable remuneration mainly refers to management performance bonuses, including evaluation bonuses, performance bonuses, and employee remuneration, all of which are paid on a deferred basis.

The annual performance evaluation of the CEO includes both financial and non-financial indicators. Financial indicators encompass the goal attainment rate and growth rate of earnings before tax, return on equity (ROE) attainment rate and growth rate, output rate attainment and growth rate, non-performing loan ratio, and the loan coverage rate and expected loan coverage rate without including government loans. Non-financial indicators include the effectiveness of subsidiary management and business reform efforts, as well as comparisons with the financial performance of industry peers, including profit target achievement rate, return on equity (ROE), and return on total assets (ROA). These indicators are comprehensively considered to determine the amount of the CEO's annual variable compensation. In addition, the Company links part of the CEO's remuneration to a long-term retention scheme via an employee stock ownership trust, under which the public reserve portion is deferred for at least six years before it can be claimed. This deferred variable remuneration accounts for approximately 0.6% of the CEO's total annual remuneration. Furthermore, if any confirmed civil liabilities to the Company arise before bonus distribution, the bonus is subject to separate review and potential reduction or cancellation by the Board of Directors.

In recent years, to enhance the Group's ESG performance and encourage senior management (including the CEO's) to prioritize corporate sustainability, a "Significant Achievements" section has been added to the senior management performance evaluation form. This section includes key evaluation criteria such as the execution of major annual ESG initiatives and significant positive achievements (including but not limited to corporate governance, business operations, environmental sustainability, and corporate social responsibility). These criteria are key components of the year-end assessment. Moreover, the Company has designated outstanding ESG contributions by managerial personnel as important indicators for determining annual remuneration, which are reviewed by the Remuneration Committee and submitted to the Board of Directors for final approval. Subsidiaries are also evaluated based on the execution of major ESG initiatives and key operational policies. Subsidiaries may submit relevant evidence and documentation to apply for additional performance evaluation points (up to a maximum of 10 points).

To encourage the implementation of sustainable operations, the Group not only links the annual bonuses of senior management but also the performance evaluations of subsidiaries to specific ESG initiatives, aiming to promote sustainable development through top-down efforts and create positive impacts for stakeholders.

Linking the Performance of Material Topics to the Rewards for Senior Managers

Material Topic	Senior Manager	Major Outstanding Achievements
Corporate Governance	CEO	Awarded the TCSA Taiwan Top 100 Sustainable Exemplary Enterprise Award.
		Selected as a constituent stock of the DJSI "World Index" and "Emerging Markets Index".
		Ranked among the top 6–20% in the Corporate Governance Evaluation.
Climate Strategies and Actions	CEO	Achieved A List – Leadership Level in the Carbon Disclosure Project (CDP).
		Completed the Group's first TCFD & TNFD Report, expanding the sustainability focus to natural capital and biodiversity for the first time; TCFD disclosures again certified at "Level-5+: Excellence", the highest-level verification from the British Standards Institution (BSI).
	Chief Sustainability Officer	Promoted the ISO 50001 Energy Management Systems, reduced energy consumption and greenhouse gas emissions, continued to expand the installation of solar panel power generation systems and the procurement of renewable energy, and introduced internal carbon pricing to reflect energy-saving project investments and enhance carbon reduction effectiveness. These efforts align with the United Nations "SDG 13 Climate Action" and earned the Gold Award at the "Taiwan Sustainability Action Awards – Environmental Category".
		Focused on whether investment targets fulfill their environmental protection and social responsibility obligations, complied with the Principles for Responsible Investment (PRI), spoke at Shareholders' Meetings to discuss the Company's future development directions and energy transition issues, and appropriately built partnerships with other institutional investors. These efforts resulted in winning the Gold Award for "Case Impact – Shareholder Action" at the Taiwan Sustainable Investment Awards for the 2nd time.
Risk Management	Chief Compliance Officer	Oversaw the implementation of TCFHC Compliance Technology Platform Project.
		Oversaw the subsidiaries' implementation of regulatory compliance and anti-money laundering and countering the financing of terrorism (AML/CFT) efforts, and completed on-site supervisory assessments for 7 subsidiaries in the 1st and 2nd halves of 2024. In addition to communicating and providing guidance on identified deficiencies, common issues were further emphasized and promoted at the Group's Compliance and AML/CFT Taskforce meetings.
		Optimized anti-money laundering operations, including streamlining the documentation process for large cash transactions to reduce error rates; used system automation to verify customer information, saving manual verification time, and introduced the "Corporate Responsible Persons and Major Shareholders Information Inquiry System", which connects to the Taiwan Depository & Clearing Corporation platform via API to simplify the identification process of beneficial owners.

Material Topic	Senior Manager	Major Outstanding Achievements
Risk Management	Executive Vice President	To enhance competitiveness, TCB became one of the first banks to apply to the Financial Supervisory Commission for the use of the internal ratings-based approach for capital calculation and provisioning. TCB is currently proceeding with follow-up matters according to the review process. Upon approval, it is expected to improve the efficiency of capital utilization.
		Strengthened the risk management mechanism by setting and monitoring various concentration limits. Managed China exposure to achieve annual targets, reducing concentration and geopolitical risks.
		Completed the launch of the new operational risk system, replacing manual processes with digital operations and reducing manpower needs at branches.
Information Security	Chief Information Security Officer	Maintained the validity of the "ISO 27001:2013 Information Security Management Systems" and "ISO 22301" certifications. In response to the Financial Supervisory Commission's promotion of the "Financial Cyber Security Action Plan", introduced the international standard certification for "ISO 22301:2019 Business Continuity Management Systems", and was honored with the "2024 Taiwan Corporate Sustainability Awards – Information Security Leadership".
		Assisted 15 overseas branches and 16 head office units in completing information security self-assessments, strengthening information security protections for both domestic and overseas branches.
		Convened the "Group Information Security Joint Defense Meeting" to review the information security joint defense management operations of each subsidiary and strengthen the Group's information security.
		Requested all subsidiaries to strengthen information security protection, continuously monitor the operation status of external service websites, follow supervisory instructions for immediate and daily scheduled reporting, and maintain a high level of vigilance to safeguard the security of the network environment and information. None of the Group's subsidiaries experienced DDoS attacks in 2024.
Digital Finance	Executive Vice President	Introduced a joint cross-institutional electronic payment platform for shopping services and ranked 1st among the government-owned banks in the number of TWQR merchant approvals.
		Planned and organized 2024 marketing campaigns to promote the use of Taiwan Pay for vehicle license tax and house tax payments, with the number of tax payment transactions ranking 2nd among government-owned banks.
		Received the "Taiwan Intellectual Property Management System (TIPS) Certification" and passed the A-level verification for the 3rd time.
Sustainable Finance	Executive Vice President	TCFHC received the Gold Award for "Case Impact – Shareholder Action" at the 2024 Taiwan Sustainable Investment Awards, and published the Group's first TCFD & TNFD Report, in which the TCFD disclosures were again certified at "Level-5+: Excellence", the highest-level verification from the British Standards Institution (BSI).

Material Topic	Senior Manager	Major Outstanding Achievements
Sustainable Finance	Executive Vice President	TCB received the "Best SME Finance Award – Special Excellence" and the "Best Corporate Trust Finance Award – Excellence" at the 12th Elite Awards for Taiwan Banking Excellence, as well as the Silver Award for "Urban Renewal Transformation" at the Taiwan Sustainability Action Awards.
		Issued sustainable development financial bonds (green bonds, social responsibility bonds, and sustainable development bonds), becoming the first government-owned bank to complete issuance targets across all 3 categories of sustainable development project bonds.
		Continued to promote various projects and policy loans related to the Six Core Strategic Industries, urban renewal, reconstruction of aging buildings, and sustainability-linked financing, ranking 2nd among all banks in both the "Six Core Strategic Industries Loan Project" and "SME Loans".

Median or Mean Ratio of the Remuneration of the CEO and Employees

Item	2024
The annual remuneration of CEO is about a multiple of the median of the annual remuneration of other employees	3.46
The annual remuneration of CEO is about a multiple of the mean annual remuneration of other employees	3.08

Shareholding

Although the Group has not yet stipulated relevant regulations regarding the shareholding of senior management, it has included the Company's financial achievements as an evaluation indicator for business performance bonuses. The Group also links it to the employees' performance evaluation and rewards, hoping that the long-term interests of the management and shareholders will gradually align. The shareholding of the president and other senior management has gradually increased over the years. In addition, to strengthen employees' sense of belonging to the Company, starting from 2024, the "employee stock ownership trust" has been expanded to cover the Company and all subsidiaries within the Group. The Company allocates monthly subscription funds (company contributions) for employees participating in the trust, encouraging employees and senior management to regularly and systematically purchase and hold the Company's shares during their tenure, thereby sharing the Company's operational achievements as shareholders.

Position	Name	Shareholding		Fixed Remuneration (NT$)	Market Value of shares Note 2	Ratio of No. of Shares Held to the Multiple of Annual Basic Remuneration
		Common Shares	Preferred Shares			
Director and CEO	Mei-Tsu Chen Note 1	408,508	-	4,060,800	9,926,744	1.62 Note 2
Director and CEO	Tso-Cheng Su	47,289	-	4,060,800	1,149,123	
Other Senior Management Note 3		169,738	-	2,469,900	4,124,633	1.67

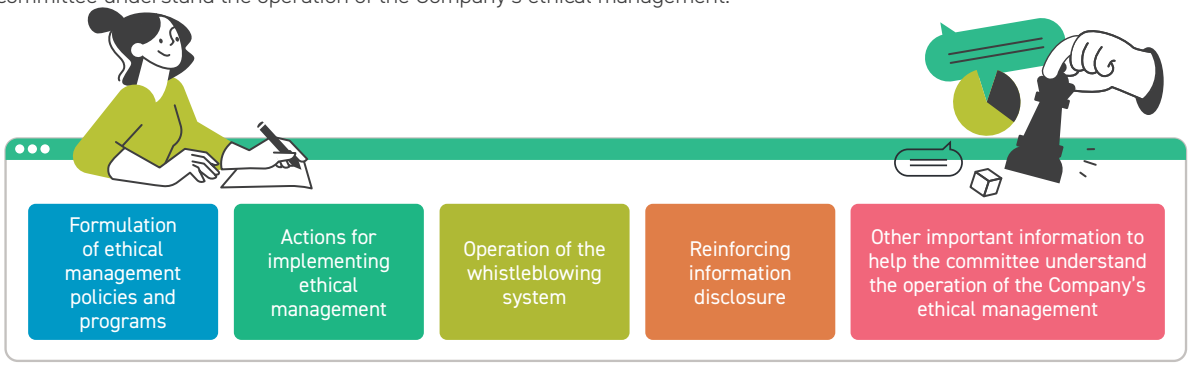
Note 1. CEO Mei-Tsu Chen resigned on August 14, 2024. The multiple is calculated based on the proportion of the period in office.
2. The stock value is calculated based on the closing price of NT$24.3 at the end of 2024.
3. Other senior management refers to the vice presidents of the Company (or equivalent rank).

3.2 Ethical Management

GRI 2-23、2-24、2-26、205、206、417-3

The Company has designated the Sustainable Development Committee, under the Board of Directors, as the dedicated unit for promoting ethical management. The chair of the Board serves as the committee chair, and all 5 independent directors serve as members. The committee reports to the Board of Directors at least once a year. The committee assists in integrating integrity and ethical values into the Company's business strategies, and, in line with legal requirements, formulates related anti-corruption measures to ensure ethical management. It is also responsible for establishing the ethical management policies, supervising the execution of related matters, promoting and coordinating the implementation of ethical policy training, planning the whistleblowing system, and ensuring its effectiveness.

The Company reports to the Sustainable Development Committee at least once a year on the implementation status of ethical management, measures taken, and the results of investigations into whistleblowing cases. It reported 2 times in 2024(in March and September). The content of the reports covered 5 aspects: the formulation of ethical management policies and programs, actions for implementing ethical management (including an overview of education and training), the operation of the whistleblowing system, reinforcing information disclosure, and other important information to help the committee understand the operation of the Company's ethical management.



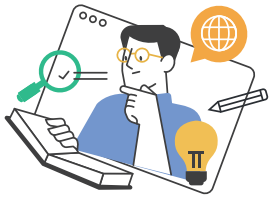
The Company has established effective accounting and internal control systems for business activities with higher risks of unethical conduct and reviews these systems regularly to ensure the continued effectiveness of their design and implementation. The Auditing Department includes compliance with these systems as part of its audit scope and issues audit reports accordingly. The status of deficiency remediation is periodically reported to the Audit Committee and the Board of Directors. Additionally, the Company conducts a semi-annual self-assessment of legal compliance. The assessment covers relevant regulations, including the Financial Holding Company Act, Company Act, Securities and Exchange Act, Money Laundering Control Act, Counter-Terrorism Financing Act, and references the Anti-Corruption Act, to ensure business operations are aligned with the Company's integrity policies.

Furthermore, each year, the Company compiles and submits reports to the Sustainability Development Committee and the Board of Directors detailing the identification of high-risk business activities with potential for unethical behavior within each subsidiary's operational scope, along with corresponding preventive measures. In 2024, all domestic and overseas operational sites within TCFHC Group conducted corruption risk assessments, achieving a 100% coverage rate. According to the 2024 unethical conduct risk assessment report of TCB, there were no fines imposed by regulatory authorities or deficiencies identified by internal or external audits related to existing corruption risk scenarios. The effectiveness of the control measures was rated as high, and no significant corruption risks were identified.

Implementing Ethical Management

In order to push ahead with the effective implementation of ethical management and comply with regulations governing business conduct, including the "Financial Holding Company Act", "Company Act", "Securities and Exchange Act", "Business Entity Accounting Act", and "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies", the Company has stipulated the "Ethical Corporate Management Best Practice Principles" and the "Ethical Management Procedures and Code of Conduct" by referring to the "Anti-Corruption Act", "Government Procurement Act", and "Act on Recusal of Public Servants Due to Conflicts of Interest". These policies aim to govern the prohibition of providing or accepting improper benefits, political contributions, donations or sponsorship, anti-corruption and bribery measures, prohibition of insider trading and confidentiality agreements, avoidance of conflicting interests, avoidance of transactions with unethical parties, ethical business activities, prohibition of unfair competitive practices, handling and internal promotion of reports on unethical conduct, establishment of reward and punishment systems, complaint mechanisms and disciplinary actions, and the integration of ethical management policies into employee performance evaluations. In addition, the Company has established the "Employee Service and Code of Conduct Guidelines", "Measures for Whistleblowing", and "Guidelines for Handling Whistleblowing Cases", and has clearly stated its ethical management-related regulations and practices on its official website, in annual reports, and in external documents to promote ethical conduct and prevent unethical acts.

The Company has formulated regulations such as the "Human Rights Policy" and the "Employee Service and Code of Conduct Guidelines" to regulate all employees. In case any manager or employee violates the code of conduct, the Company will report the matter to the Review and Evaluation Committee in accordance with the "Employee Rewards and Discipline Guidelines" and the "Employee Performance Evaluation Guidelines". The severity of the violation will be considered to determine the corresponding disciplinary action and the grade for the year-end performance evaluation. This will also affect the amount of the employee's annual rewards. For severe violations, the labor contract will be terminated in accordance with relevant regulations to ensure effective implementation of the internal code of conduct.



In order to further fulfill its commitment to ethical management, the Company stipulated the "Declaration of Compliance with Ethical Management Policies by Directors and Senior Management" and has since received a total of 109 signed declarations from all directors and senior management of the Company and its subsidiaries in 2024, attaining a 100% of signing rate. Furthermore, 100% of the employees of the Company and TCB have signed the "Employee Code of Conduct Commitment". All subsidiaries within the Group report the status of compliance with the Ethical Corporate Management Best Practice Principles to their respective Boards of Directors every year. All subsidiaries completed their reports to their respective Boards in 2024.

The Company must conduct an ethical management assessment before establishing business relationships with external partners to avoid transactions with dishonest parties. The ethical management policies are also incorporated into contract terms to ensure the implementation of ethical management principles. In 2024, TCFHC Group had no incidents of corruption, fraud, bribery, insider trading, money laundering, discrimination, violation of customer privacy, anti-competitive behavior, antitrust violations, monopoly, market manipulation, improper political contributions, or improper charitable donations and sponsorships violating its code of conduct, while the amount of related legal proceedings and penalties was 0. Except for the case where TCSIT was corrected by the Financial Supervisory Commission for providing compensation, fees, and other benefits to sales institutions and their personnel beyond what was stipulated in sales contracts, there were no other violations of ethical management or any material deficiencies with significant impact.

100% signing rate of the "Declaration of Compliance with Ethical Management Policies by Directors and Senior Management"

100% signing rate of the "Employee Code of Conduct Commitment"

Ethical Management Educational Training

To implement and promote ethical management, the Group continues to offer annual educational training courses related to ethical management (including topics on anti-corruption and anti-bribery). In addition to recording and providing online digital courses for all employees to study, external lecturers are invited each year to deliver specialized seminars on ethical management topics. Participants include directors, senior management, and managers of all Group companies, aiming to convey the importance of ethical management to all employees through a top-down approach. In 2024, an external prosecutor was invited to give an in-depth analysis on the topic of "Insider Trading and the Ethical Corporate Management Best Practice Principles", explaining insider trading cases and their connection to ethical management practices, and emphasizing to employees that they may not directly or indirectly offer, promise, request, or accept any improper benefits, or engage in any other acts that violate integrity during business activities or the performance of duties, fully reflecting TCFHC's zero-tolerance stance against corruption and bribery.

In 2024, the training completion rate for ethical management courses for all directors, supervisors, senior managers, and employees reached **100**%

Total participants: **9,537** Note

Total training hours: **10,617** hours

Note: For employees hired locally by TCB overseas branches, integrity-related guidance and education are conducted by the unit's HR administrator or compliance officer in accordance with local laws and regulations. These employees do not participate in TCB integrity management training programs conducted at headquarters.

Whistleblowing System

Whistleblowing System Operation Mechanism

To prevent illegal activities, promote sound corporate operations, and protect whistleblowers, the Company has established the "Measures for Whistleblowing" and the "Guidelines for Handling Whistleblowing Cases". Annual online training on the procedures is conducted to help all employees understand the Company's whistleblowing regulations, reporting channels, and the protections provided, thereby ensuring the effective implementation of the whistleblowing system.

The Company may not dismiss, remove, demote, reduce the salary of, or otherwise subject the whistleblower to any unfavorable treatment that would harm the rights and interests they are entitled to by law, contract, or customary practices due to the whistleblowing case.

If a whistleblowing case is verified to be true, the Company or its subsidiaries shall resort to relevant punitive measures against the reported or involved parties. The whistleblower may be rewarded based on the severity of the case. If internal personnel make false reports or malicious accusations, they shall be subject to disciplinary action, hoping to strengthen and embed a corporate culture of ethics and transparency.

Acceptance of Whistleblowing Reports	• Any individual who discovers dishonest or illegal behavior by the personnel of the Company or its subsidiaries during the course of business may report it to the Company. All reports are properly recorded and carefully followed up and handled. • The whistleblower's identity shall be kept confidential, and no information that could reveal their identity may be disclosed. Upon receiving a report, the designated handling unit of the Company shall redact any information that could directly or indirectly identify the whistleblower and handle the case as a confidential matter.
Case Assignment and Investigation	• Depending on the identity of the person being reported and the content of the report, a relevant responsible unit without a conflict of interest shall be designated to conduct the investigation. If the personnel handling the whistleblowing case discover that they have a personal interest in the matter, they shall recuse themselves.If a whistleblowing case is received by an independent director of the Company from a member of the public, or if the case involves any director, supervisor, or management personnel at the level equivalent to executive vice president or above of the Company or its subsidiaries, the Company's independent directors shall be notified upon acceptance of the case.
Investigation Report	• If the reported person is part of the management at the level of executive vice president or above in the Company or its subsidiaries, the investigation report shall be submitted to the Company's Audit Committee for review.If the allegation is verified to be true or if investigative opinions are provided, a report shall be submitted to the Company's Board of Directors. • The whistleblower shall be notified in writing or by other means of the handling of the case within 30 days after the conclusion of the investigation. • If the investigation reveals any major violations or potential significant harm to the Company or its subsidiaries, a report shall be immediately prepared and submitted in writing to the Company's independent directors.In the event of any material emergency or illegal incident, it shall be reported or referred to the relevant authorities in accordance with applicable regulations.
Periodic Reporting	• Records shall be kept of the acceptance, investigation process, and investigation results of whistleblowing cases. The whistleblowing matters, handling methods, and subsequent review and improvement measures shall be reported periodically to the Sustainable Development Committee, which shall in turn report to the Board of Directors.

TCFHC's Whistleblowing Channels

Mailing address: Whistleblowing Acceptance Unit, 14 F., No. 225, Sec. 2, Chang'an E. Rd., Songshan Dist., Taipei City

Recipient: Whistleblowing Unit

Whistleblowing email:5134@tcfhc.com.tw

Whistleblowing hotline: (02)2173-8913

Status of Handling Whistleblowing Cases in 2024

In 2024, the Group did not harm the rights and interests of whistleblowers or impose adverse sanctions. A total of 49 cases were received through the Group's whistleblowing email in 2024, all of which have been investigated and closed with reports completed. Among these, 3 cases were substantiated, 12 cases were partially substantiated, and 34 cases were unsubstantiated. The investigation results of the whistleblowing cases the Company received in 2024 have been reported to the Sustainable Development Committee according to the **"Measures for Whistleblowing"**.

A total of 49 whistleblowing cases were received

3 cases were substantiated, 12 cases were partially substantiated, and 34 cases were unsubstantiated

Number of whistleblowing cases	External whistleblowing	Identified	8	Substantiated	2
				Partially substantiated/partially unsubstantiated	0
				Unsubstantiated	6
		Unidentified/ anonymous	23	Substantiated	1
				Partially substantiated/partially unsubstantiated	6
				Unsubstantiated	16
	Internal whistleblowing	Identified	10	Substantiated	0
				Partially substantiated/partially unsubstantiated	2
				Unsubstantiated	8
		Unidentified/ anonymous	8	Substantiated	0
				Partially substantiated/partially unsubstantiated	4
				Unsubstantiated	4

3.3 Risk Management and Audit System

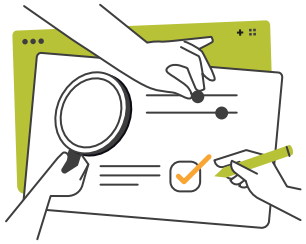
To ensure healthy development and capital adequacy, and to achieve reasonable risk and benefit targets, the Company followed the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" to formulate the "Risk Management Policy and Guidelines" as a basis for risk management.

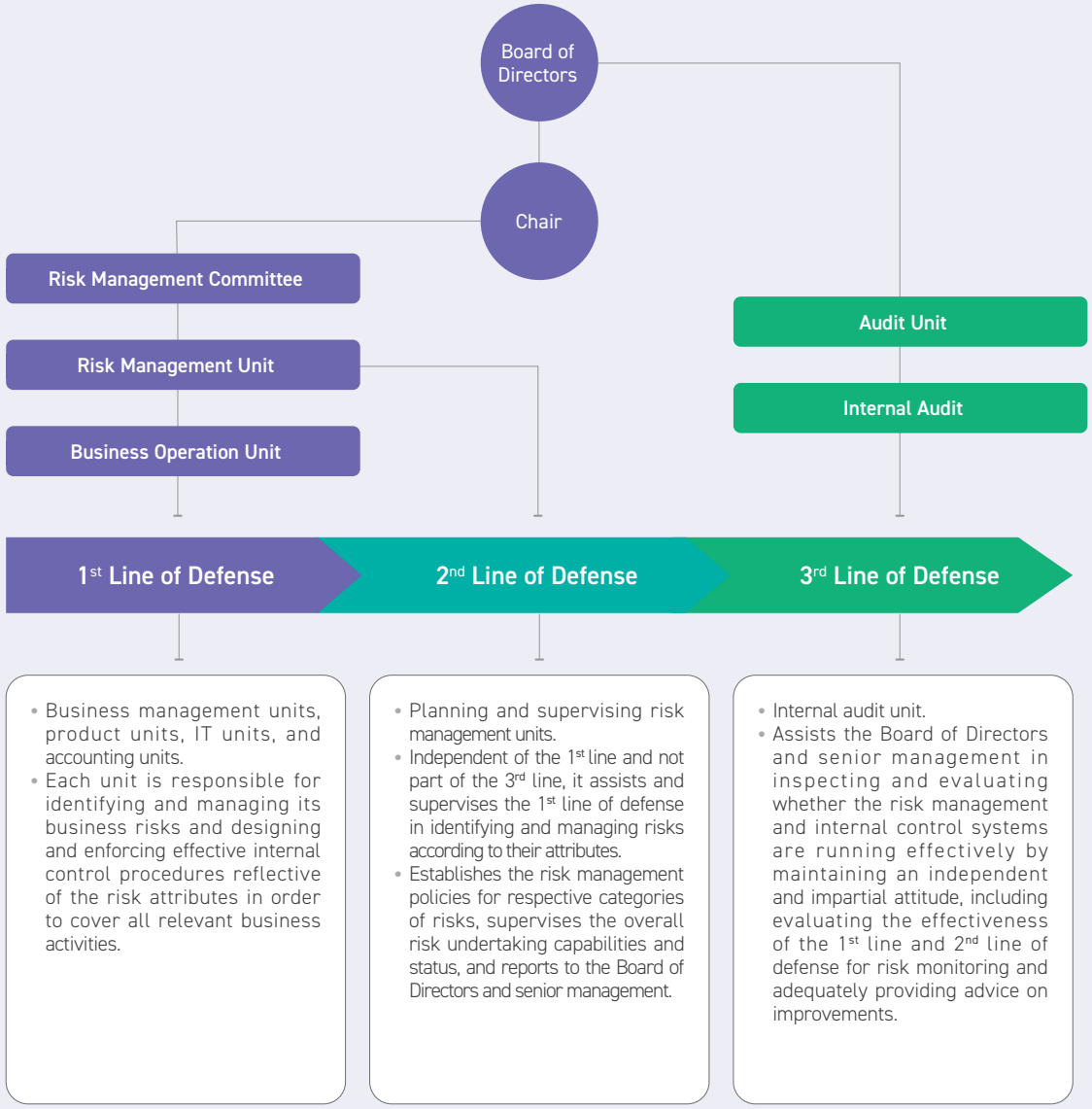
TCFHC and its major subsidiaries are equipped with "Risk Management Committees" that are responsible for designing risk management systems, policies, and monitoring indicators, and for carrying out risk management activities. The purpose is to ensure the healthy development of the Group, ensure capital adequacy, and achieve reasonable risk and return targets.

Risk Management Structure

The Company's Board of Directors serves as the highest risk management decision-making body and the ultimate undertaker throughout the Group. The "Risk Management Committee", consisting of the chair of the Board of Directors, the CEO, executive vice presidents, chief compliance officer, unit supervisors, and presidents of respective subsidiaries, acts as the highest management unit for risk management. It connects the risk management units (2nd line of defense) and business units (1st line of defense) of the Company and its subsidiaries. The internal audit unit (3rd line of defense) performs audits independently, impartially, and periodically to cover the Company's risk management procedures in order to reasonably ensure the effective operation of the risk management system.

The chair concurrently serves as the chair of the "Risk Management Committee", and the E.V.P. & Chief Audit Executive is the highest management level for risk monitoring and auditing. Both report directly to the Board of Directors. The "Risk Management Committee" meets on a quarterly basis. TCFHC and its subsidiaries present reports for the current period on the overview of risk management, changes in capital adequacy, responses to major irregularities, exposure analysis of key monitored subjects and industries, and progress follow-up on actions to be taken as decided in meetings.





Risk Appetite

Risk appetite is the overall risk that is willingly undertaken within the overall scope of risk-undertaking capability, is mainly based on the operational strategy and financial goals, and takes into consideration factors such as growth, risk, and rewards. TCB has its risk appetite mechanism adopting a "bottom-up" approach. Every year, the supervisory vice president of Risk Management Department and the business units responsible for each indicator have meetings to discuss. The risk management department is responsible for summarizing and submitting results of meetings to the Risk Management Committee and the Board of Directors for review. After approval, those will be reported to the Risk Management Committee and the Board of Directors on a quarterly basis. In 2024, a total of 25 indicators were defined and the responsible unit for each indicator reported its implementation status on a quarterly basis. In case of non-compliance, related countermeasures shall be clarified at the same time in order to define the risk culture and to reinforce the risk management mechanism.

Sensitivity Analysis and Stress Test

We regularly conduct sensitivity analysis and stress testing on financial and non-financial risks to review the risk management mechanism and risk tolerance. In terms of financial risk, based on the content set in the stress test scenario meeting, TCB conducts market risk factors (including interest rates and equity securities prices) inspection. In terms of non-financial risks, TCB conducted an analysis to assess the potential impact of an operational risk event involving embezzlement of customer deposits. The stress test results indicated that the Bank's capital adequacy ratio, Tier 1 capital ratio, Common Equity Tier 1 ratio, and leverage ratio all remained in compliance with regulatory requirements.

Board of Directors
- Finalizes risk appetite indicators every year
- Be responsible for overall risk management ultimately

Risk Management Committee
- Reviews of risk appetite indicators every year
- Regularly reviews compliance with various risk appetite indicators

Supervisory Vice President of Risk Management Department
- Decides risk appetite indicators and assigns risk appetite to respective parties every year

Risk Management Department
- Compiles risk appetite indicators and evaluation benchmark values prepared by respective responsible units every year
- Periodically monitors and reports respective indicators

Responsible Units of Indicators
- Prepare risk appetite indicators and evaluation benchmark values every year according to historical values and business goals
- Periodically report how respective indicators are implemented and prepare countermeasures if they are not fulfilled

Risk Identification and Mitigation Strategies

Primary Risk Management

The Group conducts annual assessments of internal and external operational risks that may arise from its financial activities. Risk management is implemented proactively through authorization mechanisms, limit controls, and monitoring indicators. Risk-bearing capacity and corresponding response measures are regularly reported to the Board of Directors and senior management. Each subsidiary is also required to establish risk indicators and control procedures based on the nature of its products, business scale, and risk characteristics. To oversee the execution of risk management, the Company regularly monitors the Group's credit risk exposures and compliance with relevant limit controls, including but not limited to industry concentration limits, watch-list industries, high-risk industries in Mainland China, country risk, exposure limits for Mainland China, and large corporate group limits. In addition, statutory reports are submitted to the Financial Supervisory Commission within the prescribed deadlines for regular monitoring of exposure fluctuations and risk management performance.

Frequency of Risk Exposure Monitoring in Risk Management

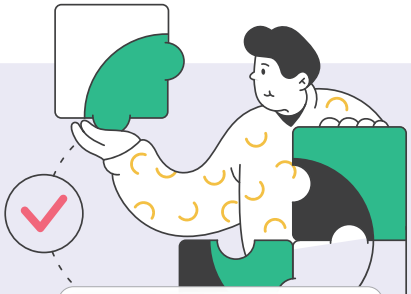
Daily	Calculate risk values and set product/category limits; establish limit and stop-loss rules.
Monthly	Set concentration limits for various items and conduct regular statistical reviews of exposure status.
Quarterly	Monitor the implementation of risk management across different risk types and report to the Risk Management Committee and the Board of Directors.
Annually	Assess capital adequacy ratios and internal risk management indicators by business segment; review key risk management indicators accordingly.

After assessing internal and external risks and considering the potential impacts on the Company's business, the 2 major risks in 2024 are credit risk and operating risk.

	Credit Risk	Operating Risk
Probability	Medium	Slightly High
Level of impact	High	Low
Risk Tolerance	The credit or transaction amount exceeds NT$500 million, and there are adverse signs.	The actual estimated loss amount is equivalent to more than NT$ 1 million.
Mitigating Actions	• Requesting borrowers to provide collaterals, TCB has established guidelines for scope of eligible collaterals, collateral appraisal, procedures for management and disposal to assess and manage collaterals, calculate the discounted collateral value to ensure the creditor rights. • Creditor's rights protection, collateral clauses, and offset clauses are stipulated in the credit agreements, which clearly defines that when a credit event occurs, the credit limit may be reduced, the loan repayment period may be shortened, or the full amount of loan may be treated as matured. The obligor's debts may be offset through various deposits at TCB and its subsidiaries to reduce credit risks. • To avoid excessive concentration of credit risks, TCB establishes concentration limits based on the categories of industries, country, collateral categories, group, and construction financing. These limits are reviewed and revised on a regular or irregular basis.	• Using "self-assessment on operating risks" to identify various potential risks in business, assess the level of exposure for operating risks, review the effectiveness and stages of implementing controls, and strengthen business management. • Based on the important risk items identified during the self-assessment process, key indicators for operating risk are established. Quantitative indicators are used to monitor changes in risk and establish a precautionary mechanism. • Review the causes of risk events and improve operating procedures through reporting and managing operational risks. • Improve professional training for personnel and select employees to participate in various business-related training courses to improve their professional knowledge and reduce the probability of operating risks.

Note: Please refer to P.136~153 of the Company's 2024 Annual Report for more details on the risk factors, causes and countermeasures.

Emerging Risk Management



Step 1
Risk Identification

- Refer to the WEF report and formulate surveys.
- Each subsidiary identifies emerging risk in the context of the characteristics of industry.

Step 2
Compilation of Risk Assessment

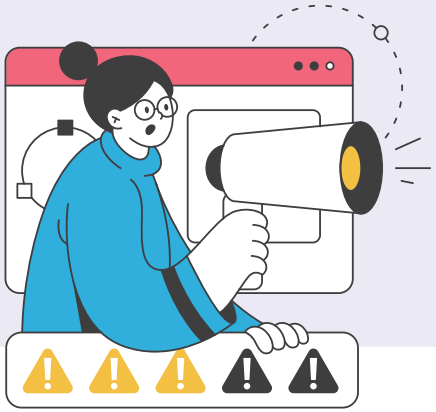
Compile all survey lists submitted by all subsidiaries to identify major emerging risks.

Step 3
Response to Risk

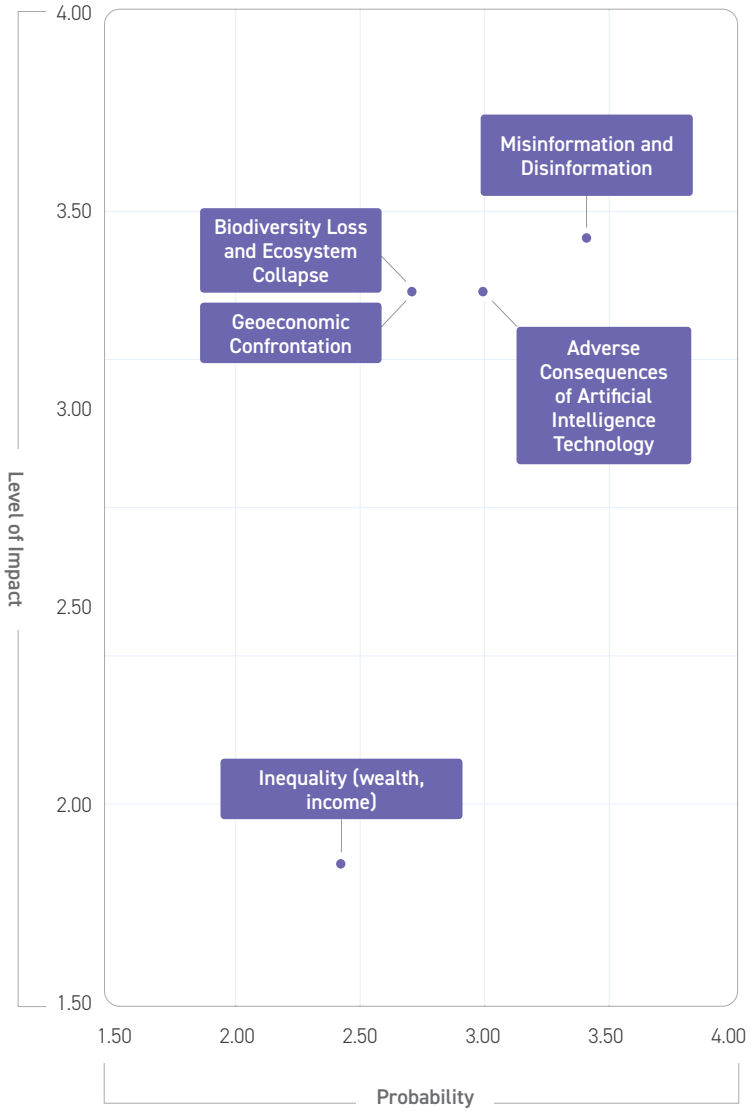
Formulate responsive measures according to the emerging risk identified by each subsidiary so as to reduce impact on operations and businesses.

Step 4
Risk Report

- Report identified emerging risks and the responsive measures to the "Risk Management Committee", include them in the risk information and reported to the Board of Directors.
- Continuously gather relevant information on emerging risks and pay attention to the impact of various risks. Hold regular group meetings on emerging risks to improve practices for risk management.



Prioritization of Emerging Risks



Identification and Mitigation Actions of Emerging Risks in 2024

Emerging Risk	Category	Risk Description	Impact on Business	Mitigation Actions/Response Strategies
Biodiversity Loss and Ecosystem Collapse	Environment	• The extinction of species and the reduced resilience of terrestrial and marine ecosystems lead to the destruction of natural capital, environmental degradation, and supply chain disruptions, etc. For example, mono-culture farming may lead to a sharp decline in crop pollinators, reduced yields and even severe crop failures to accordingly impact mankind and economic activities severely. • Future regulatory trends aim to put an end to deforestation, marine pollution, overfishing, and protect the natural environment. If enterprises are not prepared, they may violate the laws and face reputational damage and litigation risks.	• If the business items, production materials, or methods of production of the investment and financing subjects involve issues such as overexploitation of land, excessive deforestation, overfishing in seas, or coral reef destruction, or if their location of operations or production bases are located near natural reserves for flora and fauna, it is possible to exert pressure and cause damage to local biodiversity and ecosystems. This can lead to conflicts, litigation, or penalties imposed by the competent authority, resulting in a decrease in revenue and an increase in operating costs, as well as increased credit risks, market risks, and reputational damage for the Company. • If biodiversity loss and ecosystem destruction events lead to changes in human habitats, abnormal fluctuations in commodity prices and financial market, this will result in increased business management costs, weakened solvency, increased credit risks for the Company's credit position, market risk for investment positions, and losses due to depreciation in wealth management customer's assets. • Ecosystem collapse may damage real estate and infrastructure, reducing the value of the company's collateral. Additionally, water shortages and land degradation could decrease the productivity of agricultural and industrial land, potentially impairing the value of the collateral. • Protecting biodiversity, government actions, consumer awareness, pricing mechanisms, and other factors may exert pressure on current business models. Investment and financing subjects that have previously operated in legal gray areas or even violated the law (such as deforestation) without facing penalties may now face significant litigation, thereby increasing the risk of credit defaults. This poses potential negative impacts on the Company's investment profitability and credit risks in financing.	• Continue to reinforce environmental and ecological risk assessments relevant to the operational activities of the targets of investment and financing, gradually include applicable risk factors into consideration during the decision-making process, and constantly monitor the sectors that the targets of investment and financing are in and their geographical locations so as to decentralize and minimize the credit risk and market risk of specific factors that are undermined as a result of the specific ecosystem being destroyed. • Spontaneously pay attention to loan clients that may be involved in the underlying biodiversity risk and provide the required financing or related services in time through front-end loan process; it is expected that assistance will be provided in the future to help improve industrial security measures and equipment and to minimize the risk of them undermining the ecosystem, maintaining the quality and security of the Group's assets. • Continuously strengthen risk assessment and scenario analysis by incorporating ecological risks (such as natural disasters) into scenario planning, in order to adjust financing terms or asset allocation and maintain the value of collateral. • Continue to enforce the various policies on the conservation of electricity, water, oil, and paper, put energy conservation and carbon reduction into action, and plan to increase the amount of green electricity being used so as to minimize destruction done to the ecosystem. • Continuously and actively organize activities related to biodiversity conservation, leading employees and customers to work together for ecological preservation. Through concrete actions, we protect biodiversity and participate in the TNFD forum, maintaining ongoing attention to biodiversity-related initiatives and enhancing sustainability awareness of the natural environment.
Adverse Consequences of Artificial Intelligence Technology	Technology	Advances in artificial intelligence (AI) and related technological capabilities (including generative AI) have brought about intentional or unintended negative consequences for individuals, businesses, ecosystems, and economies.	• In response to the rapid rise of AI, which presents both key challenges and opportunities for the future of the financial industry, the Group has implemented various AI technologies to provide precise services to customers, such as fraud detection alerts, intelligent customer service, robo-advisors, and green loans. However, if these operations involve collaboration and data integration with external parties, it may increase the risk of hacker attacks or leakage of sensitive personal information, potentially leading to regulatory penalties, significant reputational or financial risks, and consequently higher internal control and compliance costs, as well as ethical, privacy risks, new forms of asymmetric warfare, or unemployment issues. These factors may ultimately impact the company's products, premium income, and claims expenses. • AI technology relies on big data for analysis and learning, requiring rigorous training and decision-making models. If the original model data contains selection bias or inaccuracies, it may result in algorithmic and model errors, leading to risks of wrong decisions or customer complaints, which could affect the Group's operations or finances and increase compliance risks and operational costs. • Due to the complexity of AI models, many algorithms and parameters lack transparency, which may raise compliance risks under data protection laws (such as GDPR, ADPPA) or regulatory requirements for AI oversight imposed by authorities.	• Properly establish a personal data usage trail, and in the future, strengthen protection mechanisms such as data leakage prevention systems and email filtering systems. Continuously implement AI service systems by conducting cybersecurity monitoring software tests before launch and during updates, and thoroughly verify the test results. Protection mechanisms will be developed from 3 aspects: "prevention before incidents", "response during incidents", and "post-incident handling", to enhance the Group's AI service system security. • Through CoLAB, digital innovative products or applications will be promoted, with ongoing active testing for potential data security gaps and biases in AI model sample size and quality. Future plans include improvements to reduce AI model computational errors. • Continuous implementation of vulnerability scanning, spam filtering systems, malware detection systems, distributed denial-of-service (DDoS) attack defenses, and social engineering attack drills will be carried out. Gaps will be regularly monitored and improved to shorten system vulnerability exposure times. • Data analysis in models must ensure fairness. Regular meetings will be held to review model parameters, accuracy, and management processes to prudently evaluate application scenarios and reduce compliance risks.

Emerging Risk	Category	Risk Description	Impact on Business	Mitigation Actions/Response Strategies
Misinformation and Disinformation	Technology	Persistent misinformation (intentional or otherwise) spreads widely through media networks to change public opinions and lead to distrust of facts and those in power, including but not limited to false, imposter, manipulated and fabricated content.	• The development of deepfake technology has made it difficult to detect and prevent fraudulent transactions and scams, such as video identity verification or hackers using deepfakes to create fake voices and fabricated biometric data. This may lead to digital business misuse and loss of customer trust, potentially impacting the Group's business operations and reputation. • False public opinion about investment and financing targets can be deliberately manipulated online to weaken the timing and judgment of case evaluations or increase industry operational risks, resulting in incorrect investment decisions or higher default probabilities, thereby increasing operational risks. • With the overwhelming amount of online information that is difficult to verify, false information and fake messages can be spread through technological tools such as social media, fake websites, or impersonation of official accounts. This may cause customers to distrust the Group's products, services, and brand, potentially leading users to make wrong decisions, damaging the Group's reputation, increasing internal control and compliance costs, and causing operational, financial, and regulatory risks for the Group.	• Suspend placing any advertisements on social media, platforms, or accounts that do not require real-name registration. Related business information and marketing activities will only be disclosed on official websites and official platform accounts to prevent the public from being misled or scammed. • In addition to continuously using KYC face-to-face care, fraud prevention mechanisms for scheduled transfers, and abnormal transaction pattern monitoring to block scams, actively conduct fraud prevention and detection education and awareness campaigns. Periodically post anti-fraud warnings or videos on the official website's "Fraud Prevention" section as well as on Instagram, Facebook, LINE, and other platforms, providing the latest fraud techniques and detection tips. Customers are also reminded to immediately verify any suspected impersonation of the Group to avoid being scammed. • Through public opinion monitoring and detection of external fake websites, continuously monitor the Group's social media content and customer comments, as well as detect phishing websites, fake apps, or social media accounts not officially established by the Group. Establish a major information release mechanism and customer complaint communication channels to timely clarify and dispel false information. • According to the Company's "Crisis Management Measures" and "Emergency Incident Crisis Handling Guidelines", promptly respond to negative news to prevent the escalation of adverse effects and mitigate impacts.

Shaping Risk Culture

Risk Management Training

To enhance the Group's risk management, establish a climate governance culture, and improve the awareness of risks as well as the latest international developments and conceptual shifts among the Group's directors, supervisors, and senior executives, annual risk management courses are arranged. In 2024, the Group held an educational training session titled "The Net-Zero Challenge and Investment & Financing Strategies for Financial Institutions" for directors, supervisors, and senior executives, with 87 participants. Additionally, to raise employees' risk awareness, build an overall risk management culture, and effectively implement the Group's risk management policies, the Group encourages employees to participate in various internal and external risk management training programs. Besides in-person courses, digital technologies are also utilized to provide online training. The latest risk management regulations, trends, and practices are regularly communicated to facilitate internal training within each unit.

Education and Training of 2nd Line of Defense in 2024

Courses	Attendance	Total Training Hours
Risk Management	6,809 people	9,686 hours

To strengthen crisis management mechanism, resolve and alleviate emergency events quickly or resume operations in time and minimize losses, TCFHC has the "Regulations Governing Emergency and Crisis Management" to activate the group-wide emergency reporting and communication system in the event of a manmade or natural disaster, faulty internal control, employee fraud, security maintenance, significant financial loss in business, or negative media coverage that can affect the Company's reputation and normal operation. The Crisis Management Task Force is also in charge of handling emergencies, giving instructions and speaking on behalf of the Company to outsiders according to the guidelines for spokespersons as needed.

Refining Risk Culture

The Group encourages employees to provide optimization suggestions for the operation process. If the suggestions are adopted, bonuses will be given. In 2024, a total of NT$21,000 are awarded. 268 proposals were filed by employees throughout 2024, over the optimization of branch-end transaction systems, credit and loan systems, foreign exchange IFX system, online credit, mobile banking, and intelligent wealth management to enhance operational efficiency and strengthen risk management.

The Group has formulated the "Operational Risk and Control Assessment Management Directions", and colleagues who are familiar with the business process are responsible for the operation process analysis and risk identification. The operation risk self-assessment process completed in 2024 includes 118 from head office management units and 59 from business units. Through the self-assessments results of risk control, the operational risks that should be paid attention to are summarized, and for projects with high risks, action plans are developed to respond in advance to reduce possible future operational losses, improve colleagues' awareness and attention to risks, and integrate risk management awareness into in daily business processes.

TCB has formulated "Measures for Handling Financial Product Evaluations". Before developing financial products, it identifies and evaluates potential risks in advance and formulates relevant response plans to strengthen risk control.

Internal Audits

Organization and Functioning of Internal Audits

To establish an effective internal audit system and enforce risk management, the Company has established its "Audit Guidelines" and also follows the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" promulgated by the Financial Supervisory Commission, creating a general audit system for overseeing audit operations. The Auditing Department, established under the Board of Directors, performs internal audits on the Company and each subsidiary every 6 months. It assists the Board of Directors and management in inspecting and evaluating whether the internal control system operates effectively and provides timely improvement advice, so as to both ensure that the internal control system can operate effectively and serve as a reference for further review and revision.

Annual Audit Status of the Board of Directors' Auditing Department

2023 20 audits

> According to the annual audit plan:

1. 1 special audit and 1 general business audit were conducted to review the 2022 internal control system self-assessment implementation status of various Company units, along with 1 additional special audit.
2. 1 special audit was conducted in both the first and second half of the year for each of the 7 subsidiaries.

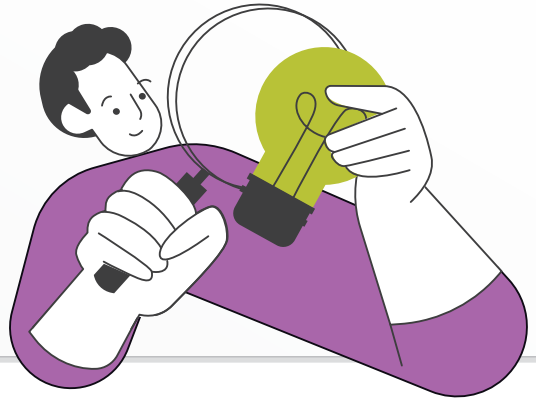
> Based on business needs:

1 special audit was conducted for CAM, and 2 special audits were conducted for TCSIT.

2024 17 audits

> According to the annual audit plan:

1. 1 special audit and 1 general business audit were conducted to review the 2023 internal control system self-assessment implementation status of various Company units, along with 1 additional special audit.
2. 1 special audit was conducted in both the first and second half of the year for each of the 7 subsidiaries.



Furthermore, the Financial Supervisory Commission conducts general audits once every 2 years, as well as irregular special audits of the Company (1 special audit in 2024). The Company is also committed to making improvements based on audit feedback and creating an appropriate risk management mechanism. Regarding this, the internal audit unit continues to follow up on and review the improvement status of audit opinions or deficiencies identified by the Financial Supervisory Commission, accountants, the internal audit unit, and internal units through their self-audits, as well as on enhancement items listed in internal control statements. Improvements are submitted in writing to the Board of Directors and the Audit Committee and are used as an important item for penalties, rewards, and performance evaluations of related units. This further promotes the effectiveness of the Group's overall operations and risk management.

In 2024, the Auditing Department under the Board of Directors completed all annual audit tasks and monitored the improvement status of audit findings for the Company's various departments and subsidiaries.

Operation of Internal Audits

Drafting
- Primary principles to be considered for the annual audit plan.
- Highlights of financial audits by the competent authority.
- Primary deficiencies and findings found during audits of financial institutions by the competent authority.
- Primary audit opinions from the competent authority's audit on the Group's operations.
- Important internal audit and control laws and regulations or supervisory and management needs of the Company.

Approval
- Submission of the audit plan to the Audit Committee and the Board of Directors for deliberations.
- Declaration with the competent authority as required.

Implementation
- Organization of general audits and special audits.
- Reporting of audit implementation status to the Audit Committee and the Board of Directors every month.

Improvement
- Continuous follow-up on the improvements made by the auditee according to inspection feedback until the improvements are completed.
- Submission of improvements based on audit opinions to the respective business/operational/administration management units of the Company for reinforced supervision.

3.4 Legal Compliance, Anti-Money Laundering, and Combating the Financing of Terrorism GRI 2-27、417-3

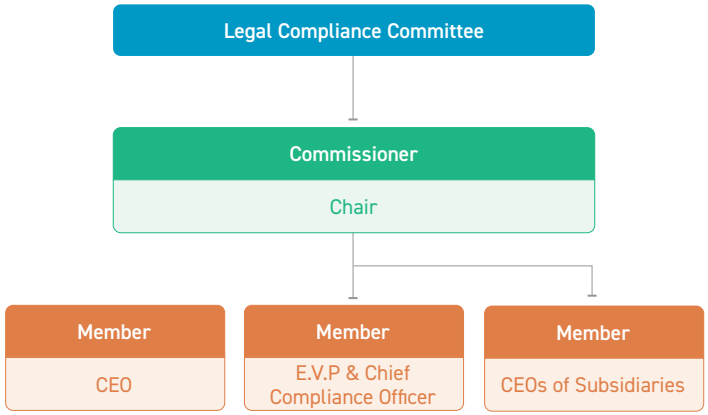
Legal Compliance

The compliance system is an important part of internal control and serves the purposes of anti-money laundering, combating the financing of terrorism, and deterring other illegal activities. It also prevents key compliance failures that endanger the Company's operations and cause disruption in the financial market. TCFHC implements relevant organizational frameworks, regulations, and rules to equip itself with the ability to address regulatory or environmental changes at any time and to supervise its legal compliance status. TCFHC also provides internal training in order to avoid legal risks arising from violations of law and to fulfill its role as a financial institution by protecting customers' rights.

Regulatory Compliance Mechanism

TCFHC has established the "Rules for Implementation of Regulatory Compliance System" according to the "Implementation Rules of Internal Audit and Internal Control System of financial Holding Companies and Banking Industries". The "Legal Compliance Committee" has also been put in place to devise relevant organizational structures, rules, and regulations in order to monitor regulatory compliance.

Regarding compliance audits by the Financial Supervisory Commission and regulators of affiliated business units, all penalties should be reported immediately to the relevant departments to ensure an appropriate response and prevent recurrence or further losses. TCFHC has set up a "consistent and real time intercommunications" mechanism, which requires each subsidiary to report to TCFHC's Legal Compliance Department a full account of audits on legal compliance and AML/CFT throughout the entire course, from the inception of the audit to the completion of the draft report, if audited by the financial competent authority.



- Compliance officer of the Group
- To lead the Compliance Department and oversee compliance activities
- To provide supervision

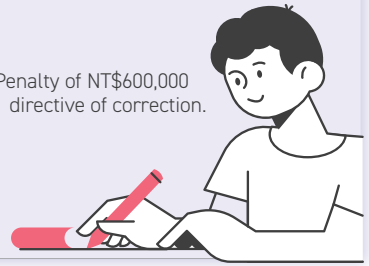
Duties
- To review compliance and AML/CFT framework and policies in the Group
- To oversee compliance audit activities
- To coordinate and perform compliance and AML/CFT management activities

2024 Penalty Status and Improvement Measures

In 2024, the Group was not subject to significant penalties [Note 1] or disciplinary measures imposed by competent authorities due to violations of environmental or social laws or regulations. However, the remaining penalties received and related improvements are listed as follows:

Company	Applicable Law	Reason for Penalty	Subsequent Improvement	Penalty
TCB	Article 61-1, Paragraph 1 of the Banking Act of the Republic of China	TCB revised its internal operating procedures and the information system for filing approved customer credit cases and reporting them to the Joint Credit Information Center. However, due to flaws in the system's verification logic and TCB's incomplete testing and review mechanism after the revisions of the system, credit information for customers who had not yet completed the contract signing process was mistakenly reported to the Joint Credit Information Center.	• Corrected the erroneously reported customer credit limit data. • Enhanced the verification logic of the information system for reporting to the Joint Credit Information Center. • Strengthened the review process for credit data reporting operations to the Joint Credit Information Center.	• 1 directive of correction. • Please ensure the implementation of the reported improvement measures, and request the audit unit to follow up and track the status of the corrective actions for the identified deficiencies.
	Article 48, Paragraph 2 of the Personal Data Protection Act	An employee of TCB's Taida Branch failed to handle and safeguard customer data in accordance with internal regulations, resulting in the provision of customer account information to a third party [Note 2].	• Reiterated internal regulations across the bank and strengthened staff training. • Referred the personnel involved in the violation for punishment.	• Penalty of NT$20,000. • The deficiencies in this case shall be addressed and reported in writing within one month from the date of receipt of this notice.
BNP TCB Life	Article 171, Paragraph 1 of the Insurance Act	The Financial Supervisory Commission conducted a general business inspection of BNP TCB Life for the year 2023 and found that the company's declared interest rate meetings were merely procedural formalities. Additionally, the meeting procedures did not comply with the regulations outlined in the "Directions for Life Insurance Companies to Engage in Interest-Sensitive Insurance Products Business", thereby affecting policyholders' rights and interests.	• The company has established and implemented the "Declared Interest Rate Operating Procedures and Meeting Organization Guidelines", which clearly define the composition of meeting personnel, convening and decision-making methods, responsibilities, and the preparation, provision, and retention of meeting materials. • The evaluation materials for declared interest rate meetings now include numerical data and trend analysis of the actual monthly returns of segregated assets over the past 2 years, based on 3 different accounting bases.	Penalty of NT$2.4 million
TCS	Subparagraph 4, Paragraph 1, Article 178-1 of the Securities and Exchange Act	In 2023, the Financial Supervisory Commission conducted a general business inspection of TCS and found violations of securities management regulations. The company failed to properly collect supporting documents during the qualification review process for clients applying to become professional investors, and did not carry out price deviation checks for the sell-off and repurchase of reverse repurchase agreements involving foreign bonds.	• For the deficiencies in the qualification review process, the customer application form has been revised, with bold text added to remind clients to provide supporting documents. • Regarding the failure to conduct price deviation checks, the bond transaction yield (price) analysis form has been updated to include a new verification column.	• Penalty of NT$300,000 • 1 directive of correction. • Please implement the internal control system effectively and make the necessary improvements in accordance with the opinions of the Financial Supervisory Commission's Examination Bureau.
	Article 93 of the Taipei Exchange Rules Governing Securities Trading on the TPEx	On October 9, 2024, TCS subscribed to 500 units of the "SinoPac China CSI Technology 50 ETF" (hereinafter referred to as the "China CSI Technology 50 ETF"). Subsequently, on October 11, it oversold 470 units of the subscribed position. However, the China CSI Technology 50 ETF had already been listed by the Taipei Exchange as a disposition security on October 9 and, as such, should only have been sold after being registered by the central securities depository. Nevertheless, the company failed to conduct the required verification process in accordance with regulations and proceeded to report the sale on October 11.	• Controls over disposition securities and personnel training have been strengthened, including inventory management for available positions and order verification within the trading system. • The audit unit reviewed the daily report forms for 10 consecutive days and subsequently submitted them to the Taipei Exchange for recordation.	• Penalty of NT$30,000 • Within 20 business days from the date of receipt of the official letter, a report on corrective and preventive measures for the deficiencies shall be prepared. For 10 consecutive days, the matter shall be included as a daily audit item to be handled accordingly. A complete audit report, including the audit report form, audit details, and working papers, shall be submitted in writing to the Taipei Exchange for record-keeping.

Company	Applicable Law	Reason for Penalty	Subsequent Improvement	Penalty
TCSIT	Article 103 of the Securities Investment Trust and Consulting Act	In February 2024, TCSIT conducted a marketing campaign for the "TCB Taiwan Equity Fund" at TCB, and in the 1st quarter of 2024, held another campaign for the "TCB Global Core Infrastructure Income" at Mega Bank. Under these campaigns, it was agreed that for every NT$1 million in sales, an incentive of NT$800 and a gift set would be provided. The aforementioned sales incentive scheme was not part of the remuneration specified in the sales contract, but was instead a one-time channel reward provided for promotional sales activities. By providing compensation, fees, or other benefits to the sales institutions and their personnel beyond what was contractually agreed, the company was found to have violated relevant securities investment trust regulations.	• Education and training sessions have been conducted, and moving forward, the company will strictly prohibit the disguised payment of one-time channel rewards for promotional sales activities under any pretense. • The "Guidelines for Channel Compensation and Sales Conduct" have been established, and all future fund sales programs will be implemented in strict accordance with these regulations. • Disciplinary actions have been taken against the personnel involved in the violation.	1 directive of correction.
	Article 102 of the Securities Investment Trust and Consulting Act and Article 113, Subparagraph 2 of the same Act	After executing a stop-loss on a stock, a fund manager at TCSIT continued to purchase the same stock within a short period. The investment analysis report did not follow the prescribed "Operating Procedures for Fund Investment in Domestic and Foreign Stocks", as it failed to explain the rationale for the stop-loss decision or other factors that might impact investment judgment. Furthermore, the stock was suspended from trading by the exchange on the same day it was repurchased, resulting in a significant valuation loss. The investment analysis report was evidently perfunctory and lacked a reasonable analytical basis and justification.	Fund managers are required to enhance the quality of their investment reports and ensure the accuracy of the stated investment rationale. The supervisor of the Investment Research Department and the supervisor of the Fixed Income Investment Department were instructed to strengthen the review and oversight of the quality of analysis reports. They are also to emphasize to managers the importance of improving the content of investment reports. To further enhance credit risk assessment in overseas bond investment analysis reports, managers or report authors must strictly comply with the relevant regulations.	• Penalty of NT$120,000 • 1 directive of correction.
	Article 102 of the Securities Investment Trust and Consulting Act and Article 111, Subparagraph 7 of the same Act	TCSIT failed to properly implement the proxy system, and its internal control mechanisms were not effectively enforced, resulting in an impact on the normal operation and trading activities of funds.	• The Administration and Development Department has notified all units to review the procedures for updating proxy assignments and reminded employees that any resignation or job transfer must be accompanied by updates to proxy assignments and system access permissions. • The Information Management Department has been instructed to conduct a system access permissions review every six months. Employees are also required to thoroughly assess the necessity and appropriateness of access permissions during future system permission checks.	• Penalty of NT$600,000 • 1 directive of correction.

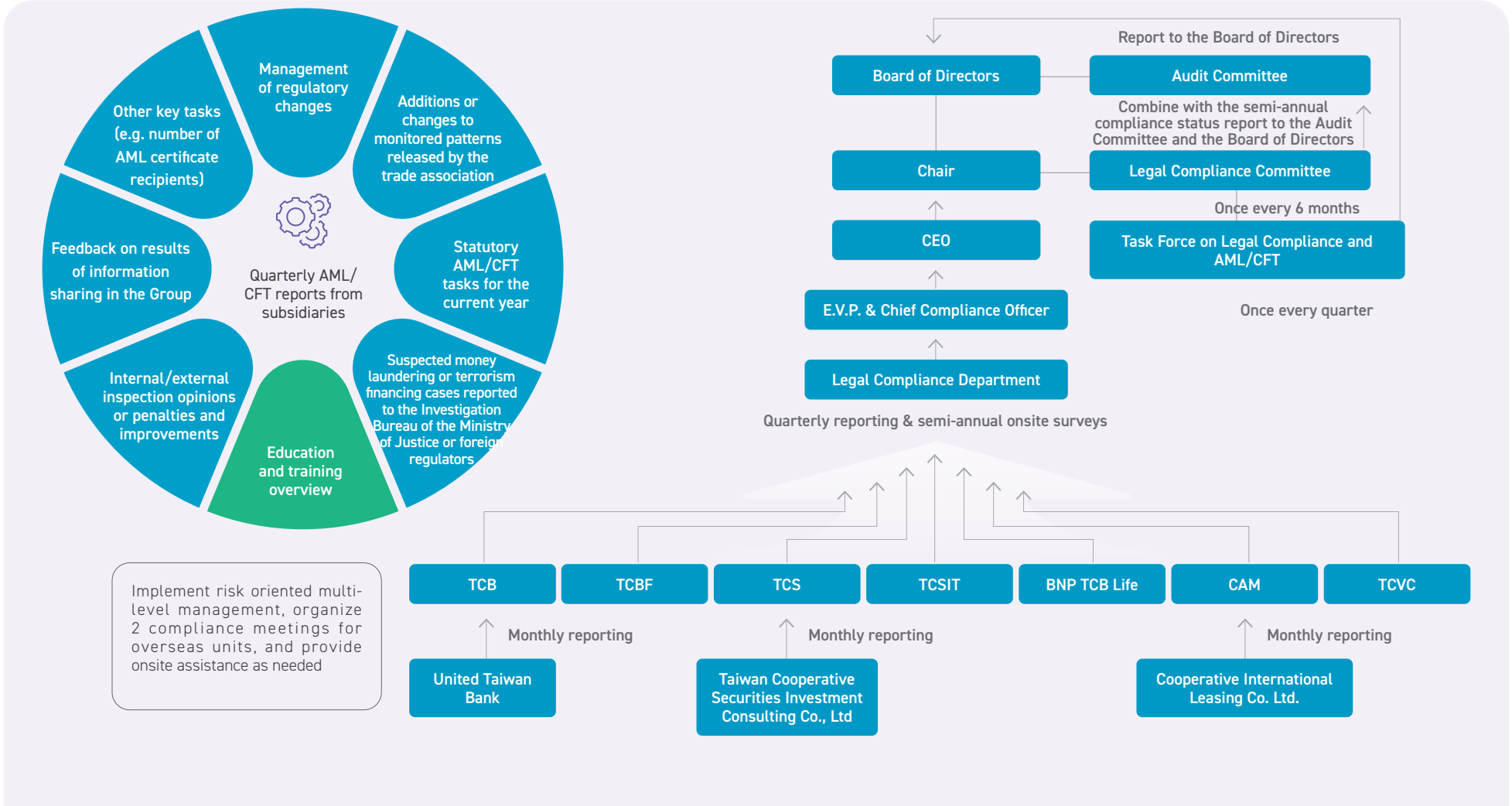


Note 1: The definition of significant penalties and disciplinary measures is based on the standards stipulated in Article 2 of the "Measures for the Public Announcement and Explanation of Major Punishment Measures Handled by the Financial Supervisory Commission for Violations of Financial Laws and Regulations".
2: This case is a non-significant penalty case issued by the Financial Supervisory Commission on January 3, 2025.

Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT)

AML/CFT Management Framework

In order to properly implement anti-money laundering and combating the financing of terrorism (AML/CFT), the Company has formulated the "TCFHC Group Anti-Money Laundering and Combating the Financing of Terrorism Policy Framework". The content includes indicators of Group-level risk appetite, the Group's framework for coherent risk assessment, and the Group's procedures for information sharing. The framework clearly specifies the principles for the identification, evaluation, and management of money laundering and terrorism financing risks to ensure compliance. Each subsidiary has also established relevant policies and procedures under the framework for money laundering and terrorism financing risk assessment. They regularly conduct comprehensive assessments of such risks and report to the Board of Directors. Risk assessment reports are also submitted to the Financial Supervisory Commission for reference. In addition, the "Legal Compliance and AML/CFT Taskforce" was established, with the chief compliance officer serving as the convener, responsible for supervising and coordinating the implementation of legal compliance and AML/CFT tasks by the respective subsidiaries and submitting the implementation status of each subsidiary to the president on a quarterly basis.



Contents of AML/CFT Regulations

Each subsidiary also works to optimize its information system for anti-money laundering and combating the financing of terrorism, with databases being linked, analyzed, and monitored to ensure the effectiveness of risk control and management related to money laundering and terrorism financing. The content of anti-money laundering and combating the financing of terrorism regulations for each subsidiary includes but is not limited to the following:

Designated Supervisors and Units

Each subsidiary shall allocate sufficient AML/CFT-designated personnel and resources based on its size and risk profile, and the Board of Directors shall appoint 1 senior manager as the designated supervisor.

Employee Selection and Hiring

Each subsidiary shall ensure the establishment of high-quality employee selection and hiring procedures.

Employee Training Plan

The AML/CFT-designated personnel and designated supervisors, supervisors at domestic and overseas business units, and AML/CFT-supervisors and personnel shall participate in on-the-job training on AML/CFT according to the regulations. Directors, supervisors, the CEO, legal compliance personnel, internal audit personnel, and sales personnel shall also arrange training and education according to the nature of their business.

Sharing of Information

The Company and its subsidiaries with foreign branches (or subsidiaries) shall formulate information-sharing policies and procedures within the Group in compliance with information confidentiality regulations. Information related to the Group's legal compliance, auditing, and AML/CFT matters shall be shared, and security measures shall be adopted to ensure the use and confidentiality of the exchanged information.

Internal Audits

The internal audit unit of each subsidiary shall conduct assessments of money laundering and terrorist financing risks and review the AML/CFT plan to verify compliance with regulatory requirements, implementation, and effectiveness, and provide audit opinions.

Verifying Customer Identity and Conducting due Diligence

- Using reliable documents from independent sources or non-documentary data and information to identify and verify the identity of customers (methods of non-documentary verification include comparing information provided by other financial institutions and conducting a phone interview with the customer within 1 week after account opening to confirm their identity). If there is any delegation, the fact of delegation shall be duly verified.
- For customers who are legal entities, groups or trustees, understand their ownership and control structure, identify the beneficial owner, and adopt reasonable measures to verify their identity.
- When establishing business relationships with high-risk customers or customers with specific high-risk factors, the review shall be reinforced. The process shall be approved by the unit's supervisor before proceeding, and reinforced monitoring shall be continuously implemented.
- Conduct ongoing due diligence on customers and reconfirm the customers' identities at specific times.
- In terms of due diligence for non-face-to-face customers, in addition to following the review methods for face-to-face customers mentioned above, strengthened control measures shall be implemented (for example, if name screening hits or the customer is assessed as high risk during remote video counter [VTM] account opening, the customer shall be requested to complete the account opening process in person at a branch. If there are abnormal account opening applications for digital deposits, identity verification shall be strengthened, and continuous monitoring shall be conducted to check whether the account is involved in any illegal activities.)

Name Screening

- Name screening of customers and their related parties (including agents, beneficial owners, and senior management personnel) shall be conducted using the anti-money laundering (AML) system to compare and verify whether there are matches with the following lists:

1. The customer is an individual, legal entity, or organization sanctioned under the Counter-Terrorism Financing Act, or a terrorist or terrorist group identified or investigated by a foreign government or an international organization.
2. Current or former important political figures in domestic or foreign governments or international organizations, as well as their family members or close associates.
3. Involved in money laundering or other negative news.

- Based on the above assessment results, determine whether to establish business relationships, handle reporting operations, or include the customer in a risk assessment. High-risk customers may open accounts or establish business relationships only after obtaining the approval of the unit's supervisor.

Continuous Monitoring of Accounts and Transactions

- Establish policies and procedures for account and transaction monitoring based on a risk-based approach, and utilize information systems to assist in detecting suspicious money laundering or terrorism financing transactions.
- Once watch-listed transactions that may involve money laundering or terrorist financing are identified, the reasonableness of each identified transaction shall be determined on a case-by-case basis, and records of the inspection shall be retained. The reasons for exclusion shall be analyzed, or reporting operations shall be conducted as soon as possible.

Record Retention

- All business relationships and transactions with customers shall be recorded in hard copy or electronic form and retained for at least 5 years.
- The retained transaction records shall be sufficient to reconstruct individual transactions in order to provide, if necessary, evidence of criminal activity, and must be readily available to the responsible units.

Reporting of Transactions

- Report cash transactions above a certain amount.
- Report suspected money laundering or terrorism financing.
- Report the properties or property interests and locations of designated sanctioned individuals or entities.

AML/CFT Independent Audit Mechanism

Internal audits

The Group's audit unit conducts audits regularly/irregularly each year and has included the implementation of AML/CFT and counter-proliferation measures into the annual audit plan to monitor the implementation of the AML/CFT and counter-proliferation management mechanism. No significant deficiencies were found in the audit in 2024.

1. Verify the effectiveness of the plan for implementing AML/CFT, as well as whether the relevant regulations comply with applicable laws.
2. The scope of audits includes high-risk products, customers, and regions evaluated of the auditee, screening of suspected money laundering and terrorism financing transactions, and verification of the effective enforcement of applicable AML/CFT regulations.
3. For deficiencies identified during regular financial audits or special audits on AML/CFT by competent authorities or the audit unit of the Group, the dedicated AML unit supervises the auditees to make improvements, and follow-up reviews are conducted by the audit unit.
4. If intentional concealment of significant violations is detected and not disclosed, the relevant responsible unit shall handle the matter appropriately.

External audits

In addition to regular financial audits or irregular special audits by competent authorities, TCB and TCBF commission accountants to conduct annual audits of AML/CFT mechanisms in compliance with the regulations. Other subsidiaries, or those required by competent authorities, also commission accountants to conduct special audits on AML/CFT.

Strengthening AML/CFT Capabilities

In order to further increase awareness of the regulatory framework on anti-money laundering and combating the financing of terrorism among employees, the relevant educational trainings that the Group organized in 2024 received a total of 15,103 participants, with a total training length of 18,891 hours. Additional trainings on anti-money laundering and combating the financing of terrorism for directors, supervisors, senior management, and employees are also held every year. The group also encourages employees to obtain the Certified Anti-Money Laundering Specialist (CAMS) certification and domestic AML/CFT professional certifications. As of the end of 2024, 6,865 employees, or 77.12% of the Group's workforce, had obtained such certifications.

2024 AML/CFT Educational Training Statistics Table

Company	Hours	Persons
TCFHC	136	68
TCB	14,879	13,462
TCBF	217	204
TCS	2,462	921
TCSIT	131	77
BNP TCB Life	992	297
CAM	55	55
TCVC	19	19
Total	18,891	15,103

3.5 Information Security

In recent years, rapid advancements in emerging technologies such as blockchain, high-speed computing, and artificial intelligence (AI) have significantly increased human reliance on the Internet, making information security closely intertwined with daily life. Implementing information security has become a critical issue for protecting customer rights and maintaining the stable operation of the financial system.

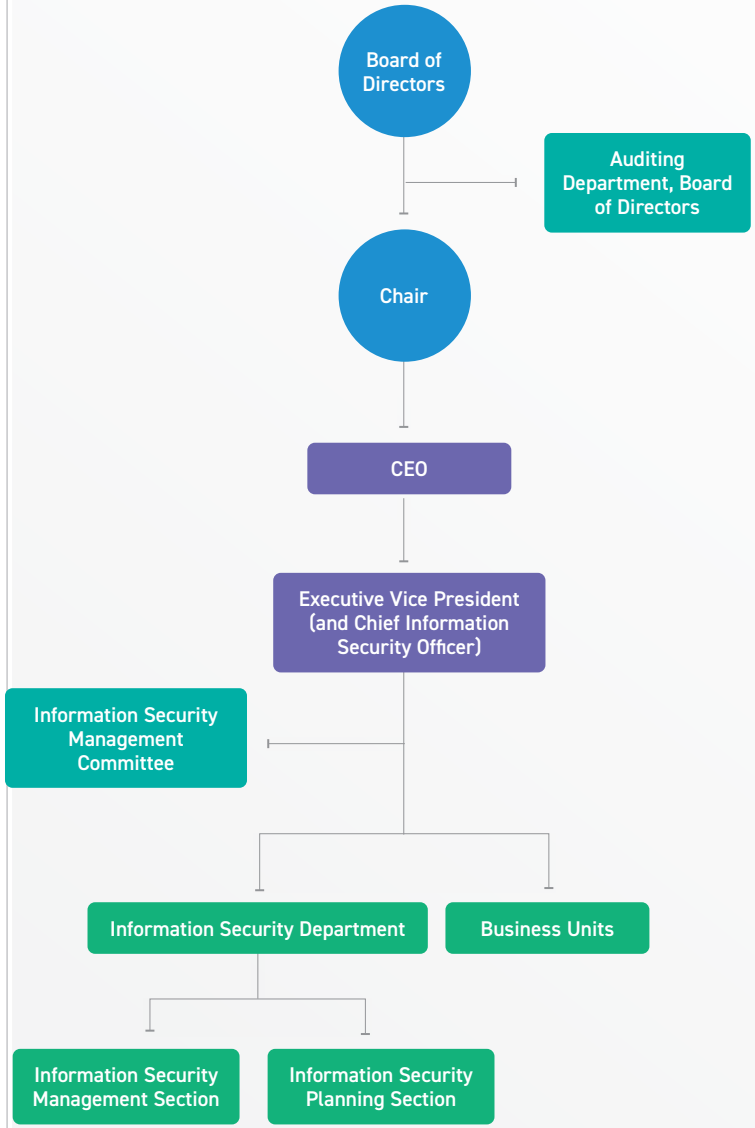
Information Security Governance Strategy

The Company follows domestic and foreign regulations, guidelines, and business requirements on information security, such as the "Financial Holding Company Act", the "Guidelines for Cross Marketing among Subsidiaries of Financial Holding Company", the "Information Security Protection Criteria for Financial Institutions", and the "Personal Data Protection Act", to formulate the "Information Security Policy", install management systems, and create taskforces in order to enforce information security across the Group. Based on this, TCB established the "Information Security Management Committee" to build an information security risk management framework and created a chief information security officer position in 2021. In addition, the Company established a chief information security officer position equivalent to the rank of executive vice president in 2022 to oversee the promotion, coordination, and resource allocation of information security policies, thereby enhancing the execution and response capabilities for information security issues.

To enhance the Board members' understanding of information security and incorporate information security risks into business decision-making, TCB has held information security courses for its directors, supervisors, and senior management. In addition, TCB and BNP TCB Life have commissioned external information security professionals to participate in information security management meetings, provide consultations and suggestions on information security issues, and report the overall implementation status of information security for the previous year to the Board of Directors annually.

In order to strengthen information security protection and enhance information security governance, the Company and TCB continue to allocate investment budgets and implement various information security systems and protection measures. The Company's information security budget for 2024 accounted for 36.52% of its overall information budget, while TCB's accounted for 6.32%. To comply with regulatory requirements, the Company's audit unit conducts business audits of the financial holding company and its subsidiaries every 6 months. The audit items include the information security management system to ensure the continued effective implementation of the internal control system.

Information Security Risk Management Framework



Independent Director with IT Background

Review proposals related to information security and IT matters at the Audit Committee.

Executive Vice President (and Chief Information Security Officer)

Oversee the promotion, coordination, and resource allocation of information security policies.

Information Security Management Committee

- Review information security organizational structure, policies, and important regulations.
- Review information security risk assessments.
- Review the design and implementation of information security plans and the results of regular evaluations.
- Perform necessary reviews for information security and enhance the performance effectiveness of information security management systems.
- Coordinate and supervise the execution of interdepartmental information security-related tasks.
- Supervise and manage the operation of various information security management systems at overseas branches.

Information Security Department

- Information security risk assessments are performed for information operations according to relevant laws and regulations. The purpose is to ensure the fulfillment of information operation security requirements and to take appropriate and sufficient information security measures to ensure the safety of information collection, processing, transmission, storage, and circulation.
- Discuss information security policies, plans, measures, and technical requirements, and study and evaluate security technologies.
- Devise and implement information security management plans, and regularly evaluate results.
- Establish official reporting procedures and channels for information security incidents, and formulate the actions and measures to be taken following a report.
- Discuss, manage, and protect the security requirements of data and information systems.

Policy

- Information Security Management Guidelines for TCFHC's Subsidiaries.
- Customer Information Confidentiality Measures for TCFHC and Its Subsidiaries.
- Information Security Management Policy.
- Guidelines for Responding to Computer Information Security Emergencies.

Management System

- Introduce firewalls, anti-virus solutions, and intrusion detection systems.
- Strengthen network vulnerability scans.

Taskforce

Establish a computer security incident response team to promptly monitor, coordinate, and dispatch response support and reporting procedures for information security incidents within the Group.

Information Security Risk Assessment and Management

Major information security incidents targeting financial institutions around the world in 2024 can be categorized into DDoS attacks, ransomware attacks, online phishing, financial institution supply chain hacks, fake financial institution apps, social engineering attacks, malware attacks, and other known or potential risks. The frequency of these attacks has been increasing every year, with most originating from international hacker organizations. In 2024, the Group did not experience any information security or other Internet security events, nor were there any situations where revenue was reduced or fines were imposed due to abnormal IT equipment.

Regarding information security risks arising from emerging technologies, each subsidiary implements assessments and checks, performs information security system testing, and obtains information security certifications as means to enforce information security management.

Assessments and checks	TCB amended applicable regulations and prepared the "Assessment Form Prior to Purchase and Rental of Internet of Things (IoT) Equipment" to facilitate risk assessments conducted by sales units before purchasing or renting IoT equipment, in order to boost service quality, enhance and protect the rights of customers, and meet the regulatory requirements of the competent authority.
Information security system testing and monitoring	• Conduct Internet vulnerability scanning, source code vulnerability scanning, and website penetration testing, and track risks by severity level to update or repair system vulnerabilities. • Leverage intrusion detection and prevention systems to monitor irregularities. • Leverage email and network filtering, as well as personal data protection systems, to protect and monitor emails and the network transmission of personal data. • Regularly perform equipment upgrades and checks. • Conduct malware and other information security checks. • Establish a security information and event management system to perform correlation analysis on log events from different types of security devices and monitor for abnormal external connections. • Procure external risk rating services to analyze trends in potential attack types, frequencies, and sources, in order to understand vulnerabilities not under control or to make improvements on unintentionally leaked information.
Obtaining information security certifications	In 2024, TCB, TCS, and BNP TCB Life again passed the certification of "ISO 27001 Information Security Management Systems" issued by BSI. The companies have followed the circular management spirit of Plan-Do-Check-Act to regularly engage in information security risk assessments based on both internal and external audit opinions and issues, in order to be fully informed of information security threats and vulnerabilities. For high-risk vulnerabilities, improvement plans have been formulated and followed to complete the improvements.

Information Security Emergency Response System

The Company has formulated the "Guidelines for Responding to Computer Information Security Emergencies" and has an interdepartmental "Information Security Response Team" in place, as well as a reporting system. Regular drills are organized to ensure employees are able to respond and to effectively reduce the impacts of information security incidents. In addition, to mitigate financial losses and impacts caused by system intrusions and to quickly resume operations, TCB annually purchases NT$150 million of "Cyber Liability Insurance", thereby transferring risk to reduce property losses.

Information Security Joint Defense, Information Sharing, and Collaboration

The Group currently has 60 information security personnel. The information security and protection measures and implementation status of each subsidiary are reviewed periodically every 6 months. A Group-wide information security joint defense meeting is held to review the management and implementation of the information security joint defense. The information security classification and governance system of the Group have been established to continuously strengthen overall information security and data protection.

To enhance information security intelligence sharing among financial institutions, the Company and its subsidiaries (TCB, TCS, BNP TCB Life, TCSIT, and TCBF) have all joined the "Financial Information Sharing and Analysis Center (F-ISAC)". By sharing information on information security among members, the Company can assist in evaluating and suggesting regulations on information security and continue to improve protection measures.

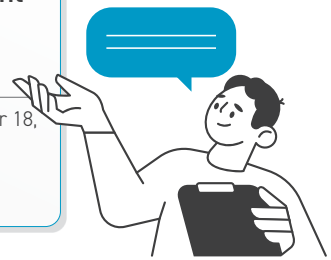
The Group currently has **60** information security personnel ,continuously strengthen overall information security and data protection.

Obtaining International Standard Certifications

To manage the confidentiality, integrity, availability, and legality of information security, and to prevent improper use, disclosure, alteration, damage, or loss of information and assets that may occur due to human neglect, intentional destruction, or natural disasters, impacting business operations and harming the rights and interests of the Company and its customers, the relevant subsidiaries have introduced the "ISO 27001 Information Security Management Systems" and the "ISO 22301 Business Continuity Management Systems". These systems enhance the capabilities to respond to and manage information security incidents, protects the assets of the Company and its customers, and ensures business operations continue without interruption in the event of adverse incidents.

TCB

ISO 27001 Information Security Management Systems	ISO 22301 Business Continuity Management Systems
Validity of Certification	Validity of Certification
February 17, 2024, to October 31, 2025	December 19, 2022, to December 18, 2025



BNP TCB Life

ISO 27001 Information Security Management Systems

Validity of Certification

August 17, 2024, to May 21, 2026

TCS

ISO 27001 Information Security Management Systems

Validity of Certification

December 22, 2022, to October 31, 2025

Information Security Training and Social Engineering Exercises

In order to enhance employees' information security protection capabilities and awareness, TCFHC continues to organize Group-wide information security training every year. The employee completion rate was 100% in 2024. In addition, both "social engineering email attack drills" and "DDoS attack drills" were held to strengthen the ability to respond to email and network attacks. The open rate and the click-to-open rates for links and attachments in the "social engineering email attack drills" had to be under 3%. All rates were under 3% for the Group in 2024.

Number of Participants and Hours of Information Security Training and Social Engineering Exercises

	2022	2023	2024
No. of people	9,923	9,857	10,398
Hours	31,634	31,548	32,663

Total Budget for Information Security

	2022	2023	2024
Total information security budget (NT$)	234,487,000	221,370,000	278,353,670

Total Expenses for Information Security Training

	2022	2023	2024
Information security training expenses (NT$)	2,741,406	3,303,700	3,281,097

CH4

Inclusion

Stakeholders of Concern

- Employees
- Shareholders/ Investors
- Customers
- Community
- Governments and Competent Authorities
- Suppliers
- Media
- Academic Institutions/ Consulting Firms/ Industries/Guilds and Associations

Corresponding Material Topics

- Sustainable Finance
- Protection of Customer Rights
- Financial Inclusion
- Digital Finance

4.1 Sustainable Finance

GRI 2-23、2-24

Sustainable Finance Management Framework

Financial institutions can use the power of investment and financing to guide the transformation of enterprises on the net-zero path. To leverage the core influence of the financial industry, the Group actively aligns with international standards to promote sustainable finance, following principles and guidelines such as the PRI, PRB, and PSI. It has also signed the Equator Principles (EPs), set medium- and long-term carbon reduction targets, and passed the SBTi review. Following the above international standards and initiatives, the Company has formulated the "Sustainable Financial Policy" and incorporated ESG factors into the development strategies and operating procedures of core businesses such as investment, financing, underwriting, and insurance, to achieve the Group's long-term goals of low-carbon transitions in investments and financing.

Sustainable Finance Framework

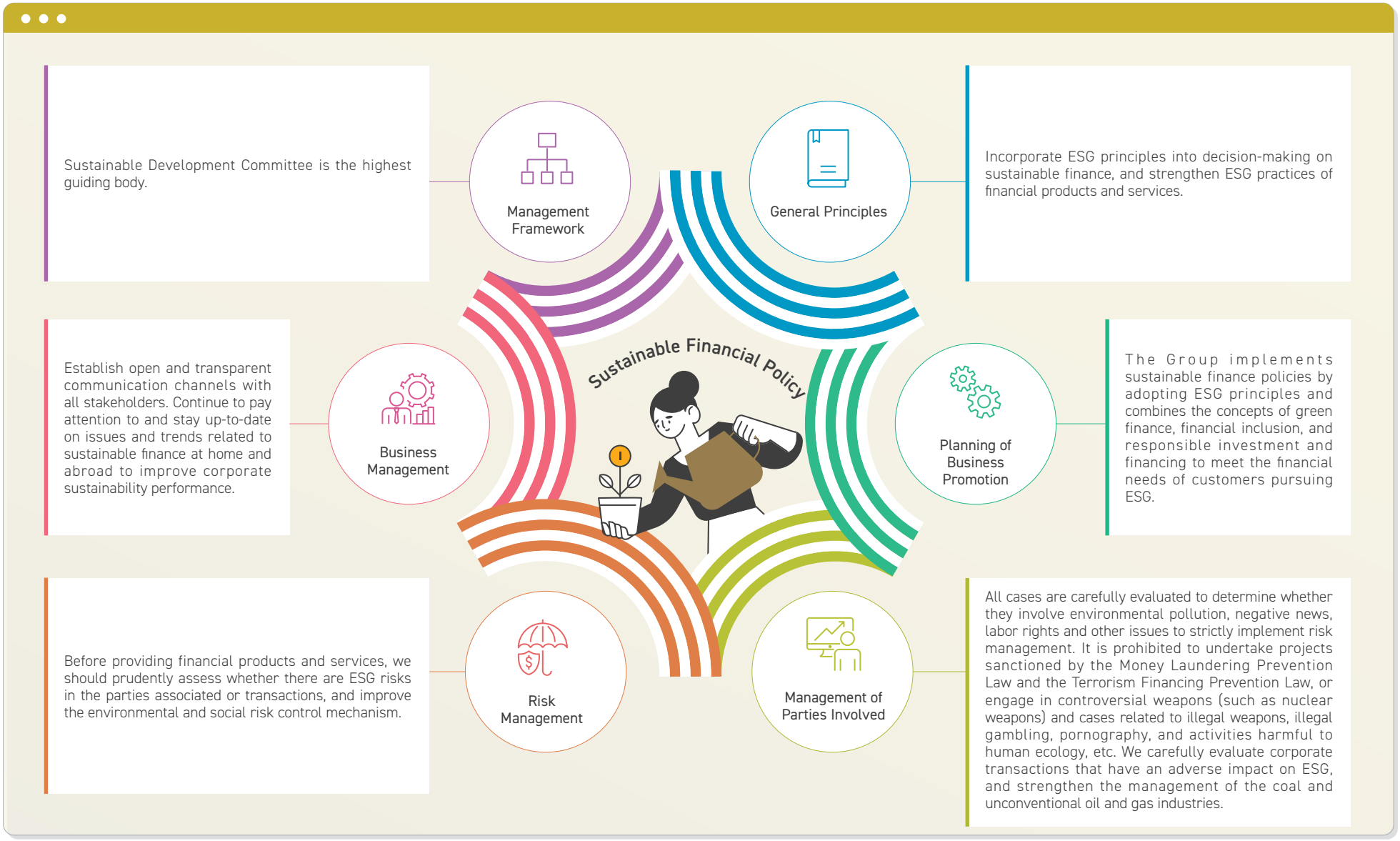
PRI Principles for Responsible Investment | UNEP FINANCE INITIATIVE PRINCIPLES FOR RESPONSIBLE BANKING | PSI Principles for Sustainable Insurance | EQUATOR PRINCIPLES

Principles for Responsible Investment (PRI) — Principles for Responsible Banking (PRB) — Principles for Sustainable Insurance (PSI) — Equator Principles (EPs)

Sustainable Financial Policy

	Sustainable Investment	Sustainable Deposits	Sustainable Financing		Sustainable Financial Products and Services		Engagement
Comply with Regulations	• ESG investment evaluation process • Review and supervisory principles for disclosure items for issuing of ESG funds	• Green and sustainable time deposit plan	• ESG loan reviews • Guidelines for Long-Term Care Institutions Loans and Improvement of Public Safety Facilities and Equipment Loan Projects for Long-Term Care Institutions • Sustainability-Linked Loan Projects • Guidelines for Processing the Loans to Renewable Energy Generator Facility • Guidelines for Processing Loans on Solar Photovoltaic Power Generators Facility • Guidelines for Processing Loans on Biomass Energy Generator Facility • Review of anti-money laundering (AML) and politically exposed persons (PEPs)	• Equator Principles (EP) Guidelines • Rules for Project Financing	• Review of anti-money laundering (AML) and politically exposed persons (PEPs)		• Institutional investors' due diligence and governance
Products	• Thematic investment • Sustainable bonds	• Green and sustainable time deposit	• General financing (corporate Financing, consumer financing, SMEs)	• Project financing	• Sustainable funds	• Green credit cards	

Sustainable Financial Policy



Guidelines and Performance of Sustainable Finance

Each subsidiary of the Group follows the "Sustainable Finance Policy" as the highest guiding principle and formulates relevant procedures for sustainable investment, sustainable financing, and sustainable financial products in accordance with international sustainable finance standards to ensure effective implementation. The Company has established the "Investment and Financing Business Standards for Coal Phase-Out and Unconventional Oil and Gas Exploration" for industries related to coal-fired power generation, coal mining, coal trading, and unconventional oil and gas. These standards define thresholds for investment and financing cases as well as divestment deadlines (there is currently no investment in arctic oil and gas). Before the divestment period ends, the Company seeks to understand the investee's carbon reduction actions or net-zero plans and engages in ongoing dialogue with clients to support their low-carbon transition.

To promote joint sustainable development with investee companies, TCB, TCS, BNP TCB Life, and TCSIT have all signed the "Stewardship Principles for Institutional Investors" declaration. Through dialogue with investee companies and participation in shareholders' meetings, the Group continues to monitor the implementation of ESG practices. The Group also regularly discloses stewardship reports, annual voting records, and engagement records, actively practicing shareholder activism.

Sustainable Investments

ESG Investment

Assessment

- Guidelines for Identifying Sustainable Economic Activities: To drive investee companies toward sustainability and carbon reduction through engagement, a questionnaire has been developed based on the "Guidelines for Identifying Sustainable Economic Activities". The questionnaire covers company profile information and ESG data, such as GHG emissions over the past year, energy management, environmental protection, social responsibility, and corporate governance practices. The purpose is to determine whether the company qualifies as engaging in sustainable economic activities. We also conduct an inventory and disclosure of the implementation status of the sustainable economic activities of investee companies, or collect information disclosed in the sustainability reports published by listed companies to identify the implementation status of the sustainable economic activities of investee companies.
- Incorporating ESG Evaluation into Investment Analysis and Decision-Making: External databases are used to verify the ESG scores or ratings of investee companies, and the fund utilization plans of green-related investment targets are included in the review process. Investee companies are required to fulfill their responsibilities in environmental protection, corporate integrity, and social responsibility (e.g., prohibiting investments in the tobacco industry), as well as to implement anti-money laundering (AML) and counter-terrorism financing (CTF) measures. Additionally, constituent stocks from indices such as the FTSE4Good TIP Taiwan ESG Index, MSCI Taiwan Select ESG Sustainability High Yield Top 30 Index, NYSE FacTset Taiwan ESG Leading Semiconductor Index, Taiwan Employment creation 99 Index, Taiwan High Compensation 100 Index, and the Corporate Governance Index are referenced and taken into account when making domestic equity investment decisions.

Review

Regularly review the ESG performance of investee companies (including investment targets such as stocks, bonds, and ESG-themed funds).

Treatment

When invest companies violate relevant circumstances, whether to continue to keep, dispose of or reduce the investment position will be decided in the investment policy meetings.

Bond Investment

TCB follows the "Guidelines for Identifying Sustainable Economic Activities" and emphasizes investments in bonds with "Green", "Sustainable", and "ESG" labels.

Sustainable development bond investments recognized by the Taipei Exchange over the past 3 years:

Unit: NT$ billion

Year	New Taiwan Dollar bonds			Foreign currency bonds			Total
	Green Bonds	Social Responsibility Bonds	Sustainable Development Bonds	Green Bonds	Social Responsibility Bonds	Sustainable Development Bonds	
2024	7.4	1.3	-	1.508	-	-	10.208
2023	1.36	-	-	0.656	0.984	0.951	3.951
2022	0.3	-	0.1	-	-	-	0.4
Total	9.06	1.3	0.1	2.164	0.984	0.951	14.559

ESG Bond Issuance

TCB issued green, sustainable, and social bonds and other ESG bonds. As of the end of 2024, TCB has raised a total of NT$ 9 billion, surpassing other state-owned banks and is the 1st state-owned bank that has completed the 3 ESG issuance goals. The funds raised from these bonds are fully utilized for loans on green investments and social benefits investment projects.

In 2024, a social responsibility bond (bond abbreviation: P13 TCB 3, code: G12449) was issued in the amount of NT$1 billion. This bond was certified by the Taipei Exchange as a sustainable development bond eligible for designated sustainable funding.

Issuance Date	Type of Bond	Issuance Amount	Specific Benefits
November 28, 2019	2019 2nd tranche unsecured senior green bonds	NT$1 billion	There were 96 cases of loan appropriation to support green investment projects, with a total of 24.2683 million kWh of electricity generated, equivalent to a reduction of carbon emissions by approximately 12,183 tCO_2e.
May 31, 2021	2021 1st tranche unsecured senior sustainable development bonds	NT$1 billion	A total of 13 loans amounting to NT$350 million were allocated for green investment projects, and 336 loans totaling NT$650 million were allocated for socially beneficial investment projects. A total of 103 individuals and 264 companies benefited, with cumulative power generation reaching 132.435 million kWh, approximately reducing carbon emissions by 66,482 tCO_2e.
October 29, 2021	2022 2nd tranche unsecured senior social responsibility bonds	NT$1 billion	Provided loans to support socially beneficial investment projects, helping 137 families without homeownership to purchase their homes, reducing the burden on first-time buyers.
September 28, 2022	2022 3rd tranche unsecured senior sustainable development bonds	NT$2.5 billion	A total of 36 loans amounting to NT$750 million were allocated for green investment projects, and 331 loans totaling NT$1.75 billion were allocated for socially beneficial investment projects. A total of 180 individuals and 145 companies benefited, with cumulative power generation reaching 20.02 million kWh, approximately reducing carbon emissions by 9,491 tCO_2e.
March 20, 2023	2023 2nd tranche unsecured senior sustainable development bonds	NT$2.5 billion	A total of 8 loans amounting to NT$516 million were allocated for green investment projects, and 353 loans totaling NT$1.75 billion were allocated for socially beneficial investment projects. A total of 211 individuals and 139 companies benefited, with cumulative power generation reaching 20.36 million kWh, approximately reducing carbon emissions by 10,058 tCO_2e.
September 30, 2024	2024 5th tranche unsecured senior social responsibility bonds	NT$1 billion	Socially beneficial investment projects amounted to NT$610 million, with 370 cases of loan appropriation. These appropriations have benefited a total of 329 individuals and 1 company.

Note 1. As of the end of 2024, the total balance of social responsibility bonds and sustainable development bonds issued by TCB accounted for 12.49% of the balance of financial bonds issued.
2. The amount of newly issued sustainable development bonds by TCB in 2024 accounted for 7.19% of the amount of financial bonds issued in that year.

Sustainable Deposits

Sustainable Deposits

To help raise funds to be devoted to green or socially beneficial investment projects, TCB followed the Green Bond Principles 2021, Social Bond Principles 2021, and Sustainability Bond Guidelines 2021 of the International Capital Market Association (ICMA) and prepared the "Green and Sustainable Time Deposit Plan", with the "Green and Sustainable Time Deposit" project introduced in 2023. The raised funds will be primarily utilized for green investment projects featuring renewable energy and energy technology developments, energy use efficiency enhancement and energy conservation, and waste recycling/treatment or re-utilization, as well as for socially beneficial investment projects featuring affordable housing, creation of job opportunities, and alleviation or avoidance of unemployment as a result of socioeconomic crises. As of the end of 2024, the cumulative amount of financing reached NT$2.86 billion. In addition, the 2024 report on the use of funds from the "Green and Sustainable Time Deposit" project obtained a limited assurance report from a certified public accountant.

Sustainable Financing

General Financing

ESG Credit Review

- Follow the "Sustainable Financial Policy" and avoid undertaking projects whose primary operations have significant adverse impacts on the environment or the sustainable development of society. We also prohibit business with entities sanctioned by the competent authority in accordance with the relevant Money Laundering Control Act and the Terrorism Financing Prevention Act , as well as with entities involved in the production or trade of narcotics, controversial weapons (e.g., nuclear weapons), illegal weapons, and ammunition, illegal gambling (including physical and online casinos), sex industry, the use of driftnets longer than (including) 2.5 km to catch fish, and commercial rainforest logging.
- Established the "Instructions on Managing Sustainable Financing", outlining key focus areas such as human rights and climate change under ESG topics. The guidelines stipulate that during the Know Your Customer (KYC) and customer due diligence processes, the ESG performance of counterparties must be assessed. ESG risk management is integrated into the credit review process for corporate, personal, and SME (including sole proprietorships and partnerships) lending businesses. In addition to anti-money laundering and counter-terrorism financing reviews, credit assessments also consider whether the borrower fulfills responsibilities in environmental protection, ethical business practices, and social responsibility. This includes reviewing any ESG-related issues such as being listed as a regulated pollution source and penalized within the past year, violations of labor laws, serious occupational accidents or industrial safety incidents, outstanding payments to the Wage Arrears Repayment Fund or labor retirement reserves, and other negative ESG events. Enterprises are encouraged to complete the "Corporate ESG Information and Sustainable Economic Activities Self-Assessment Questionnaire" provided by the Joint Credit Information Center (JCIC). The questionnaire covers ESG-related information such as greenhouse gas emissions and climate transition plans. It also refers to the Guidelines for Identifying Sustainable Economic Activities to assess whether the enterprise aligns with environmental objectives such as "sustainable use and conservation of water and marine resources", "transition to a circular economy", "pollution prevention and control"and "Social protection.
- To implement the sustainable financing policy, credit review procedures have been established for corporate lending cases reported to the Joint Credit Information Center under three categories: "Green Credit", "Sustainability-Linked Credit", and "Social Responsibility Credit". The relevant criteria align with international standards to ensure that funds are directed toward sustainable development purposes or to encourage clients to implement ESG initiatives, thereby enhancing environmental and social benefits.
- To further support the development of the green energy industry, TCB has formulated guidelines such as the"Guidelines for Processing the Loans to Renewable Energy Generator Facility", "Guidelines for Processing Loans on Solar Photovoltaic Power Generators Facility", and "Guidelines for Processing Loans on Biomass Energy Generator Facility." Loans to the six core strategic industries are prioritized to promote the transformation of the green energy sector, with financing provided for equipment installation and procurement, capital expenditures, and working capital. In support of the government's industrial transformation policy, the Bank also launched the "Ministry of Economic Affairs Project of Giving Loans to Small-to-Medium-Sized Enterprises for Assisting in Low-carbon Smart Transformation and Development and Including Factories under Control and Optimizing Infrastructures of Specific Factories", with an outstanding loan balance of NT$24.765 billion as of the end of 2024.
- To encourage clients in implementing ESG practices, TCB introduced the "Sustainability-Linked Loan Project" and actively engages in consultations with corporate clients to align on compliance conditions. For enterprises that meet the criteria for sustainability-linked loans, interest rate discounts may be applied. Each year, the sustainability indicators are reviewed, and if the standards are not maintained, the interest rate discount for that item will be withdrawn. As of the end of 2024, the outstanding balance of such loans reached NT$55.156 billion, accounting for 3.01% of total corporate credit.
- In collateral assessments, soil liquefaction and flood risks are included in the evaluation scope, further integrating ESG considerations into financial products and services.

Loan application, risk assessment and review

Business unit submits the loan application

Reviewer evaluates the case

Deliberate on whether or not the customer has fulfilled its environmental protection, ethical corporate management, and social responsibilities and determine if it falls within the scope of sustainable finance

Sustainable finance → Approve loan terms in conjunction with sustainable financing projects

Non-sustainable finance → Approve loan terms based on general credit cases

Approve loan terms and credit limit

Sign the contract and commitment terms before disbursing the loan

Contract signing and guarantee verificatio

Post-loan management

Follow post-loan release management-related regulations and periodically track fulfillment of sustainability indicators

1. Begin KYC and CDD procedures and evaluate environmental, social, and corporate governance factors during the financing review procedure to know how the customer emphasizes ESG issues and their fulfillment and include such information for reference upon credit risk evaluation.
   - Does it cause environmental pollution
   - Does it violate labor rights
   - Is there any negative news
   - Is the collateral located in a high climate-risk area
   - Have occupational hazards or industrial accidents occurred
   - Money-laundering blacklist
   - Other ESG issues
2. Prohibited parties:
   - Those under sanction in accordance with applicable Anti-Money Laundering Prevention Act and the Countering the Financing of Terrorism Ac
   - Highly controversial industries (such as illicit drugs, weapons, gambling, etc.)

Designate different loan review authorization levels on the basis of different credit limits, such as the Executive Board of Directors, CEO, Credit Management Department, regional centers, and branch managers

General financing

Performance

Unit: NT$ billion

	Item	2023	2024	Product Description
Corporate Financing	Green loans, social loans, and sustainable loans, sustainability-linked loans (Include SME- tailored sustainable financing)	18.722	15.589	Data collection is based on ESG-related credit cases, including the ESG Machinery and Equipment Upgrading Loan Projects that support the development of a self-sustaining green energy industry; loans for the green power and renewable energy industries among the Six Core Strategic Industries; the Project for Loans to Small-to-Medium-Sized Enterprises to Assist in Low-Carbon, Smart Transformation and Development, and to Optimize the Infrastructure of Regulated and Specific Factories; as well as the Preferential Loan Projects for Long-Term Care Institutions and Loan Projects for Improving Public Safety Facilities and Equipment of Long-Term Care Institutions.
	Total Sustainable value	18.722	15.589	
	Total corporate finance value	43.063	46.919	
	Percentage of sustainable value of total(%)	43.48	33.22	

Note 1. The data in the above table represent the new cases for each year.
2. In 2024, the ratios of green credit and sustainability-linked credit amounts submitted by TCB to the Joint Credit Information Center to the total balance of corporate loans were 3.94% and 3.01%, respectively.
3. As of the end of 2024, TCB had handled a loan balance of NT$800.574 billion for the "Six Core Strategic Industries Project Loans".

Unit: NT$ billion

	Item	2023	2024	Product Description
Consumer Financing	Sustainable loans and mortgages Note 2	3.398	3.504	Data collection is based on personal consumer loans that have obtained the Green Building Label and offer ESG benefits
	Total consumer finance value Note 3	157.766	254.239	
	Percentage of sustainable value over (%)	2.15	1.38	

Note 1. The data in the above table represent the new cases for each year.
2. The amount of green consumption loans of TCB was NT$3.504 billion as of the end of 2024.
3. The total value of personal and mortgage lending includes only house purchase loans and consumer loans under the mortgage business.
4. The ratio of green loans submitted by TCB to the Joint Credit Information Center to the total outstanding balance of personal finance was 0.35%.

Project Financing

General Project Financing

For project financing cases, TCB follows the "Rules for Project Financing". In addition to reviewing regulations for general credit investigation and credit when undertaking project financing, TCB also conducts due diligence and assesses the feasibility and risks of the project plans in terms of finance, law, insurance, technology and tax. External experts, lawyers, accountants, professional consultants, or third-party testing and certification organizations are commissioned to handle and issue reports when necessary.

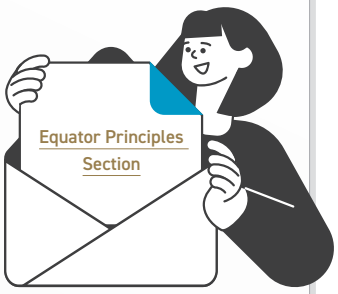
Project Financing

Equator Principles (EPs)

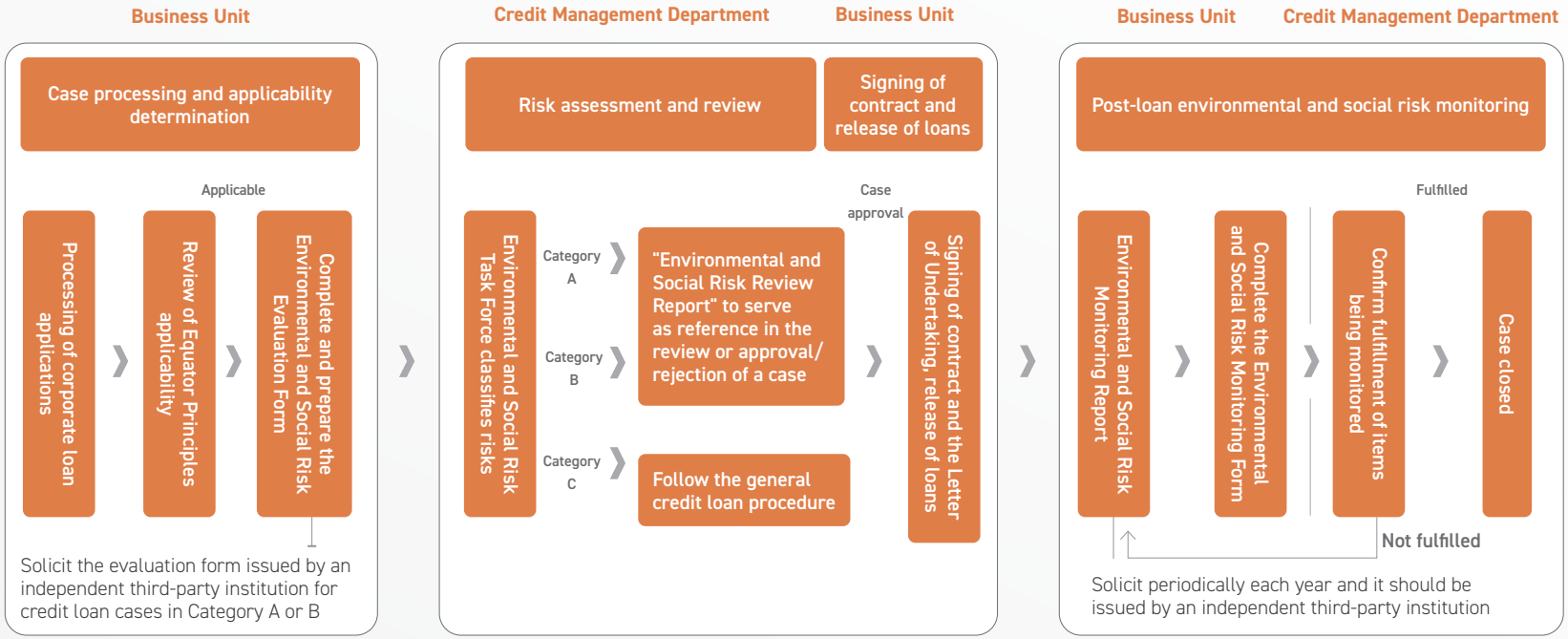
The Company has signed the "Equator Principles" and formulated the "Guidelines for Equator Principles" in accordance with the international standards of the Equator Principles Association, and with reference to the Equator Principles 4.0 Guidelines under the Bankers Association of the Republic of China Members' Credit Guidelines. Environmental protection, ethical management, social responsibility, biodiversity, climate change, and other factors are considered when reviewing creditors' financing cases. If creditors violate the spirit of the "Equator Principles" without reasonable cause, they will be ineligible for new loans or increases in loan amounts. The amount or term of the original loan may be reduced, or part or all of the credit amount may be deemed matured. These conditions are clearly listed in the credit agreement to strengthen the monitoring of creditors' responsibilities and to implement responsible finance.

Before accepting any corporate credit cases, business units will assess applicability in accordance with the "Guidelines for Equator Principles". For credit cases that fall within the applicable scope, the post-lending management and supervision process will continue to confirm whether the cases remain in compliance.

Risk classification is reviewed by the "Environmental and Social Risk Taskforce". This taskforce is established based on assigned missions, with members from TCB's Credit Management Department, Corporate Banking Department, Credit Analysis and Research Department, International Banking Department, and Risk Management Department. In addition, employees with relevant environmental engineering backgrounds may also join to determine the applicable environmental and social risk level. If a case belongs to Category A or B, it will be processed according to the Equator Principles. If it falls under Category C, it will be processed according to the general credit loan process. Furthermore, for Category A or B cases, post-loan environmental and social risk monitoring shall be conducted once a year to ensure the loan applicant is managing their project in accordance the terms set out in the "Equator Principles Letter of Undertaking".



Equator Principles Assessment and Contracting Process



Project Financing

Performance

In 2024, a total of 3 project financing cases were approved under the "Equator Principles" review, bringing the cumulative number of cases to 10 as of the end of 2024. The summaries of the 3 cases approved in 2024 are as follows: Project A involved an urban renewal project for repaying existing loans and construction financing, with a total syndicated loan amount of NT$1.5 billion; Project B involved the construction of a factory, purchase of machinery and equipment, and working capital, with a total syndicated loan amount of NT$3.0 billion; Project C involved the construction of a solar power plant, with a syndicated loan amount of NT$0.8 billion. According to the information provided by the lead bank of the syndicated loans or based on the designated environmental and social risk level, a comprehensive assessment determined that the projects did not pose any impact on the development site, environment, or society. All 3 cases were rated as Category C in terms of environmental and social risk assessment.

Project Financing Cases Reviewed under the Equator Principles in 2024

Case	Project A	Project B	Project C
Industry	Real estate leasing and sales	Power generation, transmission, and distribution machinery manufacturing	Electricity supply
Description	Syndicated loan The funds were used for an urban renewal project to repay existing loans and for construction financing	Syndicated loan The funds were used for factory construction, purchase of machinery and equipment, and working capital	Syndicated loan The funds were used for constructing a solar power plant
Level of Risk	Category C	Category C	Category C
Region	Taiwan (non-designated country)	Taiwan (non-designated country)	Taiwan (non-designated country)
Environmental and Social Risks	• Environmental and social risk assessment and management • Biodiversity • Indigenous peoples and cultural heritage • Land acquisition and involuntary resettlement • Resource efficiency and pollution prevention • Labor and job opportunities • Community health, safety, and security	• Environmental and social risk assessment and management • Biodiversity • Indigenous peoples and cultural heritage • Land acquisition and involuntary resettlement • Resource efficiency and pollution prevention • Labor and job opportunities • Community health, safety, and security	• Environmental and social risk assessment and management • Biodiversity • Indigenous peoples and cultural heritage • Land acquisition and involuntary resettlement • Resource efficiency and pollution prevention • Labor and job opportunities • Community health, safety, and security
Independent Third-Party Review	As the risk level is Category C, there is no requirement to obtain an assessment report from an independent third-party institution.		

As of the end of 2024, TCB had participated in a total of 4 offshore wind power financing projects, issuing a total of NT$5.311 billion in loans. Total installed capacity of approved renewable energy financing projects reached 2,926 MW. The green power generated by renewable energy devices will replace the consumption of traditional electricity and reduce the environmental impacts.

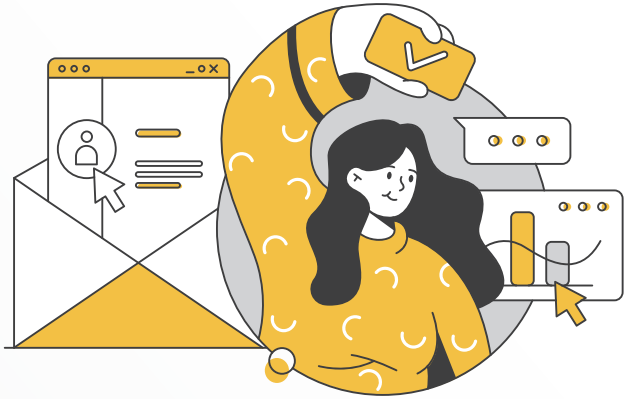
EP or ESG Cases	Quantity/Percentage
Number of projects reviewed under the EP or ESG framework	3
Number of projects/transactions reviewed as a percentage of total projects(%)	100
Number of projects that have reached financial close	3
Number of projects declined	0
Reasons for declining the projects	None

Sustainable Financial Products and Services

ESG risk Assessment (including AML, PEPs, and KYC)

For customers who purchase sustainable financial products and services, such as credit card applicants and trust product investors, TCB implements KYC procedures including AML, PEPs, and negative news review. In addition, the risk attributes of trust product investors are divided into 3 categories: conservative (low risk tolerance level), stable (medium risk tolerance level), and active (high risk tolerance level). Based on the KYC form and the Risk Tolerance Test Form filled out by the customer, a comprehensive assessment and classification of their identity, financial background, income and source of funds, risk preference, past investment experience, entrustment purpose, age, and needs are conducted to ensure the suitability of investment products.

TCSIT also implements KYC procedures, including AML, PEPs, and negative news review, for its customers, and follows the principles for the review and supervision of ESG fund information disclosure items issued by the FSC when offering mutual funds.



Performance

Sustainable Funds

Unit: NT$ billion

Item	Amount	Total Asset Size	Product Description
Domestic ESG funds	1.047	210.647	Compliant with the FSC's Review and Supervisory Principles for Disclosure Items for Issuing of Securities Investment Trust Funds of Themes Related to Environmental, Social and Governance (ESG) by Securities Investment Trust Enterprises (SITEs)
Offshore ESG funds	54.482		Compliant with SFDR Article 8 and Article 9
Total	55.529		
Percentage of total asset size(%)	26.36		

Consumer Financing

Unit: NT$ billion

Item	Debit Amount	Total Debit Amount	Product Description
Social welfare credit cards	1.626	53.294	Lugang Mazu Temple Card, i-Sports Card, Care Card, Huizhong Foundation Card, and Heart Disease Children's Foundation Card
Green and environmentally friendly credit cards	4.253		LOHAS Card and Kanahei Animals Co-Branded Easy Card
Total	5.879		
Percentage of total debit(%)	11.03		

Engagement

Corporate Financing

ESG Engagement with Corporate Financing Customers

TCB implements sustainable finance and has actively engaged with its obligors by formulating the "Sustainability-Linked Loan Projects". The terms and conditions of the loans are tied to sustainable development indicators, with proactive concessions offered through a model that reduces the originally approved interest rate to encourage enterprises to pay attention to sustainable development. TCB also refers to the "Guidelines for Identifying Sustainable Economic Activities" to assess whether clients meet the specified standards, and continuously engages in dialogue with clients regarding ESG risks and opportunities. If significant ESG risks or instances of non-compliance are identified, further communication and oversight for improvement are required. If clients fail to make substantial improvements, TCB will evaluate whether to continue the business relationship.

To support the government's energy transition and industrial transformation policies, assist enterprises in obtaining funding, and expand sustainable finance services, TCB has established the "Incentive Measures for Key Policy Loans". These measures cover lending to the Six Core Strategic Industries, including green electricity and renewable energy. During the evaluation period, account officers (AOs) from business units who perform well in promoting key policy loans are ranked based on a comprehensive performance assessment, and those with outstanding results are granted administrative commendations.

Percentage of Top 10 Industries in ESG Engagement for Corporate Financing

	Industry	Percentage (%)
1	Other electronic component manufacturing not elsewhere classified	10.79
2	Integrated circuit manufacturing	9.04
3	Wholesale of computers, computer peripheral equipment, and software	7.99
4	Audiovisual electronic products manufacturing	5.68
5	Financial leasing	5.20
6	Chemical raw materials manufacturing	4.99
7	Other financial service activities not elsewhere classified	4.95
8	Plastic raw materials manufacturing	4.03
9	Plastic sheeting, boards, and pipes manufacturing	4.03
10	Real estate leasing and sales	3.12

5,000 ESG SMEs Engaged in Carbon Reduction Under TCB's Guidance

In 2023, TCB embedded ESG principles into its core financing operations and, in collaboration with various technical experts, provided comprehensive and practical carbon reduction financing solutions. It successfully assisted 5,000 SME borrowers in lowering emissions through engagement, becoming Taiwan's first financial institution to achieve this milestone. This fully demonstrates TCFHC's strong commitment to ESG issues, guiding clients to commit to carbon reduction and transforming ESG into a growth solution for SMEs.

Moreover, to recognize SME obligors actively committed to sustainable development, TCFHC sponsored the 2024 "D&B Top 1000 Elite SME Awards", encouraging more enterprises to join the sustainability transition.

Consumer financing

ESG Engagement with Consumer Financing Customers

TCB actively discusses ESG risks and opportunities with obligors. Through social media such as Facebook and its official website, TCB promotes ESG green consumption using related promotional materials, including messages like "prioritize purchasing green buildings, conserve energy effectively, and realize a green lifestyle" for mortgage services. Customer engagement is reinforced in the credit loan business through phrases such as "replace old with new and emphasize environmental protection as a joint effort to safeguard a sustainable and beautiful homeland". Those who meet the conditions for ESG green consumer loans may enjoy preferential loan interest rates to encourage customer participation in green consumption.

Green Credit Loan Process for Consumer Financing

Consumer applies for a loan with the business unit

Reviewer evaluates the case

The CDD/KYC procedure is carried out while the collateral is evaluated according to the climate risk level to protect the creditor's rights

Confirm whether the use of credit funds falls within the following green finance categories in consumer financing

1. Mortgage - Houses with the green building symbol are solicited as collaterals
2. Credit loan - Home appliances and electric vehicles carrying the energy-saving symbol are purchased

Yes: Applicable to green sustainable finance preferential interest rate project

No: Applicable to gengeral personal credit interest rates

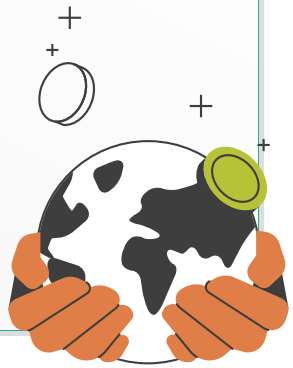
Approval of credit limit

According to relevant regulations on post-lending management, if it falls within the scope of green finance, it should be tracked and monitored

"Finance + Technology Joint Advocacy"

The World Economic Forum's "Global Risks Report 2024" shows that over half of the top 10 risks in the coming 10 years are related to climate and environmental issues. TCFHC adheres to exerting its core financial influence, leading in guiding other industries and customers to jointly deepen the emphasis on and practice of ESG, and contribute to coexistence and mutual prosperity among finance, enterprises, and the social environment, making the best of its core financial influence.

Since 2021, TCFHC has joined the "Finance x ESG Research Networking Platform", co-established by the Taipei Foundation of Finance, the British Standards Institution (BSI), and Google Taiwan. At present, more than 20 major financial holding, securities, and insurance companies in Taiwan have joined the platform. Through regular "industry exchange and sharing forums", representative leaders from industry, government, and academia are invited to discuss and provide suggestions to promote the sustainable development of Taiwan's finance x ESG ecosystem.



"ESG Seminars"

Since 2021, TCFHC has held annual ESG-themed seminars, inviting experts from industry, government, and academia to share insights on domestic and international sustainable development trends. These seminars aim to deepen the culture of sustainable governance within the Group.

The 2024 seminar focused on 3 key themes, highlighting our attention to critical issues facing the financial industry. First, a professor from National Taipei University delivered a talk on "Net Zero Challenges and Investment and Financing Strategies for Financial Institutions", providing an in-depth analysis of the challenges financial institutions face in achieving net-zero emissions, and exploring how adjusting investment and financing strategies can guide capital flows toward sustainable development. Second, the seminar emphasized the importance of ethical corporate management, with a detailed presentation on "Insider Trading and Ethical Corporate Management Best Practice Principles". Finally, the spotlight turned to social responsibility, with the deputy director of the League for Persons with Disabilities, R.O.C. (Taiwan), presenting on the "CRPD – Convention on the Rights of Persons with Disabilities", aimed at enhancing awareness and respect for the rights of persons with disabilities.

Through seminars that combine depth and breadth, TCFHC not only strengthens ESG awareness among directors and senior management, but also promotes internal experience sharing and collaboration across the Group—contributing to the development of more comprehensive sustainable development strategies.

4.2 Protection of Customer Rights

GRI 2-23、2-24、417-1、417-2、418-1

TCFHC upholds a customer-centric service philosophy and strictly adheres to relevant regulations to ensure transparency and fairness in all business activities. To enhance service quality and customer experience, we continue to provide comprehensive communication and complaint channels, ensuring that customer rights are not compromised while creating maximum value and trust for our clients.

Maintenance of Customer Relations

To improve the quality of customer service, TCFHC engages with consumers every year, listens attentively, and seeks to understand their opinions on financial products and services. We have established a comprehensive tiered system and handling process for customer complaints to ensure effective resolution within the required time frame and to safeguard customer rights.

Customer Satisfaction

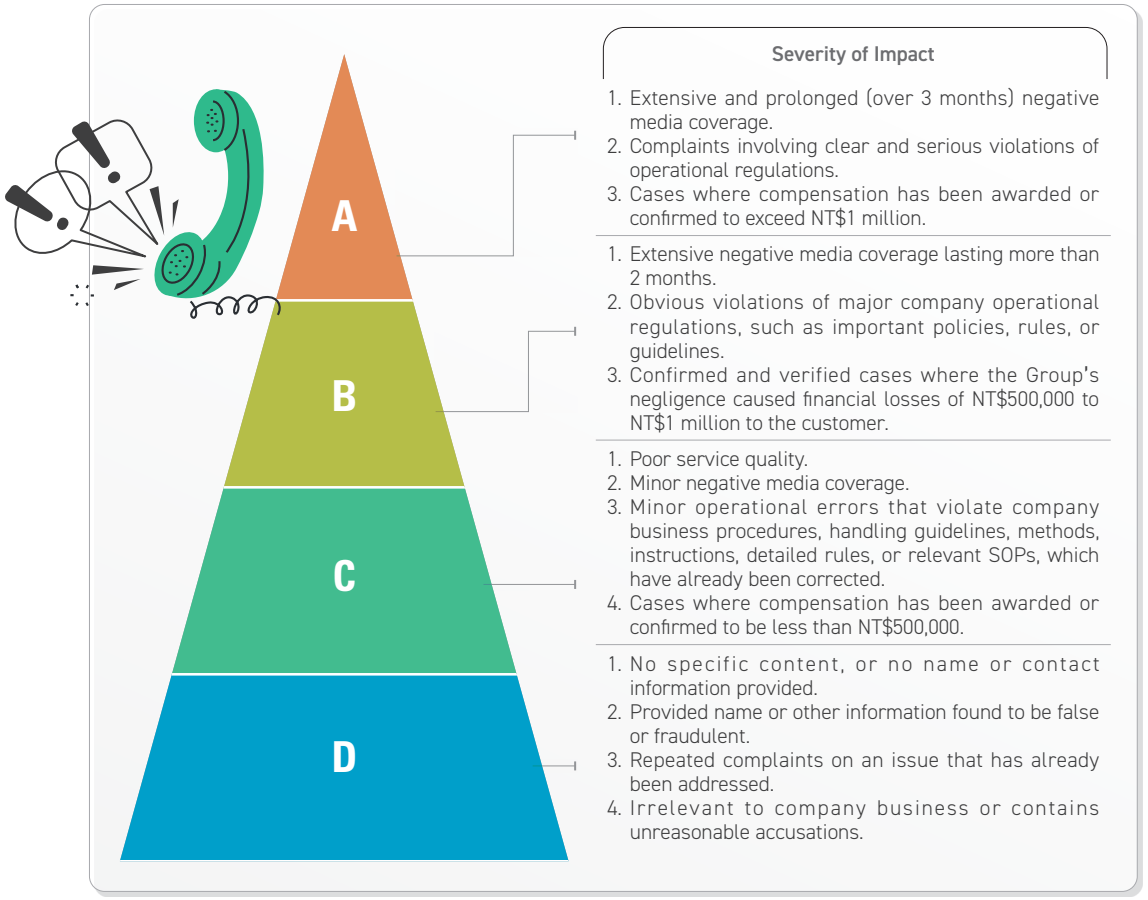
TCB, TCS, and BNP TCB Life conduct customer satisfaction surveys annually. Based on the survey results, we thoroughly review areas in the service process that require improvement to continuously enhance the overall service experience.

	2021	2022	2023	2024	Target for 2024
Customer satisfaction rate (%)	92	93	95	95	94
Data coverage rate (% of revenue)	97	97	99	99	

Customer Communication Channels

TCFHC has set up smooth communication and complaint channels, including a hotline and email. As soon as the Group receives a complaint case, it is registered and handled through the customer complaint operational procedure. The entire processing of any case is handled in accordance with the "Personal Information Protection Act" to protect customers' privacy. The handling process and the resulting improvement measures are then reported to the president to ensure the refinement of customer service. In 2024, the total number of customer complaint cases the Group received was 275. Among them, 5 cases were rated as Level D and the others as Level C, all of which were dealt with and closed.

Customer Complaint Severity Classification Table



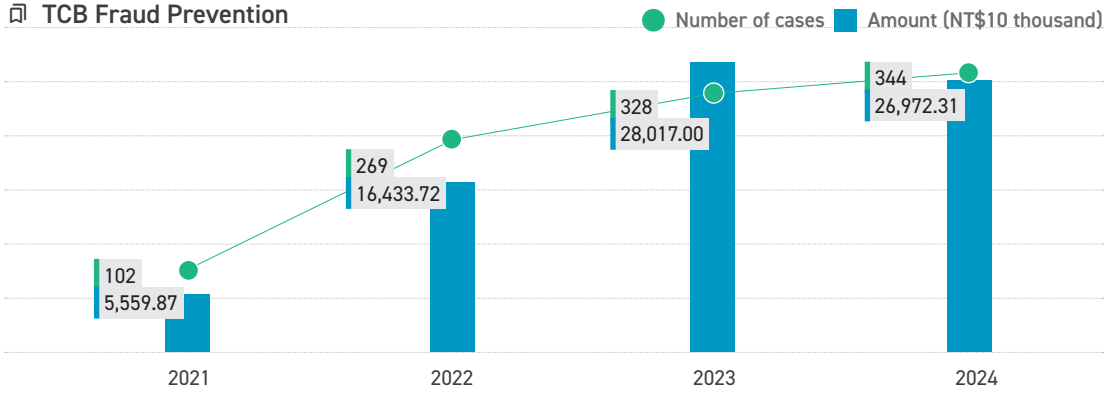
Since 2023, TCB has adopted the international standard for customer complaint quality management—ISO 10002—from the British Standards Institution (BSI). By referencing global regulations and practices for complaint handling mechanisms, TCB has conducted a comprehensive review of customer complaints. Responsible departments are required to identify the root causes of complaints and implement corrective actions accordingly. Furthermore, to ensure that customer concerns are properly addressed or responded to, starting in 2024, TCB follows up within 30 days after case closure to check whether the customer has raised any further opinions regarding the same issue. For unresolved cases where consensus has not been reached, continued follow-up is conducted, demonstrating TCB's commitment to protecting financial consumers through concrete actions.

Combating Financial Fraud

In recent years, fraud schemes have become increasingly rampant and sophisticated. To protect the public's financial assets, TCB established a cross-departmental anti-fraud taskforce composed of representatives from sales, compliance, and technology teams. This taskforce collaborates across multiple areas to block fraudulent activities and has established an internal anti-fraud early warning system. Following the guidelines of the "Precautions for Suspicious Illegitimate or Obvious Abnormal Transactions of Savings Accounts" and "Caring Questions for Customers Seeking Counter Service," TCB enhances KYC procedures, performs caring inquiries, and implements control measures for suspected mule accounts during in-person deposits, withdrawals, or remittances. Daily customer transaction monitoring is conducted via reports and fraud models to manage abnormal accounts in real time. A comprehensive abnormal transaction reporting mechanism is also in place, with the 24-hour customer service center responsible for receiving and handling joint fraud prevention reports. An "Early Warning Mechanism for Accounts Potentially Involved in Domestic and Cross-Border Fraud" has also been established, enabling cooperation with the police to prevent customers from falling victim to scams. To further strengthen technology-based fraud prevention, the AI Fraud Prevention and Early Warning Model was introduced in July 2024, using AI technology to analyze customer behavior and assist frontline staff in promptly intercepting illegal fraud. In addition, to ensure the effective implementation of fraud prevention measures, we completed "mystery shopper audits" in 2024 at 66 business units to verify and manage the early warning lists generated by the model, and also conducted on-site supervision of the top 10 business units with the highest number of newly flagged accounts.

Given the rise of new types of fraud crimes, we have used multiple channels in 2024 to raise awareness and show concern for customers. For example, specially designed reminder cards for "in-person caring questions" are placed at NTD counters to enhance caring and questioning skills of business unit personnel and help customers use the National Police Agency's "3-Step Investment Scam Self-Check" to determine whether they are being scammed. For customers aged 55 and above, the system automatically prompts tellers to ask caring questions when they conduct deposits, withdrawals, remittances, or terminate time deposits. For withdrawals exceeding NT$1 million, real-time SMS alerts are sent. We have also enhanced risk parameter controls for transaction types related to credit card fraud. When a customer applies to designate a receiving account and the "total number of times it has been designated" reaches a risk threshold, additional care is required. Real-time SMS notification service has also been added for lost financial card reports to protect customer rights and interests. In addition, TCB periodically publishes the latest anti-fraud awareness videos, real-case examples, and level-based online fraud detection games on its Facebook page, official website, branches, and ATMs to strengthen fraud prevention education.

TCB Fraud Prevention



To enhance employees' awareness of fraud prevention, we held 4 deposit and remittance teller training sessions and 14 sessions on fraud prevention case studies and financial fraud trends in 2024, with a total of 1,898 participants. To raise public awareness of fraud prevention and enhance efforts to prevent financial fraud in remote areas, we collaborated with police departments and people in these regions and held 11 sessions of the "Fraud Prevention and Financial Literacy Enhancement" campaign, with a total of 261 participants. Additionally, 3 campus events titled "Fraud Prevention Pioneers: Stay Safe in Your Youth" were held at universities, educating 376 students on anti-fraud knowledge and skills.

To encourage staff to help prevent the public from falling victim to fraud, TCB has established an incentive mechanism for employees who intervene in fraud attempts. Based on the amount prevented, employees are either awarded bonuses or given commendations. In 2024, a total of 344 cases were stopped, preventing approximately NT$270 million in losses. A total of 67 commendations were granted, and NT$591,000 in bonuses was awarded. In addition to individual bonuses, business units that successfully intercepted fraud cases also received additional points in regulatory compliance evaluations. Moreover, a TCB employee was recognized in the 2024 "Senior Forum on Financial Fraud Prevention" as an outstanding frontline bank teller for effective caring questions made at the counter.

Case Study

Mrs. Lien (depositor of TCB) went to a TCB branch to make a wire transfer. As the transfer involved a large sum of money, TCB teller asked about the purpose of the transaction. Mrs. Lien explained that it was the down payment for a house in Beitou for his "future daughter-in-law". When the teller asked further, Mrs. Lien mentioned that his son works as a diving instructor in Kenting. Sensing something unusual, the teller found it illogical that the son working in Kenting would be buying property in Beitou. While helping Mrs. Lien verify the account number and account holder's name, the teller discovered that the message sender was not actually the "future daughter-in-law". Mrs. Lien hastily explained that the sender was in fact his "close female friend". The teller immediately suspected that Mrs. Lien might be the target of a scam and asked her to reconfirm the transfer details. When Mrs. Lien contacted the other party, the person insisted she step outside the bank to speak. However, upon realizing a bank teller was nearby, the caller quickly hung up. After repeated persuasion by the teller, Mrs. Lien admitted that he had been coached by his "close female friend" on how to respond because she couldn't explain the true reason for the transfer. The teller contacted the police using the pretext of checking the recipient account for irregularities. Officers from a local police station were dispatched to the branch, and it was ultimately confirmed that the other party was impersonating Mrs. Lien's "close female friend" to commit fraud. Thanks to TCB teller's vigilance, Mrs. Lien's assets were successfully protected.

Fair Customer Treatment

TCFHC incorporates the spirit of fair treatment into its service processes and corporate culture, while continuously strengthening employee training to ensure that all customers are treated without discrimination, thereby fulfilling its duty to protect every customer.

Principles for Treating Customers Fairly

To effectively protect the rights and interests of financial consumers, TCB established the "Consumer Protection and Fair Customer Treatment Promotion Committee" in 2019, with the president serving as the convener. The committee is composed of an executive vice president, a chief compliance officer, and 22 supervisors from the business management units of the headquarters as committee members. They are responsible for formulating policies and strategies concerning the Principles of Treating Customers Fairly, handling significant consumer disputes, and reviewing the progress and evaluation results of promoting fair customer treatment. They also periodically compile customer complaints and Financial Ombudsman Institution (FOI) cases, as well as reflections on and improvements made regarding respective cases, and submit them to the Board of Directors.

TCB, TCS, BNP TCB Life, and TCBF have all established policies and implementation regulations relevant to the Principles for Treating Customers Fairly, added friendly financial service regulations, and coordinated the implementation efforts of relevant departments. A dedicated unit centrally manages implementation and compiles how the regulations are enforced before reporting to the Board of Directors, so that colleagues honor the principles of being honest and truthful in various aspects, namely, the distribution of products and services, advertising and soliciting, protection of the right to complain, and professionalism of salespersons, and abide by the "Ethical Corporate Management Best Practice Principles", "Financial Consumer Protection Act", and "Financial Service Industry Principles for Treating Customers Fairly". We also require our financial consultants to sign the "Code of Behavior for Wealth Management Employees" before onboarding or conducting business to ensure the rights and interests of customers, and we conduct annual credit audits on the financial consultants.

To implement the principle of friendly financial services, TCB regularly reviews the causes handling methods of cases involving messages left by senior and disabled customers. TCB continues to optimize the operating system for messages and the webpage of the website's mailbox for the public to ensure its products and services meet customer needs and protect financial consumers' rights. The "Advanced Workshop on the Principles for Treating Customers Fairly" was held in August 2024. Members of the FOI were invited to share and discuss financial laws, regulations, and cases with high-ranking managers such as directors, vice presidents, the chief compliance officer, the general auditor, and unit heads. Topics included "Insights of Reviewed Cases", "Financially Friendly Services", and the "Convention on the Rights of Persons with Disabilities (CRPD)", to strengthen and consolidate the protection of customer rights.

The subsidiaries also regularly organize employee education and training, conduct internal evaluations, or initiate secret customer testing to understand the implementation of the Principles for Treating Customers Fairly and to formulate improvement measures. No major deficiencies were found in the internal audit results for 2024.

Statistics on Training on Principles for Treating Customers Fairly

Company	Number of Employees Expected to Participate in the Training (persons)	Number of Employees Who Completed the Training (persons)	Completion Rate (%)
TCB	8,453	8,453	100
TCS	431	431	
TCBF	126	126	
BNP TCB Life	276	276	
TCSIT	40	40	
Total	9,326	9,326	

Procedures for Product Review

All the financial products or services introduced by the Group, including design and planning, promotion, marketing, fulfillment of contract requirements, service consultation, handling of customer complaints, and financial consumption disputes, take into consideration the needs of customers to ensure they are treated fairly and reasonably. In addition to complying with the Financial Consumer Protection Act and the regulatory requirements defined for the specific type of business, internal reviews are required to ensure the absence of improper content, untruthful statements, and other conditions that may mislead consumers or violate applicable laws and self-regulatory rules associated with the products. If the said products require approval from competent authorities before being made available for sale, they shall still be adequately examined for appropriateness in light of actual sales of financial products, consumer feedback, and applicable laws. Before the Group enters into a contract to provide financial products or services to customers, it adheres to the principles of fairness, reasonableness, equality, reciprocity, and good faith, fully explains the important contents of the financial products, services and contracts, and fully discloses risks.

Product Review Meetings in 2024

TCB

Number of products reviewed

32 times

Review Working Group meetings

- 177 domestic products
- 168 overseas products

BNP TCB Life

Number of products reviewed

10 times

Review Working Group meetings

- 16 new products reviewed and approved/registered with the competent authority
- 145 products with modifications directly filed or partially amended

TCSIT

Number of products reviewed

5 times

Review Working Group meetings

- 7 products of various types reviewed (maturity-based, multi-asset, index, bond, portfolio, and private equity)

TCS

Number of products reviewed

6 times Note

Review Working Group meetings

- 18 new products added for regular fixed-amount trading

Note: Meeting were held, with 5 product review were replaced by written communication.

Privacy Protection

Privacy Protection Policies and Management

As the financial businesses operated by each subsidiary involve a large amount of personal information, the Group has improved the content of privacy protection through 3 aspects: "Customer Information Confidentiality", "Privacy Statement on the Sharing of Customer Information", and "Protection of Personal Information". Related management measures have been incorporated into the dedicated unit's "Checklist of Self-Evaluation on Legal Compliance", which is conducted every 6 months to enable regular self-assessment and ensure compliance.

Customer Information Confidentiality

To provide customers with more complete and diverse financial products or services, the Company has formulated the "TCFHC Customer Information Confidentiality Measures" and published them on the official websites of the respective subsidiaries. These measures include specific information on how customer data are collected, stored, and retained, data security and protection, data classification, scope and items of utilization, purpose of data utilization, to whom the data are disclosed, how to change and modify customer data, what to do if customers are unwilling to receive information on shared marketing events of the Group or unwilling to allow inter-utilization of their data throughout the Group, and disclosure of the subsidiaries among which customer data are disclosed and utilized interchangeably.

Customer Data Sharing Privacy Protection Statement

To improve customer convenience, strengthen the Company's risk management, and promote cooperation among financial institutions to ensure consumer rights, the Company has formulated the "Customer Data Sharing Privacy Protection Statement" under the principle of information security, allowing appropriate use of customer data. The Company has established a control mechanism for sharing data among financial institutions within the Group. It has also disclosed the "Privacy Statement on the Sharing of Customer Information" on its official website, which includes customer protection measures when sharing data and methods for protecting customer rights and interests, thereby improving the Group's transparency in data sharing and enhancing customer trust.

Protection of Personal Information

The Company has formulated the "Personal Data Protection Management Policy", which applies to the Company, its subsidiaries, and suppliers entrusted by the Company and its subsidiaries to collect, process, or use personal data, to implement the Group's protection of personal data and privacy rights. Meanwhile, there are also the "Personal Data File Security Maintenance Measures" and the "Personal Data File Security Audit Mechanism". In addition, all subsidiaries are equipped with personal data protection management policies or utilization guidelines. For example, TCB governs the "nature of customer data", "method of use", "retention period", "access, transfer, amendment, and deletion", "disclosure to third parties", and "freedom of choice whether to provide relevant personal data and types of data", among other customer rights and interests, and fully discloses them on its official website to inform customers. Full disclosures or notifications are also provided through the products or services. In addition, guidelines are in place for changing related information, cancelling utilization, and filing grievances.

The Company and its subsidiaries have also set up an operational organization for personal data protection management to promote and handle the security audit of personal data files, develop acceptable risk values for personal data files, and conduct risk assessment and self-assessment operations for personal data files. In addition, according to the "Personal Data Protection Management Policy", the Company is required to conduct internal audits on a regular basis to check the effectiveness of the personal data protection management system and its implementation. In accordance with regulatory requirements, subsidiaries are required to engage external institutions to conduct audits. For example, TCB and TCBF include personal data protection management in the annual internal control system audits conducted by certified public accountants, while BNP TCB Life engages accountants annually to perform compliance assessments. These measures help monitor and improve the effectiveness of personal data protection management. In 2024, TCB and BNP TCB Life obtained the "BS 10012:2017 Personal Information Management System" international standard certification and maintained the validity of the certificate. TCS also completed external verification by the Taiwan Personal Information Protection & Administration System (TPIPAS), successfully passed the verification update, and continued to maintain the validity of the TPIPAS verification.

Personal Information Protection and Management Working Group

↓

Convener

TCFHC Chief Compliance Officer

↓

Members

Personal Information Committee members from the business units at TCFHC and personal information supervisors of the subsidiaries

Responsibilities of the Working Group

- Review and supervise personal data protection-related incidents
- Review personal data risk classification and improvement plans
- Review improvement and preventive measures when a personal data protection self-assessment report may violate the law or contain significant errors
- Present personal data protection work plans
- Present or review important personal data protection issues at subsidiaries
- Report or review other personal data protection activities

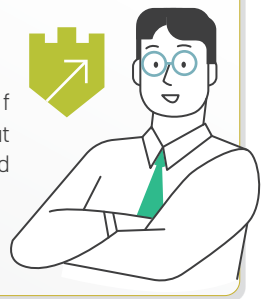
Procedures for Handling Privacy Protection

In response to security breaches, including personal data being stolen, altered, damaged, destroyed, or disclosed, the Company has established the "Response Notifications and Preventions of Personal Information Breach". Each subsidiary has also implemented personal data incident response and reporting procedures. For example, TCB follows the "Guidelines for Handling and Reporting Personal Information Security Incidents" when handling personal information incidents involving information leaks. For general personal information incidents, the units in charge should be notified first, and the response procedure includes investigating the cause, notifying the parties involved, and discussing corrective and preventive measures. Where customer information is involved and the incident is classified as a material event, the Crisis Management Taskforce will be assembled to perform post-incident response measures while maintaining close communication with the customer and issuing a standard news release if necessary. In addition, the Group also has regulations such as the "Personal Data Protection Management Policy" and "Employee Reward and Punishment Points". Any employee found leaking business secrets or violating internal regulations will receive reprimands, demerits, or even termination of their labor contracts as punishment. In addition, if suppliers or their staff violate applicable regulations governing personal data protection or agreements concerning the protection of personal data, resulting in damages borne by the Company or its subsidiaries, they will be responsible for indemnification. In 2024, within the Group, only TCB had 1 case in which a staff member failed to handle and safeguard customer information in accordance with internal regulations, resulting in the disclosure of a customer's account information to a third party and affecting 1 customer(the percentage of data leakage related to personal information is 100%). As a result, the Financial Supervisory Commission imposed a fine of NT$20,000 in 2025. All other subsidiaries reported no incidents of data leakage, no affected customers, no penalties for violations of personal data protection regulations, and no related complaints. In addition, in terms of the use of TCB's customer personal data, approximately 55.34% of customer data was reused for secondary purposes under conditions that did not violate relevant regulations or agreements with customers.

Training and Education on Privacy Protection

The Group regularly organizes personal information protection training. For example, TCB provided the "Awareness Promotion and Educational Training on Personal Data Protection Management", and BNP TCB Life rolled out "Personal Information Protection Courses" on its digital learning platform to raise security and legal awareness regarding the use of personal information in daily operations.

In 2024, **100**% of employees throughout the Group completed the training.



4.3 Financial Inclusion GRI 2-23、2-24

Financial Inclusion Policy

In response to the efforts of the United Nations to promote financial inclusion and provide basic financial services to disadvantaged groups, the Group has launched tailor-made financial products and services that meet the needs of all sectors of society and different ethnic groups, ensuring that people from different backgrounds are all entitled to fair and reasonable financial services or resources. To implement financial inclusion and promote financial inclusion services, the Company has enacted the "Financial Inclusion Policy".

Promoting Urban Renewal

The Group has established the "Urban Renewal and Risky/Old Building Reconstruction Promotion Taskforce" and launched the "Advance Payment for Urban Renewal and Risky/Old Building Reconstruction" program, which incorporates real estate trust, construction fund trust, and financing plans. Services are provided through a partnership with United Real Estate Management to assist urban project integrators in acquiring working capital, conducting construction audits, and managing contract performance, thereby providing customers with one-stop innovative financial services. As of the end of 2024, the total number of TCB's "Urban Renewal and Risky/Old Building Reconstruction Loans" being undertaken was 291, totaling NT$227.902billion.

One-Stop Services for Urban Renewal and Risky/Old Building Reconstruction

TCB

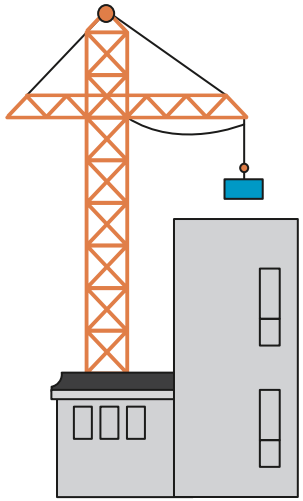
Integrated services	Integrated needs
• Land mortgages • Construction financing • Real estate investment trusts • Home mortgages	• Land owners • Construction companies • Urban renewal companies

CAM

Provision of funds for urban renewal integrators

United Real Estate Management

Construction audit and contract performance management

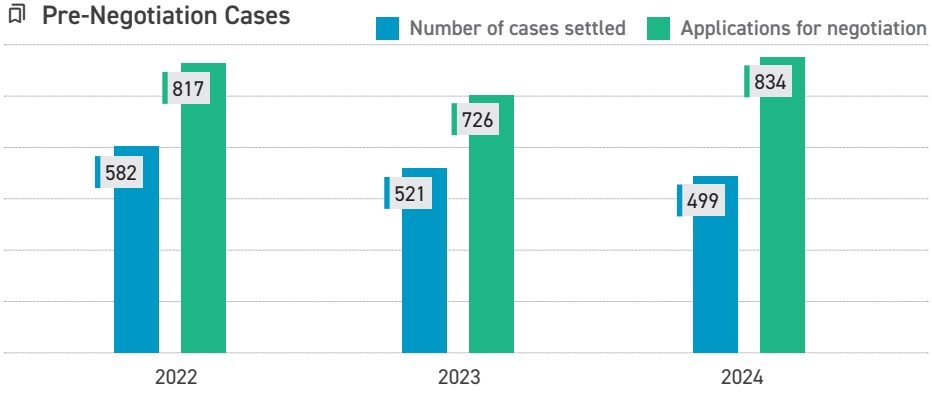


Debt Negotiation

The Group has provided several of solutions to assist consumers in clearing their debts, including debt negotiation, enforcement of agreements reached in pre-negotiation, re-negotiated debt repayment schemes, or allowing debtors who failed to reach a pre-negotiation agreement to request pre-mediation, revival, or clearance through the court. We endeavor to provide measures that help effectively mitigate the economic burden on debtors and support them in repaying their debts. In 2024, TCB completed 496 pre-negotiation cases, and TCS completed 3 signings. The institutions agreed with defaulting customers to repay in installments and assisted them in clearing their debts.

For economically disadvantaged groups with unsecured consumer debt overdue for more than 3 months, including low-income households, individuals with severe illnesses, those with moderate or severe disabilities, victims of major natural disasters, and individuals experiencing involuntary unemployment for over 3 months, TCB offers the "Debt Extension Program for Financially Vulnerable Borrowers with Unsecured Consumer Loans". This initiative aims to help stabilize their lives and facilitate debt repayment.

Pre-Negotiation Cases



Cultivating the Financial Power of Diverse Groups

The Group integrated resources to provide diversified financial programs to meet the different needs of customers and achieve the common good in society. TCB has underwritten project loans to stimulate the development of small enterprises and local communities, totaling NT$54.043 billion. Those exceeding NT$5 billion include urban renewal loans (NT$33.701 billion), agricultural and fishery loans (NT$11.739 billion), and youth loans (NT$8.594 billion). The total amount of the 986 overdue loan cases accounted for 0.28% of the total relevant project loans earmarked for stimulating the development of small enterprises and local communities.

	Financial Program	Performance in 2024
Microbusinesses/ SMEs	**Simple Loans for Microbusinesses** Considering that it is more difficult for microbusinesses and SMEs to obtain funding, TCB actively assists small businesses in securing capital by offering a variety of financial programs to meet the diverse needs of its clients. We have introduced the "Simple Loans for Microbusinesses" program, which provides micro and small enterprises with credit facilities of up to NT$1 million, streamlining the loan approval process to accelerate access to funds.	Number of SME clients with paid-in capital below NT$30 million Number of clients: 60,571 Number of transactions: 161,750 NT$310.6 billion in outstanding loans
	SME and Other Relevant Loan Projects To support SMEs, TCB promoted the "SME Loan Project" and other relevant loan programs to help businesses obtain funding, with an annual goal of increasing NT$10 billion compared with the previous year. To assist local governments in the development of SMEs, TCB provided loans under programs such as the "Taipei City Business Development Incentive Program for Loans at Preferred Rates", "Taoyuan City Youth Entrepreneurship and SME Credit Guarantee Loans", and "Tainan City Youth Entrepreneurship and SME Credit Guarantee Loans".	Accounts and balance of outstanding SME loans 70,035 households NT$837.773 billion Percentage of new SME loan balance to new private enterprise loan balance 4.93%
	SME Assistance Program TCB participated in the SMEs Administration's "Enhancing Financial Competitiveness Program for SMEs", providing short- or long-term financial diagnoses and financing advice for SMEs.	short-term financial diagnosis: 1 long-term project counseling: 1 cloud-based financial checkups: 55

	Financial Program	Performance in 2024	
Indigenous Peoples	**Loans of the Indigenous Peoples Comprehensive Development Fund** To meet the small-scale capital turnover needs of Indigenous peoples, TCB offers loans under the Indigenous Peoples Comprehensive Development Fund, including "business loans", "housing loans", and "micro loans", aimed at supporting financially underserved communities and promoting sound economic and social development. In line with the Council of Indigenous Peoples' post-disaster relief programs (1.0 and 2.0) in response to the Hualien earthquake on April 3, 2024, TCB have assisted from April 2024 to April 2025 by offering interest-free loans, principal grace periods, or loan term extensions to help ease the financial burden on Indigenous borrowers.	Business loans 424 cases, NT$ 297 million Housing loans 11 cases, NT$ 3 million Micro loans 2,114 cases, NT$ 247 million	Existing 2,435 cases NT$ 547 million
Hakka Regional Revitalization Enterprises	**Hakka Regional Revitalization Preferential Loans** We assisted SMEs in Hakka regions in obtaining financing to support them in enhancing their service capabilities or expanding their operational scale.	20 cases	NT$ 9 million
Unemployed Individuals and Entrepreneurs	**Loan for Start-up Assistance for the Unemployed of Employment Insurance, Unemployed Middle-Aged and Elderly Citizens Business Start-up Loan, and Micro/Women Start-up Loan** We provided the Loan for Start-up Assistance for the Unemployed of Employment Insurance and Micro/Women Start-up Loan to relieve capital pressure on women, middle-aged and elderly individuals, and residents of offshore islands in the early stages of starting a business, allowing them to operate their businesses steadily.	Newly approved 118 cases	New loan appropriation NT$ 85 million
Youth	**Loan for Youth Entrepreneurship and Start-up Capital** To create a favorable environment for young entrepreneurs and promote entrepreneurship, the Loan for Youth Entrepreneurship and Start-up Capital is offered to assist young entrepreneurs in obtaining the funding needed for business operations.	Newly approved 2,288 cases	New loan appropriation NT$2.077 billion
	Housing Loans for Youths by the Ministry of Finance We underwrote the Ministry of Finance's Housing Loans for Youths, assisting individuals without home ownership in purchasing a house by providing loans of up to 80% of the property value, with a maximum amount of NT$10 million.	9,072 newly approved cases	New loan disbursements totaling NT$ 71.825 billion
First-time Homebuyers with a "Subsidy Certificate" Approved by the Competent Authorities	**Ministry of the Interior Purchasing Loan** In accordance with the "Instructions for Financial Institutions to Handle 'Residential Subsidy' Self-Purchase and Renovation Home Loans" stipulated by the Ministry of the Interior's Construction and Planning Agency, we provided housing loans to individuals who have obtained Subsidy Certificates to reduce their loan burden.	257 cases	NT$ 530 million
Indonesian Migrant Workers	**Rapid Remittance for Indonesian Families and Settlement Service** Provided an Indonesian-language outbound remittance application form and a SWIFT code comparison table for Indonesian banks, directly verifying overseas beneficiary bank account information through a global account verification platform. After verification, U.S. dollars are automatically converted into Indonesian rupiah in accordance with local Indonesian regulations. The funds are then credited to the beneficiary's account on the same day or the following day, providing Indonesian migrant workers with convenient and considerate financial services through the most efficient overseas remittance process.	175 cases	US$ 578,625.64 (equivalent to NT$18.97 million, based on the closing exchange rate of 32.785 at the end of 2024)

	Financial Program	Performance in 2024	
Students Studying Abroad	Student Loans for Overseas Study Subsidized by the Ministry of Education Assisted Taiwanese students in obtaining funding to pursue overseas master's or doctoral degrees recognized by the Ministry of Education.	50 cases	NT$ 36 million
Socially Disadvantaged Groups	Charitable Trust TCB serves as a trust institution to manage the Charitable Trust. The goal of continuously helping the disadvantaged can be achieved without the trustor needing to personally intervene in the execution of charitable affairs. The public may also donate to or join the Charitable Trust, providing opportunities for enthusiastic individuals to participate.	2 cases	NT$ 34 million
Disabled People	Disabled People Property Trust We provided comprehensive asset planning for disabled people to ensure the security of their property and earmark funds for daily living and medical needs.	214 new beneficiaries	Newly added trust property principal NT$ 164 million

Case Study

Ms. Lin, currently 29 years old, is a person with severe physical and mental disabilities. Her mother, Ms. Lu, is concerned that in the future, if she or other family members are unable to care for her daughter, Ms. Lin's daily care and financial needs may not be properly managed or utilized.

Through a referral from a social welfare organization, Ms. Lu approached TCFHC for professional financial assistance. After discussions with the branch, it was found that Ms. Lu had started planning her insurance early on. The branch therefore recommended that she designate her daughter as the beneficiary of both her NTD and foreign currency insurance policies. They also advised utilizing NTD and foreign currency "pre-established trusts" linked to "insurance benefit trusts" to arrange future trust services for her daughter. A social welfare organization would act as the trust supervisor, not only protecting the beneficiary's interests but also ensuring the realization of the trust's purpose. Under Ms. Lu's "pre-established trust" agreement, the future insurance payouts are designated as the trust property. Once the insurance proceeds are deposited into the trust account, the disbursement process will be initiated. In this way, even after the family is no longer able to provide care, her daughter can continue to receive comprehensive support through the trust mechanism.

Guarding LOHAS and Elder Care

In support of the government's efforts in building a nationwide long-term care system, as well as an environment for the development of the healthcare industry in the context of an aging society, the Group has continuously integrated various resources to offer a variety of innovative and inclusive financial products and services to the elderly, with the aim of becoming the number one brand of "LOHAS and elder care".

Talent Cultivation for Products for the Elderly

In line with its core strategy, TCB collaborated with the Taiwan Association of Family Caregivers in 2020 to launch the "Seed Staff of Long-Term Care Services" training program. Leveraging its extensive network of 262 branches, TCB has built a more compassionate service network, offering comprehensive support from product offerings to the promotion of long-term care services, fully assisting customers in utilizing social resources to overcome caregiving challenges.

In addition, starting in 2021, TCB began cultivating "eldercare financial planning consultants", becoming the 1st bank to have more than 100 "eldercare financial planning consultants" dedicated to helping customers with trust planning and providing LOHAS retirement consultations services. Moreover, the "Family Trust Planning Consultant Certification System", launched in 2022, is also one of the professional competency certifications promoted under the Trust 2.0 project. By the end of 2024, 848 employees had obtained the "eldercare financial planning consultant" certification, and 195 employees had obtained the "family trust planning consultant" certificate.

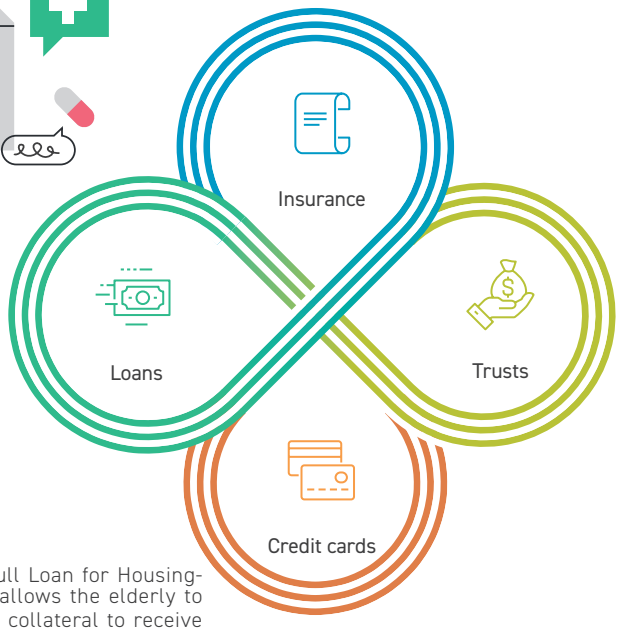
TCS provides the "eldercare financial planning consultant" courses and subsidizes examination fees to encourage employees to obtain certifications. It also hires external lecturers to conduct education and training on the protection of the rights and interests of the elderly and people with disabilities, dementia prevention, and relevant cases and guidelines in a super-aged society. This aims to improve employees' service quality for the elderly. As of the end of 2024, 3 employees have obtained the "eldercare financial planning consultant" certification.

Financial Products for the Elderly

We provide the elderly with a full range of life risk protection, including coverage for cancer, death, total disability, total disability assistance, major burns and scalds, severe injury and disability pension, as well as double protection for specific accidental injuries. As of the end of 2024, there were **29,228** insurance product contracts for the elderly (including investment-linked annuities, interest-sensitive annuities, long-term care insurance, and small amount whole life insurance), with a total premium of NT$**32.106** billion.

Simple Protection with Small-Amount Whole Life Insurance

In response to the trends of population aging and declining birthrates, the Company has introduced a total of **15** small-amount whole life insurance products that are simple, easy to understand, and offer lower premiums, to provide basic insurance coverage for the elderly and facilitate insurance application.



Trust 2.0 Phase 2

The aging population has led to increased frailty and chronic diseases, resulting in a significant increase in the number of people with disabilities. In addition, the impact of declining birth rates and changes in the concept and value of children's ability to support their parents has led to a rise in the proportion of people living alone. How to ensure the security of property and receive proper care in senior years will be a major issue for Taiwanese people. TCB continues to actively support the FSC's Trust 2.0 "Comprehensive Trust" Phase 2 promotion plan and various social policies. In addition to strengthening the organizational functions of departments, cultivating professional talent, and promoting industry-academia cooperation, TCB has also reinforced cross-industry alliances with long-term care and medical service providers as well as the information technology industry to help the public manage assets and ensure economic security. In addition, by referencing the methods and knowledge used by medical institutions for cognitive function assessments, financial institutions can better understand the cognitive status and communication abilities of elderly (including those with dementia) individuals. This enables them to provide suitable transactions and services based on the client's cognitive and expressive abilities, thereby protecting the rights and interests of elderly (dementia) clients and offering up-to-date, comprehensive trust services to the public.

Seniors Property Trust

Risks that may occur during old age and retirement include preparing an insufficient pension, misappropriation or fraud by children or others, losing all savings due to improper investments, lacking trustworthy individuals to help manage properties, and being unable to manage assets due to illness, aging, or accidents. TCB offers a comprehensive asset plan for the elderly population through a trust mechanism. The plan includes discretionary trust agreements, family trust services, one-stop services implemented through trust mechanisms, and trust products tailored to different financial plans and beneficiaries. The plan is designed to ensure that assets are protected and funds used exclusively for their intended purposes, providing a complete guarantee for future life.

9,729 new beneficiaries added to TCB seniors property trust in 2024, with newly entrusted principal assets totaling NT$**10.516** billion.

Note: 9,943 beneficiaries were added to the TCB Senior Property Trust in 2024 with new trust property principal totaling NT$10.680 billion and a service value of NT$4.53 million, accounting for about 2.83% of the total service value of NT$160 million.

TCB has undertaken the "Full Loan for Housing-Based Elderly Care" which allows the elderly to use their own properties as collateral to receive living expenses on a monthly basis, with **258** new cases and approved loans totaling NT$**1.686** billion in 2024. There were **3,022** loans (including 2,069 cases involving individuals with no income or whose monthly salary was less than the minimum wage) approved for a total of NT$**18.666** billion, accounting for **1.93**% of the total mortgage amount. As of the end of 2024, the loan amount under the "Full Loan for Housing-Based Elderly Care" accounted for **0.23**% of the total mortgage business amount.

TCB introduced credit cards specifically for the elderly population and promoted a variety of exclusive offers to enable them to live a rich and fulfilling life in old age.

As of the end of 2024, TCB has issued a total of **76,333** LOHAS credit cards.

Creating a Friendly Financial Environment

Barrier-Free Friendly Service Environment

All 262 branches of TCB across Taiwan have various types of barrier-free facilities or measures in place, including a barrier-free slope to enable physically or mentally impaired individuals or other disadvantaged groups to enter, tactile floor tiles and a service bell, barrier-free service counters and ATMs, and designated service staff to assist with financial services. Moreover, we collaborate with the Taiwan Association of Sign Language Interpreters to provide sign language interpretation services. For people with disabilities to enjoy more friendly financial services, TCB waives interbank ATM cash withdrawal fees specifically for account holders with disabilities. This benefit may be applied for at the counter, by mail, or online. In order to serve areas with low population density (not exceeding 300 people per square kilometer) or economically disadvantaged areas (counties and cities in the bottom 1/3 of economic and employability rankings), TCB has set up 33 branches and installed 129 ATMs in Changhua, Pingtung, Nantou, Yunlin, and Chiayi counties, as well as in Keelung City, enabling these areas to access the same services as other regions. TCB also offers a variety of channels, such as intelligent customer service, live chat customer services, Internet, app, voice calls, and telephone service representatives, allowing users to choose a suitable way to inquire about services or express their opinions.

失智友善 Dementia Friends

All of TCS's business locations received the "Dementia Friends Label" from the Ministry of Health and Welfare in 2022. In addition to setting up elderly- and barrier-free service areas for seniors and people with disabilities at all business locations in Taiwan, TCS deploys qualified first aid personnel, provides elderly customers with reading glasses and blood pressure monitors, and actively cares for seniors and customers with disabilities when providing over-the-counter services. TCS has planned the height of its service counters to accommodate elderly customers who use wheelchairs when filling out account opening-related documents. It also provides various consulting services to elderly customers, such as calling a taxi or borrowing a wheelchair, and assigns dedicated personnel to assist.

Friendly Financial Services Section

Internet banking services

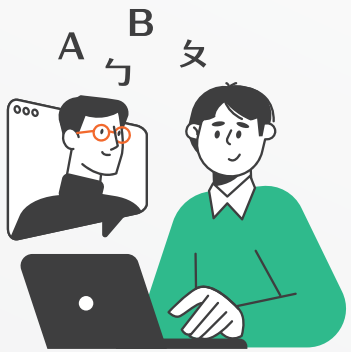
TCB online banking

To provide people with disabilities with higher-quality and more convenient online financial services, TCB has, in addition to offering live chat customer service, ensured that all its online platforms, such as the official website, online ATM, and eATM with simple functions, have been rated "AA" in accordance with the Ministry of Digital Affairs Website Accessibility Guidelines 2.1. Notably, the friendly personal online banking system has received an "AAA" rating under the same guidelines. The friendly mobile banking app has also obtained a certificate of compliance from an accessibility organization, ensuring that its interface and functions meet the operational needs of disabled customers. Moreover, preferred cross-bank ATM withdrawal processing fees, lowered up to 3 times, may be applied for online. In addition, credit card applications, card activation, lost credit card reporting, and other services are also available through multiple channels, including online and mobile banking.

TCS official website

To create a friendly and convenient investment environment for people with disabilities, TCS is committed to providing barrier-free financial services. The friendly service section on its official website has obtained the "Accessibility Website Label – A Level" certification. TCS complies with friendly financial measures stipulated by the competent authorities and offers diverse order-placing and account-opening services, such as by phone, voice, and electronic means. TCS also integrates nondiscriminatory digital services to make operations more intuitive and convenient for customers. In addition, various online financial services eliminate the inconvenience of visiting a counter, save time, and provide professional, comprehensive electronic transaction services 24 hours a day.

Building a bilingual financial service environment



- TCB had established **175** bilingual service branches (accounting for 66.79% of all domestic branches) by the end of 2024. These branches offer exclusive English service counters, document forms commonly used by foreigners, bilingual signage and ticket dispensers in business lobbies, and multi-language translation machines to serve customers from non-native English-speaking countries. In addition, branches in Nanjing East Road, Yuanshan, Zhongli, Taichung, and Kaohsiung—areas frequently visited by Japanese tourists—have added Japanese language services to provide warm and friendly financial services to foreign tourists.
- TCS has actively responded to the "Blueprint for Developing Taiwan into a Bilingual Nation by 2030" by setting up bilingual signs at its service locations and providing bilingual versions of commonly used application forms at its counters. Key business locations are staffed with personnel capable of providing services in English. In the future, TCS will continue to provide more bilingual services to meet the financial needs of foreigners and connect with the international community.

4.4 Digital Finance

Amid the rapid growth of the digital economy, financial products are becoming increasingly diverse and complex. Meanwhile, Internet entrepreneurs and technology companies are venturing into digital finance sector, bringing both opportunities and challenges. The Group values user experience-oriented design. To develop more friendly financial products, boost service efficiency, accessibility, usefulness, and quality, and build professional financial services that transcend time and location constraints, the Group utilizes digital technology capabilities combined with business innovation to help customers keep track of their account activities fund flows anytime, maximizing the benefits of digital financial services.

Innovative Digital Financial Products and Services

The Group has been actively promoting innovative digital finance. Our efforts include optimizing the customer experience through data-driven decision-making and the use of big data analysis, robotic process automation (RPA), customer feedback, AI technology, and the integration of automatic procedures to provide comprehensive digital financial services and make financial products and services closer to everyday life.

Achievements in Promoting Digital Financial Services in 2024

TCB		
Electronic Channels	The total transaction volume through electronics channels increased by 5%.	• Achievement rate was **105.46**%.
Mobile Banking and Mobile Payments	New features: The mobile banking app has introduced a "one device, one user" restriction mechanism to enhance transaction security and prevent illegal financial fraud. Exception handling measures are also provided for shared devices. In addition, Fast-ID financial identity verification has been applied to the process of linking settlement accounts during online account opening with TCS. To align with the efforts of the competent authorities to improve accessibility to financial services and promote financial inclusion, mobile banking has added user-friendly features such as foreign exchange services, combined time deposit, credit card and debit card loss reporting and reissuance, and investment portfolio profit and loss reports. Mobile banking has also been tested by accessibility organizations and received a certificate of compliance.	• The total number of mobile banking accounts reached **1.98** million.

TCB		
Online Applications for Personal Mortgages and Small Credit Loans	Services for existing Internet banking customers, such as online supplementary document upload, online case progress inquiry, and online loan agreement confirmation, have been introduced to address the inconvenience of in-person agreement confirmation at branches	• **36,494** online applications for mortgage and credit loans were received online.
Online Applications for Mortgage and Credit Loans for Non-Internet Banking Customers	An identity verification mechanism using "information on the borrower's non-digital deposit account in other banks" has been made available for users who are not TCB customers.	• **455** cases of loan appropriation.
Mobile Insurance Applications	Purchasing insurance through the mobile insurance application platform can reduce the time required to fill out insurance documents, lower the notification ratio, and improve underwriting efficiency.	• **760** mobile insurance applications.
Digital Deposits	To strengthen financial services, TCB specifically provides the public and residents in remote areas with the opportunity to open digital savings deposit accounts that transcend time and space constraints. These accounts are entitled to preferred withdrawal and transfer fees and offer high interest on demand deposits as incentives for saving.	• In 2024, the net increase in digital savings deposit accounts amounted to **174,005** accounts, reaching a total of **850,653** accounts by the end of the year. Among them, there was a net increase of **3,819** accounts in rural areas, totaling **20,822** accounts.
Open Banking	We collaborated with the Taiwan Depository & Clearing Corporation (TDCC) to provide customers with access to various items, such as checking balances for demand and time deposits in NTD and foreign currencies, as well as viewing transaction details through the "TDCC e-Passbook" app.	• TDCC e-Passbook: **69,624**

TCB		
Wealth Management iCooper	The Wealth Management iCooper system combines algorithms and computer systems to create an intelligent wealth management system. It constructs the most appropriate investment portfolio through rational analysis and without human intervention.	• The Wealth Management iCooper was officially launched in January 2022. As of the end of 2024, nearly 20,020 people had completed account opening, and the subscription amount exceeded NT$1.1 billion.
Digital Service Platform for Foreign Exchange Transactions	Customers can open digital FCY savings accounts online and conduct foreign exchange transactions, such as deposits, remittances, time deposits, and import letters of credit, through online banking, thereby reducing the carbon footprint and paper usage associated with over-the-counter transactions.	• There was a total of 393,063 digital FCY savings accounts, an increase of 26.19% compared to 2023. • The amount of foreign exchange conducted through online banking totaled US$18,168.065 million in 2024, a growth of 17.39% from 2023. There were 1,518,700 transactions, representing a growth of 0.91% from 2023.
Robot Process Automation (RBA)	By applying business process analysis, TCB has digitized specific operating procedures through human-machine collaboration to simplify operations and enhance digital operational efficiency.	• 39 services are now available online, with a total of 114 processes and saving the equivalent of approximately 3,476 people in manpower per day.
Accessible Automated Equipment	The main equipment includes ATM models accessible for wheelchair users and visually impaired individuals, providing more comprehensive, friendly financial services and increasing usage rates and willingness among people with disabilities.	• The installation plan for ATMs accessible to visually impaired users was completed in 2024, with a total of 1,166 machines installed.

TCS		
Online Account Opening	Customers can complete identity verification and link settlement accounts through TCB's online banking. Account opening is also available 24/7, increasing the accessibility of banking and securities services for the elderly and socially disadvantaged groups (including those in locations where financial services are inaccessible), and improving customer convenience.	• 9,571 cases of online account openings, accounting for 26.47% of the total account openings for the year.
Paperless Account Opening over the Counter	Customers' accounts are opened on tablets to reduce paper waste and operational time.	• 1,227 cases of paperless account openings over the counter, accounting for 3.39% of the total account openings for the year.
Online Taiwan Stock Regular Investment Plan Service	Retail investors are provided with more diversified investment options by allowing them to set their own monthly deduction date and amount online.	• 29,462 regular investment plan service account openings, with accumulated deduction amounts reaching NT$2.9 billion.
Online Margin Account Applications	Customers can apply online for margin account opening, renewal, and credit limit adjustment without visiting a branch.	• 733 cases of online margin account applications.
Electronic Order Placing	Customers do not have to contact salespersons to place their orders by using their mobile devices or personal computers.	• Percentage of orders placed electronically was 89.56%.

TCS		
Online Service Activation Applications	The mobile ePassbook of TDCC, electronic daily statements for Taiwan stocks, and sub-brokerage electronic monthly and daily statements were made available for online applications. In 2022, a new online public tender offer application feature was added.	• A total of 29,281 applications for TDCC's ePassbook. • A total of 14,187 applications for electronic daily statements for Taiwan stocks, and 126,677 applications for monthly statements. • A total of 22,277 applications for sub-brokerage electronic monthly and daily statements. • 10 online applications for public tender offers.
Certificate-Based Tax Filing Services	Using electronic certificates to file individual income tax online.	• 1,274 cases of tax filing using TCS electronic certificates.
Online Unrestricted-Purpose loan Applications	We provide customers with an online application service for borrowing against their stock holdings to meet funding needs.	• 1,453 online unrestricted-purpose loan applications, amounting to NT$0.92129 billion.
Online Trading Limit Adjustments	We enable customers to apply online for adjusting their daily trading limits for securities without the need to visit a branch.	• 2,152 online applications for trading limit adjustments.

BNP TCB Life		
Online Insurance Application	Customers can apply for insurance through the Internet and be protected 24 hours a day, anytime and anywhere.	• The number of online insurance members reached 69,688 customers, representing a 15% increase, with a cumulative total of 5,669 submitted insurance applications.
Online Investment Allocation Switching Ratio	Customers can perform conversion operations through the online policyholder service section. In turn, they can avoid delivery time and improve application efficiency.	• Online fund conversions accounted for 63.70% of the total number of fund conversion.

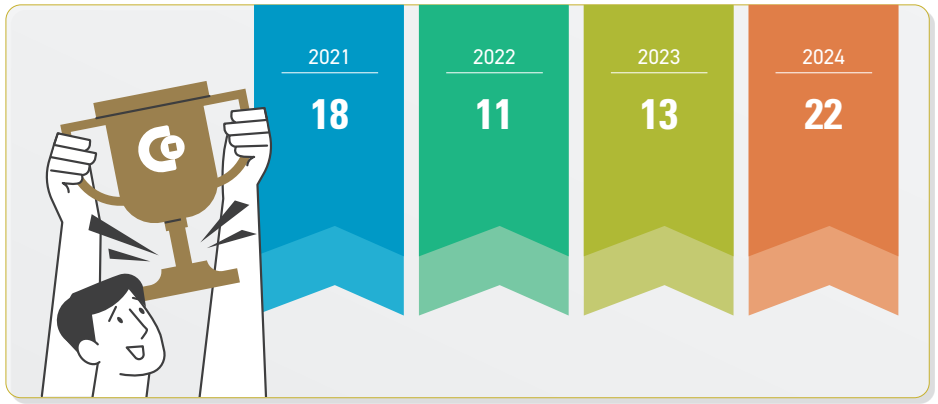
Innovative Patent R&D and Management

TCFHC formulated its "Intellectual Property Management Program" in 2020 to promote the integration and coordination of intellectual property management jointly with its subsidiaries. TCB introduced the "Taiwan Intellectual Property Management System" (TIPS) for the 1st time that year to enhance its management of intellectual property by adopting the "Plan-Do-Check-Act (PDCA)" cycle, and became the 1st state-owned bank in the country having to be certified as TIPS Class A 3 times, demonstrating outstanding results in creating and protecting intellectual property.

In conjunction with the FSC's promotion of FinTech Development and Corporate Governance 3.0, TCB continues to hold intellectual property-related cognitive education and training courses each year to enhance employees' awareness of and appreciation for intellectual property, and to strengthen risk management and internal controls to ensure security and legitimate use. Meanwhile, a patent incentive system is in place to encourage proactive research and development of innovative technologies among employees. As of 2024, more than 800 patent certificates had been issued by the Intellectual Property Office, Ministry of Economic Affairs, and had been actually applied in areas such as credit and loans, debt management, foreign exchange, business and marketing, anti-money laundering, and electronic finance, leading to improved operational efficiency and reduced operational risk.

Since 2018, TBC has ranked among the top 100 domestic institutional patent applicants for 7 consecutive years. In 2024 alone, it filed 152 patent applications covering various areas such as big data, mobile platforms, AI, and security control mechanisms, demonstrating its commitment to developing innovative applications across all business areas.

Ranking of the Top 100 Domestic Institutional Patent Applicants



Number of Cumulative Fintech Patents Approved or Under Review by TCB as of 2024

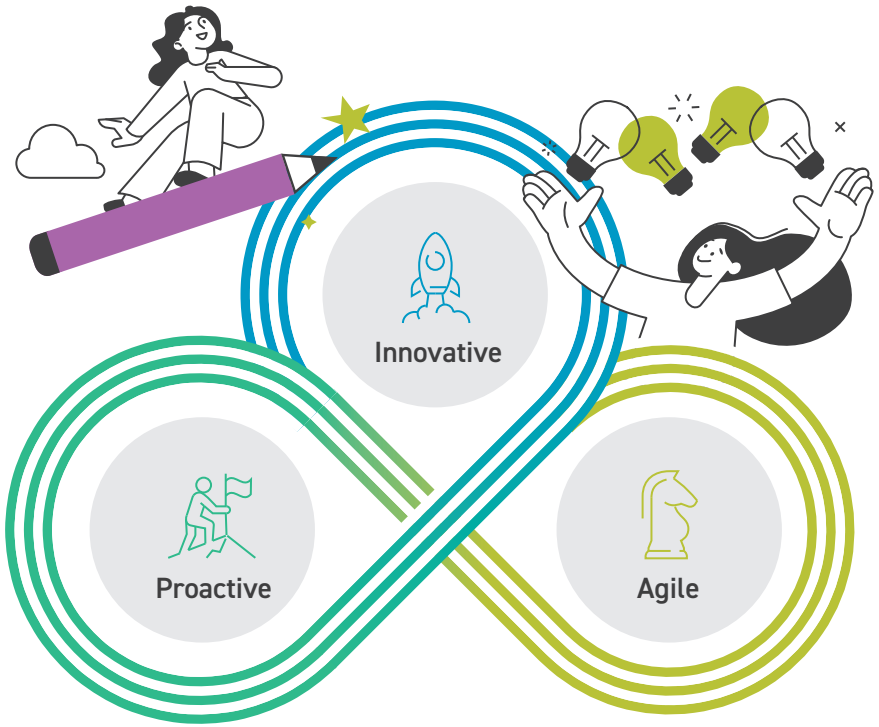
	Approved Patents	Patents Under Review	Total
Mobile Platforms	117	17	134
Big Data	97	16	113
Artificial Intelligence	84	23	107
Blockchain	27	10	37
Security Control Mechanisms	72	26	98
Biometric Recognition	31	5	36
Other	401	28	429
Total	829	125	954

Creating a Culture of Innovation – CoLAB

To maintain the momentum of driving innovation and developing innovative managerial capabilities, and to achieve the long-term goal of forming a culture where innovations are shared and sustained, TCB established its collaborative innovation lab (CoLAB) in 2019 to help nurture seed staff. A cross-departmental collaborative and innovative business model was created to facilitate ongoing collaboration with external consultants and the sharing and exchange of business experience among various internal and external teams, in order to generate creative output and maximize potential financial applications that address market trends and business needs.

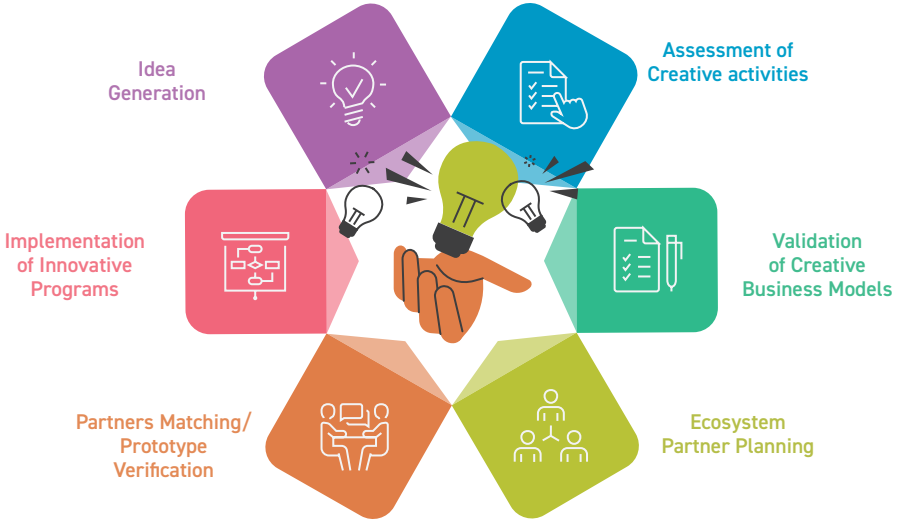
Innovative Value and Culture

CoLAB has transformed the corporate philosophy of "Proactive, Agile, Innovative" into its core competencies and established operational modules that drive digital innovation and transformation, continuously promoting the growth of digital innovation.

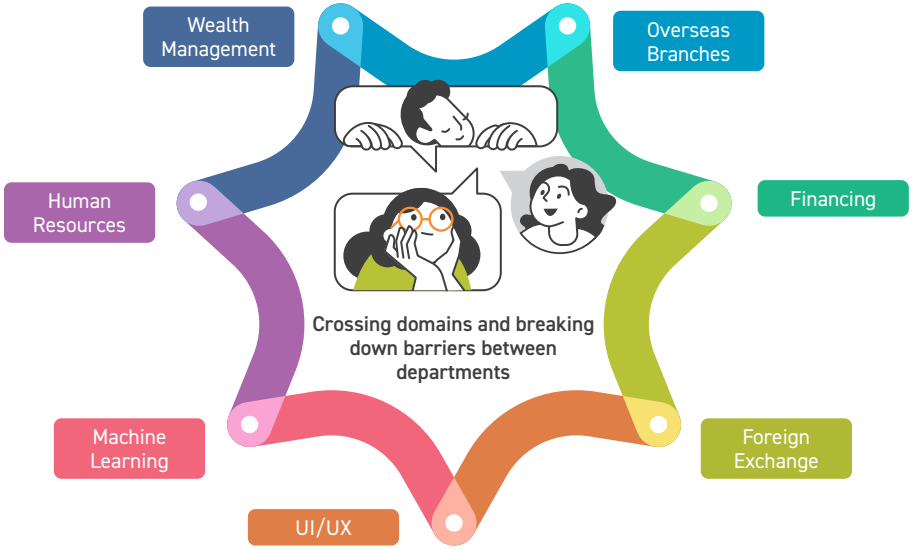


Innovative Operations and Management

Creative Output Module



Cross-Domain Integration



Digital Innovation Transformation Module

Performance in 2024

Empowering employees with agile innovation and digital marketing skills

Focusing on 4 online products, we completed digital marketing training and carried out 13 cross-departmental collaborations, including 1 executive briefing, 7 courses and workshops, with a total of 336 people trained. The champion proposal, "Green Lending", was selected by an external panel of professional judges.

Implementing sustainable innovation in response to customers' digital financial needs

A total of 161 patent ideas were proposed, including 25 invention patents, 91 utility model patents, and 1 design patent that have either been approved or are under review. Among them, 5 utility model patents have already been implemented.

Connecting with startup enterprises Promoting ongoing innovation initiatives

A total of 7 projects have been reviewed under the Digital Customer Experience Guide.

Innovation Benefits and Maintenance

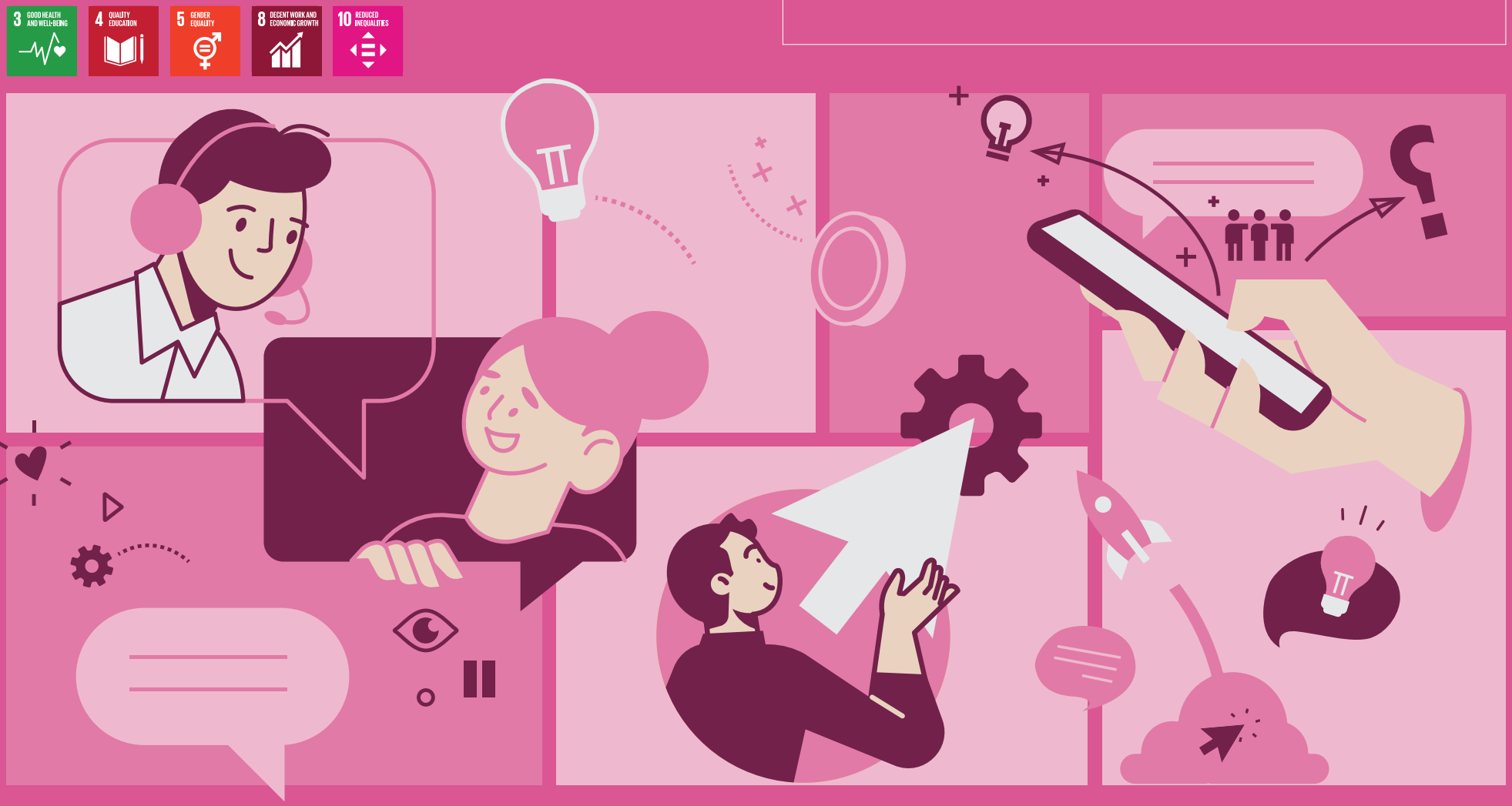
In 2024, CoLAB assisted the Digital Development Committee in promoting 8 major projects related to corporate banking, consumer banking, and technology infrastructure, as well as 28 digital initiatives serving individual and corporate customers. These efforts were complemented by the implementation of "Digital Customer Experience Guide" to further accelerate the enhancement of positive digital experiences for customers.

In 2024, new projects included the review of the "Corporate Client Service Portal – SME and Microenterprise Loan Application Platform" (digital service or functionality delivery testing) and the optimization of foreign exchange features in personal online banking. Starting in June 2024, collaboration began on designing the customer experience content for the "Personal Mortgage Loan Application Platform".

The AI strategic blueprint and training program was launched in August 2024. As of the end of December, a total of 1,404 participants had been trained. Moving forward, the AI strategic blueprint will be progressively refined as planned, with efforts to expand AI application scenarios and business opportunities.

CH5

Synergy



Stakeholders of concern

- Employees
- Customers
- Suppliers
- Community
- Governments and competent authorities
- Shareholders/investors
- Academic institutions/consulting firms/industries/guilds and associations

Corresponding material topics

- Financial inclusion
- Employee remuneration and benefits
- Equality, diversity, and inclusion of human rights

5.1 Talent Recruitment and Retention

GRI 201-3、401-1、401-2、401-3、403-3、403-6、405-1、405-2

Talent development is fundamental to any enterprise wishing to pursue sustainable development. Committed to being a "happy enterprise", the Group has been working to build an employee-friendly and healthy workplace, providing comprehensive remuneration and benefits packages as well as a well-planned career development scheme, flourishing multiple channels for talent recruitment, and establishing effective communication channels between employees and executives to reduce the possibility of any form of forced labor.

Talent Recruitment

Talent Recruitment Strategy

In response to rapid changes in the financial environment and the vigorous development of digital banking, the Group is working to cultivate talents and improve competitiveness, actively recruiting elites in the field of finance based on the needs of each unit through open recruitment, campus recruitment, and industry-academia collaborations. Additionally, to keep up with the digital era and break traditional stereotypes regarding state-owned financial institutions, the Group actively makes use of new media, conducting digital marketing from multiple angles, including social media curation, content marketing, ad placement, and search engine optimization (SEO). As of 2024, TCFHC has been selected as a constituent of the "Taiwan Employment Creation 99 Index" for 8 consecutive years, and has won the "Happy Enterprise in the Financial Management and Consulting Industry Gold Award" for 5 consecutive years, demonstrating that its efforts to value talent and improve employee welfare have been widely recognized.

To foster a culture of inclusivity and diversity, when recruiting new employees, the Company not only prohibits the hiring of employees under the age of 16 (child labor), but also ensures that no discrimination occurs based on race, religion, skin color, political affiliation, age, gender, sexual orientation, marital status, or physical or mental disability. Discrimination in employment is absolutely prohibited. In 2024, the Group recruited 593 new employees, accounting for 6.13% of all employees at the end of the year, with approximately 58% of new employees being under the age of 30, demonstrating the effectiveness of the Group's recruitment policy reforms in recent years.

Upon reviewing the distribution of new employees over the past 4 years, the proportion of each gender has never been less than 1/3. Additionally, the salary determination for new employees, regardless of gender, follows a 1:1 ratio, with no differences in starting salaries for the same position. This reflects the implementation of a policy of equal pay for equal work and a recruitment policy free from gender discrimination.

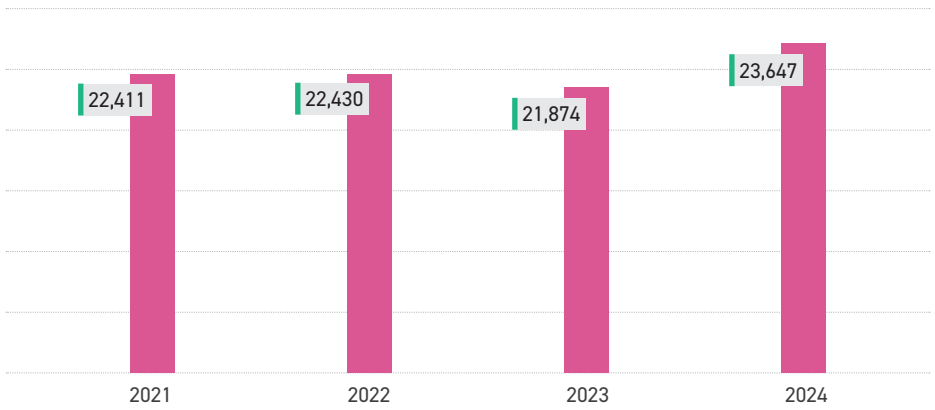
Distribution of New Employees from 2021 to 2024

	2021	2022	2023	2024
Group year-end headcount	9,526	9,642	9,687	9,676
No. of new employees Note 1	609	652	643	593
New employee hiring rate(%) Note 2	6.39	6.76	6.64	6.13
Male	263	258	264	256
Female	346	394	379	337
Age 30 and under	397	392	388	341
Age 30–50	191	235	204	218
Over 50	21	25	51	34
Managerial position	18	24	27	22
Non-managerial position	591	628	616	571

Note 1. For details on new employees of each subsidiary, see Appendix 1.
2. New employee hiring rate = No. of new employees/Group year-end headcount.

Average Employment Cost of New Employees from 2021 to 2024

Unit: NT$dollar



Note: Average employment cost = New employee recruitment cost/No. of new employees.

In response to the development of sustainable finance and the fintech trend, TCFHC, besides actively recruiting professional digital-technology talents to improve the Group's digital-banking literacy, strengthened internal workforce transformation training, improved bilingual proficiency, nurtured talent to connect with the world, and broadened employees' international horizons so that they can directly fill vacancies. These internal and external measures work in tandem to improve the Group's overall competitiveness.

Summary Table of Professional Talent Recruitment from 2021 to 2024

Recruitment Category (Person) / Year	Global Associate (GA)	Information Technology	Information Security	Digital Finance	Legal Compliance	ESG
2024	33	17	3	5	2	3
2023	45	20	0	0	8	1
2022	51	28	1	1	0	4
2021	47	26	5	6	0	1

In 2024, the employee turnover rate for the TCFHC Group was approximately 6.42%. After excluding 255 employees who retired upon reaching the retirement age or who applied for retirement, the turnover rate was 3.78%. Although the employee turnover rate has slightly increased over the past 4 years, it remains relatively low compared to the average turnover rate of over 20% for the banking sector as per the 104 Job Bank. Furthermore, the retention rate of newly hired employees in 2024 was 83.64%, meaning only 16.36% resigned within the year of employment, demonstrating that TCFHC's employment environment is still highly favored by most employees.

In addition, TCFHC places high importance on employee rights, with the involuntary turnover rate consistently below 1%. Even in cases where business closure, transfer, or changes in business nature necessitate workforce reduction and no suitable positions are available for redeployment, or when an employee is unable to perform their duties, the termination of the employment contract is carried out in accordance with the Company's "Work Rules", as well as relevant laws such as the "Labor Standards Act", "Employment Service Act", and the "Act for Worker Protection of Mass Redundancy". Employees are provided with a 10 to 30-day notice period based on their years of service, and the competent authorities are notified. The Company fulfills its legal obligations by properly providing and notifying severance notice, offering paid job-seeking leave to give severed employees time to prepare for finding new employment. By upholding the principle of integrity, the Company ensures the termination of the labor contract is carried out in a legal and proper manner, while safeguarding the employees' rightful entitlements. In recent years, to meet business needs, TCB has established a short-term re-employment system for retired personnel to assist with talent development and business continuity at branches.

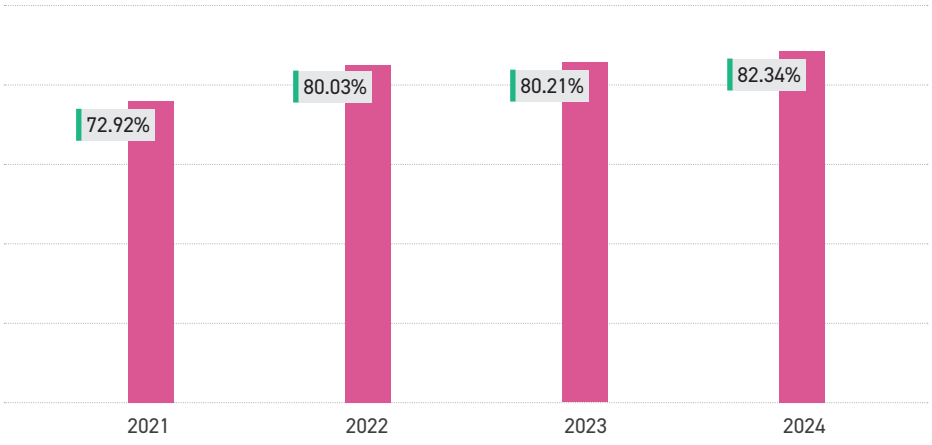
Employee Turnover from 2021 to 2024

Unit: %

Year	Employee Turnover Rate (excluding retirements)	Involuntary Turnover Rate Note3	Voluntary Turnover Rate (excludingretirements)	Data Coverage Rate
2024	6.42（3.78）	0.26	6.16（3.52）	100
2023	6.10（3.33）Note 4	0.27	5.83（3.06）	
2022	5.64（3.01）Note 4	0.15	5.49（2.86）	
2021	5.30（2.84）Note 4	0.15	5.15（2.69）	

Note 1. For the statistics of departing employees within the Group, see Appendix 1.
2. Employee turnover is categorized into 2 types, voluntary and involuntary. The turnover scenarios are as follows:
Voluntary turnover: Mandatory retirement, early retirement, and resignation.
Involuntary turnover: Death and dismissal (layoffs).
3. (Involuntary) voluntary turnover rate = No. of (voluntary + involuntary) resigned employees /No. of employees in the group at year-end.
4. Due to the erroneous inclusion of involuntary resigned employees in historical data, the employee turnover rates for 2021~2023 have been corrected.

Percentage of open position filled by internal candidates

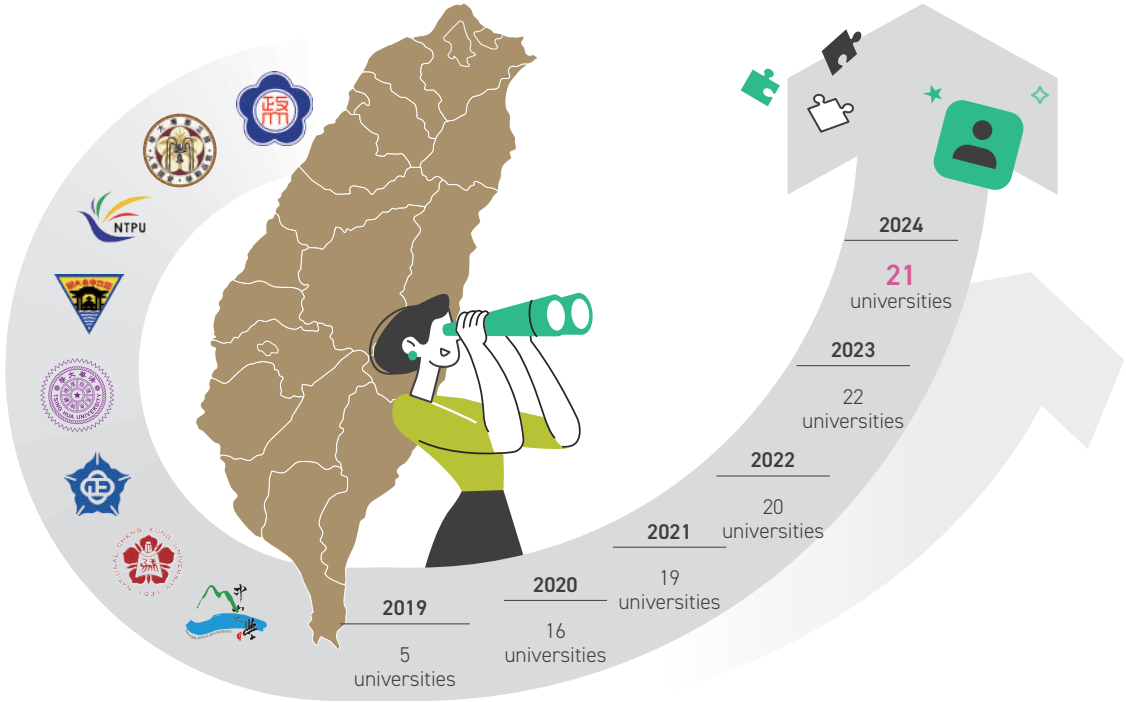


Note 1. Internal transfer rate refers to the proportion of job vacancies filled by internal staff.
2. Internal transfer rate = No. of employees transferred internally/No. of vacancies within the Group.

Talent Recruitment Channels

Campus Recruitment and Career Fairs

To attract potential graduates who are interested in working in the financial industry and to communicate with students directly, TCB has continued to expand campus recruitment and career fair events in recent years, inviting employees to share their experiences and introduce TCB at their alma maters to give students a better understanding of TCB's system and culture. In 2024, TCB organized 21 campus recruitment and career fairs and 4 employment fairs at 21 universities, including National Taiwan University. The 21 career fairs were attended by approximately 2,000 university students.



Industry-Academia Collaboration

To support local education and increase community recognition in nearby communities, TCB actively facilitates industry-academia collaborations with universities near its branches for local students to join. Since 2017, TCB has carried out collaborations with 8 universities, providing internship opportunities to students who are about to graduate. In addition to senior employees sharing practical experience working in finance, the combination of actual practices and theories helps students bridge the gap between academic theory and practical application so that they can quickly adjust to the workplace. During the internship, those who perform well and pass the interview shall be promoted to permanent employees, securing a job as soon as they graduate. In 2024, a total of 80 student interns completed the industry-university cooperation training, 40 of whom returned as full-time employees, resulting in a 50% return rate and achieving the goal of hiring local talent for operation centers and enhancing community recognition.

2024 Industry-Academia Collaboration Partners and No. of Employees Hired

Return rate of industry-academia collaboration internship students reached 50%

National Taipei University of Business	National Yunlin University of Science and Technology	National Chung Cheng University	National Kaohsiung University of Science and Technology	National Taichung University of Science and Technology
13 people	7 people	2 people	10 people	8 people

Summer Internships

With the goal of cultivating and recruiting talent, TCB provides summer internship opportunities to students of National Tsing Hua University and National Chengchi University. The 2-month internship program allows students to connect with society and industry during their academic years and strengthens the skills they need to prepare for the future and to solve problems. Panel discussions are also held at the end of the program so that TCB can get feedback from the interns and improve the internship program.

Employee Remuneration and Benefits

To create a good working environment and inspire employees' enthusiasm and synergy, TCFHC has a comprehensive remuneration and benefit program, providing stable remuneration and multi-faceted employee benefits to better employees' mental and physical health and create a "happy workplace".

Remuneration Policy

TCFHC recruits new employees based on the academic background, work experience, and professional skills required for each recruitment category. It also references the salary levels of similar positions in peer institutions and publicly discloses the corresponding job grade and salary in recruitment announcements. There is no discrimination based on race, religion, skin color, political affiliation, age, gender, sexual orientation, marital status, disability, or group affiliation. On average, the starting salary for new employees each year is approximately 1.3 to 1.5 times the statutory minimum wage, clearly exceeding legal requirements. TCFHC also provides various types of leave and remuneration benefits that go beyond what is mandated by law. For continuing employees, the Company grants annual leave that exceeds legal requirements based on years of service and compensates for any unused annual leave at the end of each fiscal year.

Each year, TCFHC also grants employee bonuses and remuneration based on the Company's overall business performance for the year. In addition, employee performance evaluations are conducted based on individual work performance, with promotions, salary adjustments, and bonus distributions implemented according to the evaluation results, thereby reflecting the operational performance and results in employees' actual remuneration. For overseas local employees, the TCB also determines the annual salary adjustment rate and bonuses by referencing the price index and the salary levels of peers in the industry.

To strengthen the competitiveness of remuneration within the industry and boost employee morale, a comprehensive salary adjustment was implemented in 2024. TCFHC and TCB applied a general 4% salary increase, and with additional annual performance-based raises, the average salary adjustment reached 6.65%. Other subsidiaries comprehensively determined their salary adjustments based on overall performance, with an average salary increase of approximately 3% to 4%. In addition, all companies within the Group provide meal allowances. In 2024, in response to the government's income tax system optimization measures to benefit the public, the monthly meal allowance for employees was increased from NT$2,400 to NT$3,000, implemented alongside the annual salary adjustment to enhance employees' perception of the salary increase.

In 2025, the government approved a salary increase for the military, public servants and teachers, and called on private enterprises to increase their employees' salaries. In response to the government policy, TCFHC once again approved a comprehensive salary increase for the Group in 2025, with an average increase of 2.5% to 3% for each company, so that employees can have good salaries.

Since 2015, TCFHC has been selected as a constituent in the "Taiwan High Compensation 100 Index" for 10 consecutive years, demonstrating that the Company's salary levels are among the top tier of listed companies and have been widely recognized. In 2024, the average salary for full-time employees not holding managerial positions within the Group was NT$1.534 million, and the median salary was NT$1.452 million. In addition to substantial growth compared to the previous year, the salary levels remain among the top in the financial and insurance industry and surpass those in many other sectors. It is assessed that the annual remuneration provided by TCFHC is sufficient to meet or support the daily needs of employees and their families.

In addition, TCFHC actively implements its sustainable development policy; through the "Subsidiary Management Measures" and the "Appraisal Measures for Subsidiary Business Management", ESG sustainability evaluation and climate risk management are appropriately linked to the remuneration of employees of the subsidiaries (including chair, CEO, and other senior managers). The implementation results of ESG material topics and major achievements (including but not limited to corporate governance, operation management, environmental protection, and corporate social responsibility) are incorporated into the operational performance evaluation of the subsidiaries as bonus points, with a view to continuing to deepen the sustainable governance of TCFHC and to implement the ultimate goal of corporate sustainable operations.

Salary of Full-Time Non-Managerial Employees from 2022 to 2024 Note

Year	No. of Full-Time Non-Managerial Employees (Persons)	Average Salary of Full-Time Non-Managerial Employees (NT$ Million)	Growth Rate (%)	Median Salary of Full-Time Non-Managerial Employees (NT$ Million)	Growth Rate (%)
2024	8,419	153.4	11.48	145.2	12.56
2023	8,392	137.6	-3.23	129.0	-2.57
2022	8,427	142.2	-2.34	132.4	-1.49

Note: The numbers provided in the table follow applicable requirements in the "Directions for Reporting Operations of Full-Time Non-Managerial Staff Salary Declaration" and "Applicable Q&A" released by the Taiwan Stock Exchange.

Gender Pay Gap in Average and Median Remuneration from 2022 to 2024

To avoid excessive gaps in overall remuneration levels, TCFHC not only regularly reviews the pay ratio between executives and general employees but also annually calculates and monitors the differences in the average and median remuneration between male and female employees, continuously tracking and observing the results, with a commitment to establishing a gender-neutral remuneration system. Using male employees as the baseline, the average salaries of male and female employees were roughly equivalent in 2024, while the median salary for male employees was approximately 7.34% lower than that of female employees. Comparing the annual bonus amounts received, the average and median bonuses for female employees were approximately 3% to 8% higher than those for male employees.

Indicator (Gender Pay Gap Ratio)	2022	2023	2024
Mean gender pay gap	1.53	1.86	0.55
Median gender pay gap	0.22	-0.95	-7.34
Mean bonus gap	-1.8	-0.18	-3.49
Median bonus gap	-6.02	-6.07	-8.54

Note 1. Pay: Refers to the fixed monthly payments, including base salary, lunch allowance, and managerial position allowance/managerial overtime allowance.
2. Bonus: Refers to assessment/holiday bonuses, performance bonuses, and employee compensation.
3. Gender pay gap ratio =

$$\frac{[\text{Male salary/bonus (mean/median)}]-[\text{Female salary/bonus (mean/median)}]}{[\text{Male salary/bonus (mean/median)}]} \times 100\%$$

Employee Welfare

To protect the interests and rights of employees and promote employer-employee harmony, the Group also provides employee benefit measures that are superior to regulatory standards, making adjustments and additions whenever necessary. With these sound benefit measures, the Group hopes to look out for employees and fulfill its mission of taking good care of employees.

Family Care
Matchmaking for singles, marriage allowance, unpaid parental leave for raising children, maternity allowance, childcare subsidy, birthday activities, funeral subsidy, child scholarships, allowances for retirement and layoff, flexible working hours, and part-time work.

Welfare Facilities
Company canteen, parking lot, lactation room, medical room, employee welfare club, multifunctional sports and event center, staff dormitory and networking events center for retired employees, meal allowance, and subsidies for sports and club activities.

Healthcare
Employee health examinations with subsidy, employee counseling, health lectures, flu vaccination, appointment of specialist physicians for on-site consultations and healthcare services, and remote work.

Reassurance
Labor insurance, national health insurance, employee group insurance, employees' family group insurance, employee emergency financial aid and bereavement payment, pension, and employee stock ownership trust.

Note: Some subsidiaries, due to business needs, provide necessary remote connection equipment and systems, along with an electronic document signing and approval system, to facilitate employees in handling official duties, maintain smooth and efficient administrative operations, and ensure uninterrupted Group operations.

Family Care

TCFHC provides generous subsidies for marriage, childbirth, childcare, and funerals, as well as child scholarships, emergency financial aid, bereavement payments, and various comfort payments, thereby establishing comprehensive family care measures to offer employees and their families more diverse forms of support and care.

• Matchmaking Events

To embed the concept of establishing a "happy enterprise" more deeply, TCB continuously organizes matchmaking events for single employees, with professional event organizers hired to plan the events in hopes that introducing more engaging activities would encourage more employees to take part, giving busy single employees a chance to expand their social circles and find their life partners, so that through the power of family stability, employees can stay and work hard at TCB stably.

- **Childbirth Subsidies and Childcare Services**

In response to Taiwan's aging society, declining birth rate, and the rising proportion of working women in modern society, TCFHC has significantly increased its childbirth subsidy since 2021 to allow female employees sufficient time to recuperate after childbirth and prepare for returning to the workplace. The maximum subsidy per child was raised from NT$100,000 to NT$150,000. Including the childbirth subsidy provided by the Employee Welfare Committee, each new parent can receive up to NT$160,000 per child.

Employee Childbirth Subsidies from 2021 to 2024

Childbirth Subsidy	2021	2022	2023	2024
No. of employees subsidized	151	163	156	149
Total subsidy amount (NT$ million)	1,384	1,898.4	1,907.5	1,640

For employees who meet the requirements of the "Gender Equality in Employment Act", TCFHC will not only approve the unpaid parental leave application but also retain their job position until the leave period ends. In 2024, there were 587 employees eligible for unpaid parental leave, and a total of 117 people applied and were approved. In that year, aside from 4 of these employees who resigned voluntarily to pursue different career plans, the others were all reinstated. As a result, the reinstatement rate reached 95.74%. Among those who returned from parental leave in 2023, 93.02% remained employed for at least 1 year after their return.

TCFHC has also signed a corporate childcare service contract with Hess Educational Enterprise Co., Ltd. to provide employees with childcare support, including registration discounts, extended childcare service hours, and occasional information on campus activities, as well as parenting education consultation seminars and publications. The Employee Welfare Committee of TCB also provides childcare subsidies twice a year. For children of employees aged from 1 full year to under 5 years old, a subsidy of NT$1,000 is granted per child each time. In 2024, a total of NT$1.226 million in subsidies was provided. In addition, to encourage employees' children to work hard at school, scholarships are awarded according to the subsidy regulations to children enrolled in government-accredited schools at all levels in Taiwan (including master's and doctoral programs, colleges and universities, senior high schools, and the first 3 years of 5-year junior colleges following the high school standard, with the last 2 years following the college standard). The scholarship amounts range from NT$2,500 to NT$3,500. In 2024, a total of 2,615 employees applied, and NT$8.234 million in children education scholarships was awarded.

In addition to meeting the minimum requirements set by the "Labor Standards Act", the "Regulations of Leave-Taking of Workers", and the "Gender Equality in Employment Act", TCFHC has further developed a comprehensive leave system that exceeds statutory requirements to enhance employee benefits. To fully protect female employees during pregnancy, the Company provides full-pay tocolysis leave prenatal leave, pregnancy checkup leave, and miscarriage leave. In cases of special circumstances requiring additional leave, employees may also apply for up to 33 days of paid personal or sick leave. After childbirth, employees are entitled to 42 working days of paid parental leave (combined with prenatal leave), equivalent to approximately 8.4 weeks. If parental leave overlaps with national holidays, it can extend up to 10 weeks. These measures aim to fully implement maternity protection policies, allowing female employees to recuperate adequately before returning to work. If needed, employees may also apply for parental leave. In addition to complying with regulations regarding breastfeeding during working hours, TCFHC has also established breastfeeding rooms at workplaces in accordance with the law. The Company continues to promote maternal care for female employees and maintain the functionality of breastfeeding rooms, being recognized with the "Taipei City Excellent Breastfeeding Room" certification for outstanding performance.

To ensure that employees can enjoy family life beyond work, male employees may apply for full-pay pregnancy checkup accompaniment leave and parental leave before and after their spouse's childbirth, allowing them to accompany their partner throughout the pregnancy. In addition, after their spouse gives birth, employees may also take 7 days of full-pay family care leave to care for their child, or apply for a longer period of parental leave if needed(1 month~to 2 years).

Applications for Unpaid Parental Leave and Reinstatement by Employees

Gender	2023			2024				
	Actual no. of reinstated employees (A)	Still employed for 12 months after returning to work (B)	Retention(%) rate (B/A)	No. of employees eligible for parental leave	No. of applicants that took parental leave	No. of employees subject to reinstatement (C)	Actual no. of reinstated employees (D)	Reinstatement rate (%)(D/C)
Male	27	22	81.48	268	20	19	17	89.47
Female	59	58	98.31	319	97	75	73	97.33
Total	86	80	93.02	587	117	94	90	95.74

Maternity Protection Measures Superior to Statutory Requirements

	Statutory Note 1	TCFHC Note 2
Menstrual leave	Half-paid	Full-paid
Tocolysis leave	Not stipulated	Full-paid + 1.3 weeks of calendar days
Pregnancy checkup leave	7 days	1.4 weeks of calendar days
Miscarriage leave (pregnancy under 2 months)	Unpaid+5 days	Full-paid+14 days
Miscarriage leave (pregnancy lasted 2–3 months)	Unpaid+1 week	Full-paid+14 days
Miscarriage leave (pregnancy lasted over 3 months)	4 weeks	Miscarriage after 3–5 months of pregnancy: 21 days Miscarriage after 5 months of pregnancy: 42 days
Paid parental leave for the primary caregiver (including prenatal leave) Note 3	8 weeks	39 weeks of calendar days Note 4
Pregnancy checkup accompaniment leave and paid parental leave for the non-primary caregiver	7 days	1.3 weeks of calendar days (Extended application period. Employees may apply for leave within 15 days before or after the day of delivery)
Family care leave	Unpaid	Full-paid+1.3 weeks of calendar days
Parental leave	Both primary and non-primary caregiver may apply for parental leave (1 month~to 2 years) before each child reaches the age of 3 and may also apply to the Department of Labor for parental leave allowances and salary subsidies (up to 6 months).	

Note 1. Statutory paid parental leave/miscarriage leave is calculated by calendar days (including public holidays with no additional leave given).
2. TCFHC's leaves are calculated by business days (excluding off days, weekends, and public holidays).
3. Pre-parental paid leave: Pregnant employees may negotiate with their unit 4 weeks before the expected date of delivery and apply for pre-parental paid leave either in single installment or in multiple installments before delivery, but they must reserve at least 4 weeks to be taken all at once after delivery.
4. Include 33 days of fully paid personal leave or sick leave, 42 days of maternity leave and 6 months of paid parental leave.

• Flexible Working Hours and Part-Time Work

If employees have needs (such as raising a child under the age of 3), they may apply not only for parental leave but also, in accordance with work rules, request a reduction of 1 hour in their daily working hours from the company. In addition, due to the nature of their business, some subsidiaries allow employees to apply for flexible working hours from the company in accordance with work rules, enabling adjustments to their start and end times. If an employee applies for part-time work, the company may agree to the colleague's part-time work if it does not conflict with the company's interests, and some subsidiaries may hire part-time employees for a long term due to business needs.

Welfare Facilities

TCFHC Group has been concerned with the health of employees, striving to create a happy workplace, an effort that has propelled each subsidiary and its branches to set up facilities based on office size and the needs of employees, such as medical rooms, lactation rooms, employee clubs, company canteens, and parking lots.

There are multi-functional courts, gyms, and yoga and dance classrooms in the Activity Center of the TCB head office. Employees can form teams to play basketball, badminton, and other ball sports, or take aerobic, yoga, dance, and other lessons, and hire professional coaches to teach. To encourage employees to participate in club activities after work, eliminate work-related stress, and enhance exchange and interaction, starting from 2020, any clubs registered and established according to the "Guidelines for the Management of TCB Employee Clubs" can apply for subsidies for expenses generated from club-related activities. As of the end of 2024, a total of 15 clubs have been registered, with a total subsidy amount of NT$391,000.

Healthcare

In order to enhance employees' awareness of self-managed health and timely prevention or treatment, TCFHC commissions a professional medical examination agency to conduct comprehensive health examinations for employees at all units every 3 years. Additionally, we provide subsidies for employees to undergo health examinations at their own expense and offer extra subsidies for specific items, aiming to prioritize prevention over treatment.

In addition, apart from BNP TCB Life inviting doctors to provide on-site flu vaccinations for employees as a regular practice, TCB held 2 sessions of a "Workplace Flu Vaccination Station for Government-Funded and Self-Paid Vaccines", where employees could also receive the COVID-19 JN.1 vaccine on the same day. TCS also coordinated with TCB to hold the same event on the same day, while other subsidiaries provided subsidies for employees to receive flu vaccinations at their own expense. This initiative aims to encourage employees to actively get vaccinated and strengthen their immunity.

Since 2020, TCB has participated in the "Corporate Epidemic Prevention Alliance" certification by the Taiwan Immunization Vision and Strategy (TIVS). In addition to receiving the Silver Award in 2020, TCB has consecutively won the "Epidemic Prevention Vanguard Gold Award" from 2021 to 2024. Furthermore, TCS also received the "Epidemic Prevention Vanguard Gold Award" in 2024.

Subsidies for health examinations	Eligibility and subsidy amount	• Employees under 40 years old: Provided with 1 day of paid health examination leave every 2 years. • Employees aged 40 and above but under 50: Eligible to apply once every 2 years for a health examination subsidy of NT$3,500 and 1 day of paid health examination leave. • Employees aged 50 and above: Provided annually with a health examination subsidy ranging from NT$3,500 to NT$10,000 depending on their position, along with 1 day of paid health examination leave. • Employees assigned overseas, in addition to the original paid health examination leave, are eligible for a subsidy of up to NT$3,500 once every 3 years.
	Subsidy method	• Reimbursement based on verified receipts.
	No. of subsidy recipients and amount in 2024	• A total of 1,036 employees across the Group applied for the general health examination subsidy, with the total subsidy amount reaching NT$6.916 million.
Subsidies for specific health examination items (preventive medicine)	Eligibility and subsidy amount	Subsidy provided once every 2 years for the following employees, with a maximum of NT$6,000 per instance (reimbursement based on verified receipts): • High-risk employees who are between the ages of 45 and 50, with a first-degree relative diagnosed with lung cancer [Note 1]. • Employees aged 50 and above.
	Examination items (select 1 from 8 [Note 2])	• "Lung computed tomography (CT) scan" and "magnetic resonance angiography (MRA)", as well as magnetic resonance imaging (MRI) of 6 regions, the breasts, brain, neck, chest, abdomen, and pelvic cavity.
	No. of subsidy recipients and amount in 2024	• A total of 425 employees across the Group applied for the specific health examination item subsidy, with the total subsidy amount reaching NT$2.428 million.
Self-paid flu vaccine	Eligibility and subsidy amount	• For all eligible employees across the Group, a maximum reimbursement of NT$800 is provided for self-paid flu vaccination based on verified receipts.
	No. of subsidy recipients and amount in 2024	• TCB organized 2 on-site flu vaccination stations (both government-funded and self-paid), with a total of 438 participants receiving flu vaccines (including both types). COVID-19 JN.1 vaccinations were also administered on the same day, with 84 participants. • Across the Group, a total of 729 employees applied for the self-paid flu vaccine subsidy, with the total subsidy amount reaching NT$580,000.

Note 1. Applicable to "computed tomography (CT) scan of the lungs" only.
2. To facilitate greater flexibility for employees, starting from May 2025, the restriction of selecting only one specific health examination item for subsidy has been lifted.

TCB analyzed the age distribution and health examination results of employees across all units and organized seminars focusing on dietary control, with total training hours reached to 17,495 hours. An 11-week "TCFHC LOHAS Weight Management Program" was subsequently held to promote smart eating and joyful exercise among employees. Through dietary control and regular exercise, a total weight loss of 210.7 kilograms was achieved.

In addition to providing an excellent maternity subsidy program, TCFHC continues to promote maternal care for female employees. For female employees who are pregnant or within 1 year postpartum, the occupational health and safety supervisor conducts environmental risk assessments. Through on-site health services, physicians assess the employees' work and physical conditions, provide risk evaluations, and offer educational materials related to pregnancy. In 2024, a total of 24 employees received care and counseling.

All subsidiaries of the Group have obtained the "Badge of Accredited Healthy Workplace: -Health Promotion" issued by the Health Promotion Administration. In addition, to actively promote employee health, TCB has implemented a phased plan in 2024 to guide 248 business locations in promoting various health initiatives, including correct sitting posture, healthy eating, chronic disease prevention, and mindfulness-based stress reduction. To help alleviate employees' work-related stress, we regularly hold physical and mental health promotion courses, with professional psychological counselors or psychiatrists providing instruction on stress relief and mindfulness techniques. A "List of Mental Health Services Provided by TCB or Available in Taiwan" is also available for employees with counseling needs to utilize multiple therapy channels. We also regularly publish Occupational Safety and Health Academy literature to promote the importance of physical and mental health balance and to help employees become more attuned to the physical and mental health of their fellow colleagues.

BNP TCB Life began introducing the employee assistance program (EAP) in 2017, helping employees relieve work-related stress and handle problems at work and in life. The program provides comprehensive physical and mental balance as well as psychological counseling services through phone calls, letters, or face-to-face consultations, helping employees achieve work-life balance. Topics of consultation include parent-child communication, affection and relationships, family and partner issues, and pressure from work. In 2024, an average of 3 employees utilized these services each month.

Reassurance

In order to protect employees' lives and work against uncertainty, TCFHC has enrolled its employees in labor insurance, national health insurance, and employee group accidental injury insurance to ensure that each employee is provided with the care they deserve during their duty hours. Employees' dependents are also entitled to join the group insurance. Employee retirement or dismissal is handled in accordance with the "Employee Retirement, Casualty and Severance Regulations", and relevant subsidies are also provided by the Employee Welfare Committee.

As for post-retirement life, TCFHC has set up an employee retirement system according to the "Labor Standards Act" and the "Labor Pension Act", under which TCFHC makes monthly contributions equivalent to 6% of each employee's insured monthly salary as the labor pension to provide security for employees' retired lives. In addition, TCB has also set up a retiree networking center as a venue for retirees to meet and interact with each other.

To improve its competitive edge, increase employees' willingness to work long-term at the company, and assist employees in accumulating future wealth and retirement financial planning, TCB established an employee stock ownership trust in 2020. Full-time employees who have stayed at the company for more than 6 months can opt to participate in the stock ownership trust. For participants, TCB allocates NT$1,000 of stock subscription (company contributions) to encourage employees (including senior-level managerial employees) to invest in the company's stocks through a systematic investment plan. This not only allows employees to share the fruits of the company as shareholders, but also has the effect of additional salary. Employees can get back the full amount of personal contributions when they leave or retire, while company contributions will be given based on employees' membership years, aiming to strengthen talent retention and reduce turnover rates.

Since the launch of the employee stock ownership trust, TCB has maintained an employee participation rate exceeding 90%, demonstrating excellent execution results. To further strengthen employee cohesion and enhance the Group's operational performance, starting in 2024, TCFHC and other subsidiaries have also fully implemented the program under the same conditions. This initiative enables employees to begin financial planning for retirement early and helps secure their retirement life.

5.2 Career Management and Learning

GRI 404-1、404-2、404-3

TCFHC integrates the core concepts and strategic directions of the Company, constructs complete education, training, and continuing education courses, and plans training blueprints according to job levels and professional functions to establish effective career development training plans for employees. We hope to cultivate, retain, and assist employees in practicing their career ideals and to create a win-win situation where the Company and employees can grow together.

Diverse Learning and Continuing Education

Employee Education and Training

In order to motivate employees to pursue growth and strengthen professional skills, each year TCFHC Group plans different annual training programs that contain various types of professional lectures and training courses, either held internally or arranged externally through collaborations with different training institutions, schools, or government agencies. The Group has encouraged staff to learn autonomously or take part in external training courses. The Group also hold celebrity speech events from time to time and arrange multiple learning channels, hoping to develop employees' professional skills and competencies and increase the competitiveness of the entire Group.

In 2024, the average training hours for employees were 52 hours, with average training expenses of NT$3,129, showing a significant uptick from NT$2,451 in 2023.

2024 Training and Education Statistics

	Male		Female		Total
	Managerial Role	Non-Managerial Role	Managerial Role	Non-Managerial Role	
Total training hours	69,349	138,153	91,217	208,092	506,811
Number of employees	990	2,948	1,332	4,406	9,676
Average training hours	70.05	46.86	68.48	47.23	52.38
Training expenses (NT$)	7,335,980	5,435,622	8,498,140	9,009,319	30,279,061
Average training expenses (NT$)	7,410	1,844	6,380	2,045	3,129

TCB continues to provide complete and comprehensive training on 3 main fronts, which are new employee training, Global Associate (GA) training, and leadership management training, so that employees are given diverse learning and development opportunities throughout their careers. Also, in preparation for global deployment, the expansion of the overseas service network, and the establishment of bilingual branches, TCB is actively cultivating well-rounded international talents and providing support for employees to obtain professional certificates and language proficiency certifications in order to cultivate talents with an international vision.

To welcome the wave of digital transformation among banks and FinTech, TCB is also actively implementing innovative talent training plans, establishing the "Innovation LAB" (CoLAB) in 2019, which has served as important incubators of innovative talents and new FinTech patents.

New Employees

To help newcomers quickly get the hang of their responsibilities, we organize new employee seminars and ETABS hands-on classes for collection and payment at the counter. The training courses gradually increase in difficulty and introduce theories before hands-on practice, covering topics like practical operations, operational risk loss, friendly financial service, information security literacy, ESG issues, and occupational safety education. Practical exercises include identifying subpoenas and balancing loans, as well as operating simple payment transactions. These courses also introduce the ETABS interface and troubleshooting methods. Trainees then practice more complicated cases and take more advanced courses on topics like time deposits, cash accounts, and checking accounts.

ESG Talent Development Program

Talent is a key driver of sustainable business development. To embed sustainability into corporate culture, the Group actively promotes ESG-related knowledge and awareness by organizing various training programs, seminars, and drills. In 2024, TCB allocated a budget of NT$11.12 million for the implementation of sustainability transition programs, including Executive Seminar on Fair Treatment of Customers, TCB Health Academy Lectures, TCB Lecture Series, Senior Financial Planning Consultant Training Program, Environmental Sustainability Training, and ESG Education and Training Sessions. These programs comprehensively cover critical ESG topics, such as information security, ethical business practices, personal data protection, fair customer treatment principles, and potential negative impacts of climate transition. The training completion rate reached 100%, reflecting the Group's commitment to cultivating a culture of sustainability throughout the organization.

Global Associate (GA) Employees

In preparation for global deployment, the Global Associate training program is one of TCB's most valued talent training projects. TCB launched the program in 2011, providing solid professional courses and internal rotations that allow trainees to learn core operations to develop international banking talents. The program has trained over 320 Global Associates. In recent years, TCB has increased the number of recruitments in hopes of recruiting talents with at least a master's degree, intermediate or higher English proficiency, and a background in any field of study to revitalize the organization and cultivate talents to succeed in international banking business. As of 2024, 171 people (53.43%) have completed training or have been assigned to the head office or overseas branches.

Basic and professional business course → Practical training at the assigned business unit → Regular monitoring and evaluation

Company-Wide English Courses

In response to the trends of globalization and internationalization, in alignment with the "Bilingual 2030 Policy", and to provide friendly bilingual financial services, TCB is committed to comprehensively improving employees' English listening, speaking, reading, and writing skills, organizing both classroom courses and courses on professional online learning platforms, which have been attended by over 2,000 people.

English Conversation for Bank Clerks

Course Content/Objectives

Professional native speakers were hired to train bank clerks in their speaking ability

Number of Participants

A total of 35 classes were available in the northern, central, and southern parts of Taiwan, with around 30 participants in each class

FUNDAY Online English Learning Program

Course Content/Objectives

Those who complete 100 hours of online courses within a year and show improvement in language proficiency exams will receive bonuses at different levels

Number of Participants

Over 2,000 people signed up for the courses

Employee Development Program

In addition to providing employees with basic job training, language courses, and mandatory, compliance, or basic occupational health and safety training programs, the Group has also planned employee development programs covering both full-time and part-time employees in recent years, hoping to enhance employees' professional skills in order to improve overall operational performance.

Type	Item	Description	Expected Operational Performance(including Quantitative Business Impact)
Coaching/ Mentorship	Senior Management Development Program	• Help junior executives shorten the painful period of becoming senior executives, and share personal experiences by current and retired managers to replicate successful models for business expansion.	• Improve the promotion rate and reduce the shock of the retirement wave. • From 2018 to 2024, there were 477 manager candidates, with 205 actually appointed (including those who have since retired).
Teams and Networks	CoLAB	• In 2019, TCB established CoLAB, a cross-disciplinary innovation team composed of high-potential young professionals from various departments. This flexible cross-departmental unit includes outstanding reserve talents from the 1980s and 1990s generations, with expertise spanning overseas branches, wealth management, credit, and foreign exchange. CoLAB also brings together FinTech patent inventors and top proposal contributors from internal innovation programs to collaboratively spark innovative thinking in financial technology. CoLAB continuously explores opportunities for financial service transformation, accelerates the bank's capacity for patent applications and practical use cases, and promotes annual talent rotation to sustain a dynamic and creative culture.	• By fostering a culture of innovation through cross-departmental collaboration and a spirit of enthusiasm, the Bank has cultivated an innovation-driven DNA and built robust digital transformation capabilities within the digital ecosystem to deliver innovative services. • To safeguard its technological advancements, the Bank actively files for FinTech-related patents. As of the end of 2024, a total of 161 patent applications have been submitted, including 25 invention patents and 91 utility model patents either granted or under review. Among these, 5 utility model patents have been successfully commercialized, while the remaining applications are currently under consultation with patent attorneys.
Leadership Development Program	Leadership and Management Training	• To expand the talent pool of potential managers, we regularly select outstanding cadres for training programs tailored to the different responsibilities at various managerial levels. We offer introductory, intermediate, and advanced leadership courses, as well as a training program for newly appointed managers. The curriculum covers business development, experience sharing and legacy transfer from senior and retired executives, and features lectures by industry experts and consultants on diverse topics such as "Driving High Performance", "Core Leadership and Sales Strategies", and "Team Development and Coaching Skills".	• Enhance managerial leadership and governance capabilities while advancing communication skills with subordinates and clients, thereby strengthening sustainable competitive advantage. • 2024 TCB Manager Training Status Training and Education / No. of People Trained New Manager Course: 41 people Senior Manager Course: 73 people Intermediate Manager Course: 101 people Elementary Manager Course: 142 people Total: 357 people
Cultural Education	Innovation Academy Courses	• Training sessions were conducted to enhance effective communication with individuals from diverse cultural backgrounds. In alignment with the digital transformation trend and financial technology (FinTech) development, as well as government initiatives promoting bilingual education, employees are continuously encouraged to cultivate self-directed learning habits to strengthen their professional competencies and improve learning outcomes.	• Learning data indicates that employees, on average, complete more than 19 new learning modules per month and access the platform more than 3.9 times per week, maintaining a steady learning frequency. • Multiple performance indicators surpass both the financial industry and platform-wide averages, reflecting a high level of learning enthusiasm and consistent engagement. • The top 10 "Learning Stars" each completed over 766 modules in total, averaging two modules per day.
Digital Transition Program	FinTech Talent Cultivation Program	• In response to the developments and challenges of the FinTech era, we have implemented a cross-departmental "Digital Talent Empowerment" program, allocating resources to innovation governance, innovative framework methodologies, and the development of critical skills. We promote and execute major digital transformation projects and conduct small-scale validations of innovative solutions. Through collaboration on an AI maturity assessment program, TCB is progressively developing an AI strategy blueprint, expanding the ideation of AI application scenarios and related business opportunities. These efforts aim to enhance employees' innovation and transformation mindsets, along with their digital capabilities, and meet talent demands.	• Continue to drive innovation momentum and develop innovation management capabilities to achieve the long-term goal of fostering a culture of shared and sustainable innovation, while expanding potential applications in financial services. • As of the end of 2024, TCB had filed 954 new patent applications and obtained 829 new patent certificates.

Performance Evaluations

To inspire employees to unleash their potential and reinforce the organization's operational efficiency, the Group has set up a fair evaluation and reward system, organizing both regular and irregular performance evaluations based on the nature of duties. The performance evaluation results are then used as a reference for future improvement, rewards, or punishments. In recent years, the performance assessment system has been gradually integrated with the SDGs, strengthening the Group's sustainable governance. In 2024, TCB conducted annual performance evaluations for all eligible employees, achieving a 100% assessment rate.

Management by Objectives

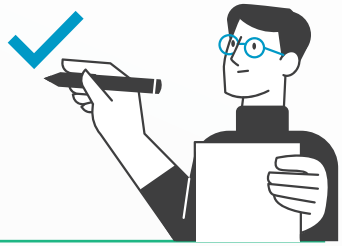
- TCFHC conducts annual business performance assessments for each subsidiary. In addition to financial and business indicators, the assessment targets also include management indicators to strengthen risk management and internal control. "Excellent deeds", "important operating policy implementation", and "ESG material topics implementation results" are included as bonus items. Through the integration of performance assessments with the SDGs, the Group's sustainable governance will be strengthened, and employees' awareness of the Company's sustainable development will be enhanced.
- TCB branches hold weekly morning (afternoon) meetings and other regular business meetings in which supervisors and employees discuss and review business performance together, give recognition to those who hit their targets, encourage employees to do even better, and offer counseling to those who did not, establishing and following up on improvement plans.
- BNP TCB Life has supervisors and employees conduct annual performance evaluation together and establish goals for the coming year, stipulating that supervisors at all levels must at the least communicate and reach an agreement with employees during midterm and end-of-term interviews. BNP TCB Life leverages these regular talks to give employees a better understanding of their job performance, the goals and key tasks expected of them going forward, how to continue improving, and future development plans.
- TCS conducts monthly performance reviews of brokerage service personnel during the probationary period of their employment, offering communication and counseling, and filling out the "Brokerage Service Personnel Counseling Interview Record Form" as a reference for their probation assessment every month. For new traders in the Proprietary Trading Department, in addition to setting performance appraisal goals during the probation period, the department head also requires those with trading losses to submit performance reviews and improvement reports after their performance is settled every half year. New traders are interviewed by their supervisor on a monthly basis, and a performance coaching interview record form is completed after each coaching session.

Multidimensional Performance Appraisal

- To encourage employee communication and interaction, improve team cohesion and efficiency, thereby promoting organizational reform and development, TCB conducts fair and impartial evaluations of all employees from a 360-degree perspective. Since 2022, customer service scoring devices have been installed at branches to quantify evaluation standards. In addition to optimizing the customer service experience, relevant suggestions can also be used as a reference for employee performance evaluations. From 2023 onwards, the usual evaluation of employees gradually includes evaluations from indirect supervisors and self-evaluations, as well as employees' evaluation of unit supervisors, in hopes of comprehensively measuring each employee's personal morality, work performance, absence rate, professional knowledge, talent potential, adherence to the principle of treating customers fairly, and implementation of ESG. The annual performance evaluation results serve as a foundation for the following year's target setting and will affect future promotions, salary raises, annual bonuses, and remuneration.

Team-Based Performance Appraisal

- The primary goal of BNP TCB Life's performance evaluations is the "departmental goal", while the secondary one is the "corporate performance goal" (the target premium of new contracts). The final goal incorporates corporate culture (the respective indicators that shape corporate culture). In other words, all goal setting considers employees as members of a team, rather than solely assessing individuals.
- TCB holds annual performance evaluations for business and management units at the beginning of each year, establishing that year's performance evaluation targets based on the unit's scale and the previous year's performance. Issues such as service quality and customer complaint handling are included in management performance evaluations to improve the quality and efficiency with which each unit handles customer complaints, thereby preventing repeated issues. The annual performance evaluation of management units also includes feedback from business units. Evaluation items under "service quality" include the management units' understanding of business operations, the tone and politeness of personnel, efficiency in handling tasks, problem-solving skills, and overall satisfaction. This approach aims to strengthen the communication skills and service quality of management units. At the end of each year, evaluation results determine the performance evaluation ranking of business and management units, thereby affecting the performance bonuses of employees in each unit.



Agile Conversations

- TCB holds weekly morning (afternoon) meetings and other regular business meetings in which supervisors and employees discuss and review business performance together, manage employee performance and understand job issues through conversations and ongoing feedback, and offer appropriate counseling to those with poor performance, establishing and following up on improvement plans. In special circumstances, supervisors communicate with employees immediately in order to achieve work goals and enhance employee solidarity.

Integrating Employee Performance Assessments with the SDGs

Economic Aspects

SME Loans

Environmental Aspects

Six Core Strategic Industry Loans, digital comprehensive statements

Social Aspects

Bagful of Happiness loans for house-for-pension schemes, youth entrepreneurship and start-up loans, digital NTD and FCY savings accounts, personal Internet banking accounts, mobile Internet banking accounts, property trust of seniors and the disabled, employee welfare trust, credit card promotion (Kanahei Animals Co-Branded Easy Card and Li-High card)

TCFHC Group has included corporate governance, operational management, green environmental protection, and corporate social responsibility as indicators in each subsidiary's annual business performance evaluation. To closely align sustainable development with business objectives, when formulating business policies in 2024, each subsidiary set departmental business objectives according to the spirit of sustainable development to evaluate their annual operational performance results, which in turn determine employees' year-end performance evaluations and are linked to performance bonuses, thereby motivating employees to implement the SDGs.

5.3 Human Rights and Equality

GRI 2-23、2-24、2-30、406-1、407-1、409-1

Human Rights Policy

The Group adheres to international human rights standards, including the "United Nations Universal Declaration of Human Rights", the "United Nations Global Compact", and "International Labour Organization Conventions". It has established a human rights policy and code of conduct applicable to all subsidiaries within the Group. To demonstrate its commitment to upholding, respecting, and protecting human rights, the president, on behalf of all employees, has signed a human rights statement, publicly declaring the Company's support for and compliance with its human rights policy. The Group also expects its suppliers, clients, and other partners to uphold the same standards and work together to enhance awareness of human rights issues. The Group has no operating sites or suppliers with significant risks of forced or compulsory labor.

TCFHC Human Rights Policy

Employer-Employee Harmony

Respect employees' freedom of association and their right to collective bargaining, and regularly convenes employer-employee meetings to establish a communication platform for employers and employees to protect and enhance employee rights.

Abiding by Labor Laws

TCFHC strictly abides by local labor-related regulations and the "Gender Equality in Employment Act", and prohibits human trafficking, the hiring child labor, any form of discrimination, and any business activities that violate freedom of association or involve forced labor.

Diversity and Fairness

The Company promotes workplace diversity and does not permit any differential treatment or any form of discrimination based on race, social class, language, ideology, religion, political affiliation, nationality, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, disabilities, horoscope, blood type, or past membership in a labor union. However, distinctions based on seniority, disciplinary records, performance, or other legitimate reasons unrelated to gender or sexual orientation are not subject to this restriction. The Company endeavors to create a harassment-free workplace environment where dignity, safety, and equality are upheld.

Right to Privacy

Protect the privacy of employees, customers, and other stakeholders, and ensures that the collection, handling, and use of personal information are compliant with laws and regulations.

Advocacy

In addition to actively implementing CSR and human rights protection policies and applying the same standards to partners, including suppliers and customers, the Company endeavors to pay greater attention to human rights issues and places high value on related risk management.

Health and Safety

The Company adheres to occupational safety and health-related laws and regulations, continues to improve workplace safety and health, reduces the risks of occupational hazards, and provides employees with a safe, healthy, and clean workplace environment.

For the sake of eliminating gender discrimination and promoting substantive gender equality, TCFHC is devoted to advancing gender equality policies. Gender equality and human rights education and training courses are planned for employees (including newcomers) on a yearly basis. In 2024, TCB further expanded gender equality education and training across the entire bank to strengthen employees' awareness of gender equality. A total of 9,231 participants received the training. Including other Group companies, the total number of participants in gender equality courses reached 9,838, representing a significant increase compared to the previous year. In addition, internal management and complaint resolution are key components of training courses for management, aimed at improving supervisors' ability to communicate and handle problems. TCFHC is committed to constructing a gender-friendly workplace, establishing many leave and benefit systems that are more favorable than statutory requirements (see Maternity Protection Measures Superior to Statutory Requirements). In 2023, TCFHC participated in the Gender-Equality Index (GEI) assessment for the first time and was certified. In 2024, it was selected for the first time as one of the "Equileap Emerging Markets Gender Equality Enterprises", becoming the first financial institution in Taiwan to receive this recognition. These honors demonstrate how the Company's active efforts to implement gender equality policies have gained international recognition.

TCFHC Group has zero-tolerance for both sexual and non-sexual harassment. To prevent the occurrence of sexual harassment and protect the rights and interests of victims, the Company established "Workplace Sexual Harassment Prevention Policies" that strictly prohibit sexual harassment in the workplace. Violators are penalized according to the severity of the situation. In addition to posting anti-sexual harassment literature, the Company also established the "Sexual Harassment Complaint Review Committee", which consist of external experts who professionally and impartially handle reports of sexual harassment. The Company also established a sexual harassment complaints hotline, establishing an open reporting channel to handle employee complaints with confidentiality, allowing employees to work safely in a workplace environment free of sexual harassment and ensuring diversity and fairness in the workplace.

In 2024, 1 case of sexual harassment occurred within the Group. In accordance with the "Regulations for Prevention, Correction, Complaint, Investigation and Handling, and Punishment of Sexual Harassment at Workplace", the "Sexual Harassment Complaint Review Committee" was convened to deliberate the case. The sexual harassment incident was investigated based on principles of objectivity, fairness, and professionalism, ensuring that all parties were given full opportunities to present their statements and defenses. Following the case review, appropriate disciplinary action was taken against the offender. The case has been properly concluded. Additionally, gender equality awareness was reinforced through related courses for management-level employees and new hires to prevent the recurrence of such incidents.

Human Rights Due Diligence

To implement human rights risk management, the Company not only established a Group human rights policy, but also continuously follows up on recent human rights cases and analyzes prominent international human rights issues. Every year, important human rights issues that are highly relevant to the Company are regularly selected as the main assessment items for implementing human rights due diligence on employees and key suppliers [Note], so as to facilitate regular review of human rights risk issues and the formulation of mitigation and remediation measures, with ongoing tracking of improvement outcomes.

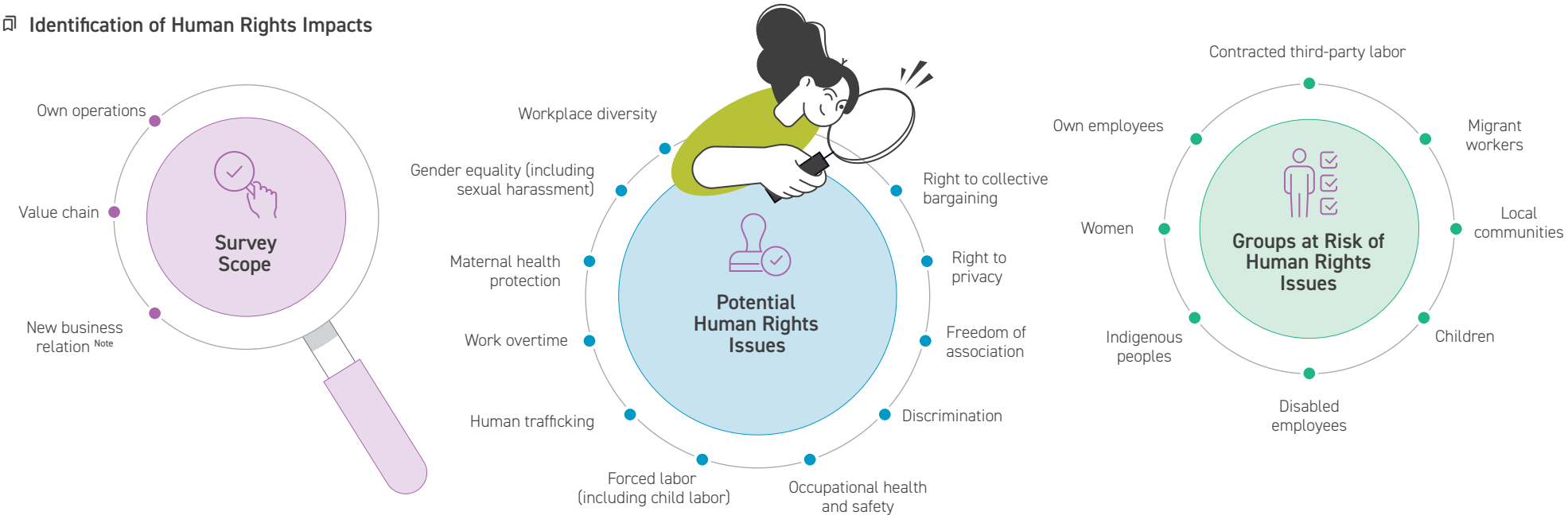
Note: For the key supplier human rights due diligence results, refer to the chapter Enrichment for details.

Human Rights Due Diligence Process

In order to fully implement its human rights policy, TCFHC compiles potential and possible human rights issues during operational processes through internal and external communication channels, while monitoring the development trends in human rights issues at home and abroad. The frequency of occurrence and impact of human rights issue-related risks are assessed through questionnaires, which serve as a reference for TCFHC to formulate business policies and welfare measures in the future.

Identify impact	Assess risks	Risk mitigation measures	Effectiveness evaluation and improvement
Examine and evaluate the impact of the Company's operations, value chain, new business activities (such as mergers or joint ventures), and other relevant activities on human rights protection, and identify potential human rights issues.	For stakeholders at risk, assess the probability of occurrence and the impact of potential risks related to various human rights issues, and establish a risk matrix for human rights issues.	Plan relevant mitigation and compensatory measures based on potential risks.	To implement high-risk human rights management, analyze and review human rights protection measures, and flexibly adjust the survey process and improvement measures.

Identification of Human Rights Impacts



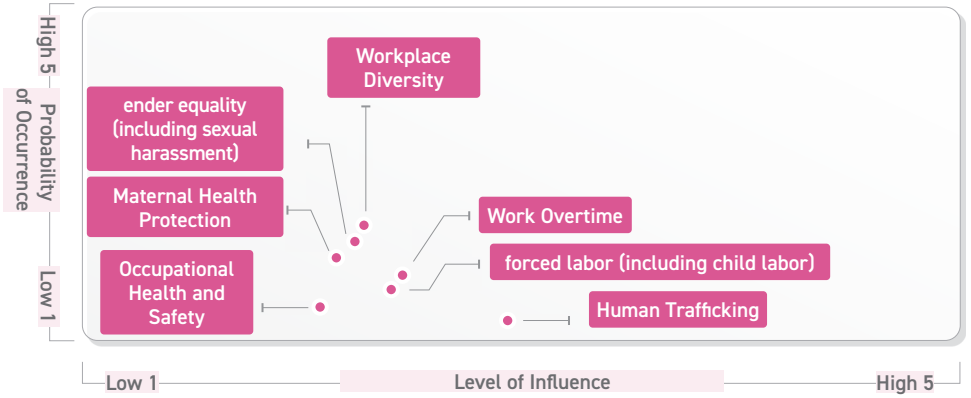
Note: The Group did not establish any new business relationships (such as mergers or joint ventures) in 2024 and therefore did not conduct human rights due diligence in this respect.

Human Rights Risk Assessment

In 2024, TCFHC Group conducted an employee human rights due diligence survey, focusing on 7 major human rights issues, namely, "workplace diversity", "gender equality (including sexual harassment)", "maternal health protection", "work overtime", "human trafficking", "forced labor (including child labor)", and "occupational health and safety", compiling 27 potential human rights risk issues. The survey was conducted through questionnaires on the probability of occurrence of these risks and the severity of impact if they occur, to fully understand the possible impact of human rights risk issues and to plan risk mitigation measures as soon as possible.

For the survey, 9,444 questionnaires were given to employees throughout the Group, and 8,815 valid completed questionnaires were collected, resulting in a completion rate of 93.34%. The survey results showed that the occurrence rate and impact of human rights risks were both at a medium to low level. This demonstrates that the Company's measures to prevent human rights risks are recognized by most employees.

Risk Matrix of Employee Human Rights Issues



Human Rights Risk Issues and Mitigation Measures

Based on the results of its human rights due diligence, the Company identifies potential human rights issues with relatively higher risk levels and formulates corresponding mitigation measures as follows:

Type of Stakeholder/ Applicable Population	Issue of Concern	Risk Identification Ratio(%)	Total Risk Proportion(%)	Mitigation Plans	Risk Mitigation Proportion(%)	Actual Risk Occurrence Rate(%)	Remediation Actions	Implementation Outcome
Employee/ Taiwanese/ Indigenous People (all including people with disabilities)	Workplace Diversity	8.27	33.99	• In accordance with Article 38 of the "People with Disabilities Rights Protection Act", a sufficient number of people with disabilities are employed. • Establish an accessible work environment for people with disabilities.	100	0.00	-	• Hire people with disabilities according to regulations. • To comply with the Financial Friendly Service Guidelines set by the regulatory authority, the Bank continuously inspects and improves accessibility facilities across its branches to ensure that people with physical and mental disabilities can access financial services with reasonable convenience.
	Gender Equality (Including Sexual Harassment)	7.32		• Comply with requirements of the "Act of Gender Equality in Employment" and others and strive to protect gender equality in work rights and promote substantive equality in gender status. • Establish " Workplace Sexual Harassment Prevention Policy", strictly prohibiting any form of sexual harassment in the workplace. Violators will be subject to disciplinary actions based on the severity of the offense. • Form a "Sexual Harassment Complaint Review Committee", composed of external experts who handle complaints with professionalism and impartiality. • A dedicated sexual harassment complaint hotline has been set up to ensure accessible reporting channels. All complaints are handled confidentially to protect the complainant's privacy and foster a safe, harassment-free work environment, thereby promoting workplace diversity and fairness.		0.01	• In accordance with internal regulations, the "Sexual Harassment Complaint Review Committee" was convened to review the case. The investigation of the incident was conducted based on the principles of objectivity, fairness, and professionalism, ensuring that all parties involved were given full opportunities to express their opinions and present their defense. The perpetrator was duly disciplined following the committee's review. • Provided psychological counseling and legal consultation support to the affected individual. • Subsequent awareness training on gender equality and workplace conduct was reinforced through courses for all levels of managerial staff and new employees to prevent recurrence of similar incidents.	• New employees will be paid according to their job ranking upon employment and will not be treated differently based on gender or sexual orientation. • Selected for the first time as one of "Equileap's Top Gender Equality Companies in Emerging Markets" in 2024, becoming the first financial institution in Taiwan to receive this recognition.
	Maternal Health Protection	5.25		• Provide proper work environment or identification and evaluation of workplace hazards to strengthen workplace care and outreach in accordance with the maternal health protection plan. Through regular on-site health inspections, have doctors to evaluate the risk of workplace hazards and employee health. In 2024, 24 pregnant employees received relevant counseling and pregnancy-related health education materials. • Provide maternity leave, pregnancy checkup leave, and family care leave that are superior to regulatory standards. Employees who qualify for childcare unpaid leave may apply for unpaid leave.		0.00	-	• Continue to implement maternity protection measures, including leave benefits, childbirth subsidies, and childcare support that go beyond legal requirements. • TCB headquarters office building has received the Top Excellence Award for Breastfeeding Rooms from the Taipei City Government. • Over the past 3 years, the return-to-work and retention rates of employees following parental leave have consistently exceeded 90%.

Type of Stakeholder/ Applicable Population	Issue of Concern	Risk Identification Ratio(%)	Total Risk Proportion(%)	Mitigation Plans	Risk Mitigation Proportion(%)	Actual Risk Occurrence Rate(%)	Remediation Actions	Implementation Outcome
Employee/ Taiwanese/ Indigenous People (all including people with disabilities)	Work Overtime	3.89	33.99	• Follow the Labor Standards Act to establish its "Work Rules" and relevant internal regulations, specifying employee working hours, overtime, and leave policies. 1. Working Hours: Clearly defines employee work start/end times, lunch breaks, and the start time for overtime. Attendance is recorded through an internal system to ensure that daily working hours do not exceed the legal maximum of 12 hours. 2. Overtime: Employees handling official duties must apply for overtime in advance and obtain managerial approval. Supervisors are responsible for monitoring staff workloads and ensuring employees leave the office promptly after overtime. Enforce a strict overtime management policy across the group. Attendance and overtime records are logged in the system, and overtime pay is calculated monthly. Employees are required to confirm their recorded hours and corresponding pay before disbursement. TCB also monitors departments with abnormal overtime every month. Supervisors are expected to assess employees' workload and reasons for extended hours to enable proper task allocation or workflow optimization and prevent excessive working hours. 3. Leave:TCB offers annual leave entitlements exceeding legal requirements. The HR system includes reminders and a "vacation pre-scheduling" function to encourage employees to plan adequate rest periods in advance for physical and mental well-being, promoting work-life balance.	100	0.00	• In 2025, the Group encountered 1 labor penalty case related to underpayment of wages for work performed on a rest day. The subsidiary involved immediately issued back pay for the overtime wages upon identification of the shortfall during an inspection by the competent authority. • To prevent similar incidents caused by manual calculation errors, the company has since procured a new system to automate overtime wage calculations and ensure accurate payroll processing going forward.	• No reported violations related to excessive working hours in 2024.
	Human Trafficking	1.01		• Applicable requirements of the "Human Trafficking Prevention Act" are precisely followed. • Ensure that all workers are hired directly or through legitimate manpower dispatch service providers and no violation of employees' will in terms of having them to engage in work that is obviously non-comparable between the extent of labor and the compensation provided is involved. • Ensure that none of the operational activities involve sexual transactions or applicable illegal items such as removal of human organs.			-	• No cases of human trafficking violations in 2024.

Type of Stakeholder/ Applicable Population	Issue of Concern	Risk Identification Ratio(%)	Total Risk Proportion(%)	Mitigation Plans	Risk Mitigation Proportion(%)	Actual Risk Occurrence Rate(%)	Remediation Actions	Implementation Outcome
Employee/ Taiwanese/ Indigenous People (all including people with disabilities)	Forced Labor (including child labor)	4.83	33.99	• In compliance with the "Employment Service Act", honestly disclose information in recruitment advertisements, does not keep applicants' ID documents, and does not withhold property from applicants nor collect deposits. • Provide new employee with a formal appointment notice clearly stipulating the appointment conditions for the employee to consent to. Check documents of applicants before hiring and prohibit hiring those under the age of 16. • Does not use any non-voluntary labor and comply with relevant labor regulations.	100	0.00	-	• No cases of forced labor violations in 2024.
	Occupational Health and Safety	3.43		• To protect employees' health and safety, the Company has formulated various occupational health and safety standards and regulations to prevent occupational disasters. Regularly hold "Occupational Safety and Sanitation Affairs Class" and "Safety Protection Drill", and conduct on-site inspection on all of the safety operations. • Set up the "Occupational Safety and Health Committee" and hold regular meetings in accordance with regulations to facilitate discussions between labor and management on relevant occupational safety and health management plans, education and training, health and safety audits, health promotion and disease prevention, and other issues that can improve the health and safety of employees.		0.30	• In accordance with regulations, occupational injury reporting procedures are carried out periodically. In addition to granting occupational injury or sick leave based on the actual severity of the incident, follow-up care is also provided through phone calls.	• For actual occupational accidents, in addition to regularly executing the reporting procedures as required by regulations, occupational injury leave is granted based on the severity of each case. In 2024, a total of 29 occupational accidents were reported, with 80% classified as commuting accidents. Regular safety awareness campaigns have been conducted for employees. • To continuously enhance the quality of occupational safety and health management, TCB successfully passed BSI's re-certification audits for "ISO 45001:2018" and "TOSHMS". Additionally,TCBF and TCS obtained "ISO 45001" certification for the first time.

Note 1. Own operations refer to TCFHC and its 7 subsidiaries including TCB ,TCS, CAM, TCBF, BNP TCB Life, TCSIT, and TCVC. Although BNP TCB Life is jointly owned by TCFHC and BNP Paribas Cardif, TCFHC holds a 51% stake and retains operational control. Therefore, BNP TCB Life is included within the scope of own operations.
2. The human rights issues identified in the Company's human rights risk assessment process this year include workplace diversity, gender equality (including sexual harassment), maternal health protection, work overtime hours, human trafficking, forced labor (including child labor), occupational health and safety, freedom of association, and freedom of expression. After risk assessment, 7 issues were identified as key concerns.
3. In 2025, the Group was penalized for 1 case involving underpayment of wages for work performed on a rest day (the incident occurred in November 2024).

Employer-Employee Relations

TCFHC is committed to establishing harmonious labor-management relations, valuing employees' rights and needs. Through the establishment of transparent and effective communication mechanisms, we promote mutual trust and cooperation between labor and management, jointly creating a harmonious working environment.

Comprehensive Employer-Employee Communication

TCFHC has established a Human Rights Policy, and the CEO has signed a Human Rights Statement affirming the commitment to respect employees' freedom of association and related rights. In practice, employees are not restricted from participating in clubs or associations. In accordance with relevant laws and regulations, including the ILO Conventions and Taiwan's Labor Union Act, employees are free to form and join labor unions. Since the establishment of the Group's companies, there have been no incidents of violations of freedom of association. After evaluation, it has been determined that there is no significant risk of such violations occurring at any of TCFHC global operation sites.

To create a win-win situation for both labor and management and to safeguard employees' rights to collective bargaining, each company within the Group holds regular labor-management meetings on a quarterly basis in accordance with the "Guidelines for the Implementation of Labor-Management Meetings". When necessary, ad hoc labor-management negotiation meetings are also convened outside the regular schedule. Employees may express their opinions through labor union representatives or employee representatives at these meetings, ensuring that the voices of general staff are genuinely heard and responded to the company.

Depending on whether a labor union has been established, labor representatives are elected either by the general assembly of union members or by all employees. Currently, TCB, the largest entity in terms of organizational scale, has 12 labor representatives, while other subsidiaries have between 2~5 labor representatives, all in compliance with the minimum number required by law. In 2024, the Group's subsidiaries held a total of 32 labor-management (consultation) meetings, with labor representatives attending at a rate exceeding 95%. During these meetings, labor and management engaged in sincere negotiations and fully exchanged views on major labor-related issues, working together to improve work efficiency, enhance employee welfare, and pursue shared business development goals.

TCB signed its first collective agreement with the corporate labor union in 2005, prior to its privatization, making it the only bank at the time to do so before privatization. In 2022, TCB renewed the agreement for the 6th time, and TCS also renewed its collective agreement in the same year. Both agreements have a term of 3 years and include provisions more favorable than legal requirements in areas such as leave entitlements, special leave, retirement and pension systems, employment, transfers, resignation and retirement, compensation and benefits, working hours, occupational safety, and union activities.

TCSIT established a corporate labor union in 2024. However, as the union has been in place for less than a year and has not submitted any proposals, no collective agreement has been signed to date. Regardless of whether a subsidiary within the Group has established a corporate labor union or signed a collective agreement, all subsidiaries have implemented internal personnel regulations (such as work rules or personnel management policies) to ensure that employee rights are protected and not adversely affected due to the absence of a collective agreement.

As of the end of 2024, 3 subsidiaries—TCB, TCS, and TCSIT—have established corporate labor unions. A total of 8,829 employees voluntarily joined these unions, representing 98.29% of the domestic workforce at these subsidiaries, the unionization rate significantly higher than most industry peers, reflecting a strong foundation for harmonious labor relations.

Employee Satisfaction

To understand and listen to employees' views on management systems, TCFHC regularly conducts employee satisfaction surveys. Beginning in 2021, the Group launched its first Group-wide employee satisfaction survey. Starting in 2022, in an effort to support employees in balancing work and family life, the survey content was adjusted to better capture employees' workplace experiences. The insights gained serve as a reference for future adjustments to benefits or policies, aiming to enhance employees' sense of happiness and belonging, and to build a truly employee-centered and happy workplace.

Survey frequency	Every 2 years.
Survey method	Use the Likert scale as the benchmark for comparing satisfaction scores, with 5 points based on level of agreement. "Strongly agree" is 5 points, "agree" is 4 points, "normal" is 3 points, "disagree" is 2 points, and "strongly disagree" is 1 point.
Survey aspect	Include 6 major aspects, namely "job satisfaction", "purpose", "happiness", "stress", "trust", and "leadership management".
Survey results	A total of 9,228 questionnaires were sent out. After excluding invalid questionnaires (including unanswered or irregular samples that deviate from the normal value), there were a total of 8,985 valid questionnaires. The effective response rate was 97.37%, which should be enough to reflect employees' opinions. The average score of this employee satisfaction survey was 4.33 points. It still meets the employee satisfaction target set for 2024. This suggests that the majority of employees remain satisfied with the company's culture and the implementation of its policies.

Employee Satisfaction Survey Results from 2021 to 2024

	2021	2022	2023	2024	2024 Target
Employee survey score	4.36	4.13	4.13	4.33	The average employee satisfaction score is above 4 points each year
Employee survey participation rate (%)	91.19	93.14	93.14	97.37	

Note 1. TCFHC, TCB, and TCS conducted employee satisfaction surveys for the 1st time in 2021.
2. Surveys have included all companies in the Group since 2022.

5.4 Occupational Safety and Health

GRI 2-23, 2-24, 403-1~403-10

Occupational Safety and Health Management System

The Group's "Occupational Safety and Health Policy" applies to all employees, customers, contractors, and suppliers across the Group. Committed to providing a safe and healthy environment, the Group promotes occupational health and safety based on 4 key pillars, including caring for employees, preventing hazards, promoting health, and comprehensive participation. The Group is dedicated to implementing the following policies:

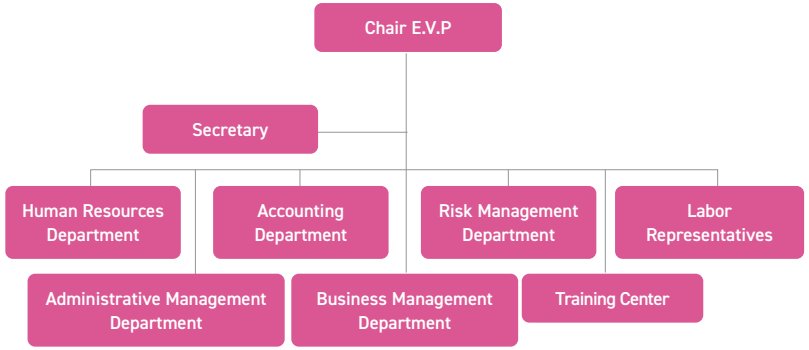
- Strict compliance with national occupational health and safety laws and related regulations.
- Provision of a safe and healthy workplace by eliminating hazards.
- Implementation of risk assessment and management to enhance occupational health and safety performance.
- Organization of occupational health and safety training and health seminars.
- Promotion of employee participation and fulfillment of consultation mechanisms with workers.

The "Occupational Safety and Health Committee" is convened regularly every quarter, consisting of 11 committee members, including the employer, 4 labor representatives, and unit supervisors. The labor participation rate reaches more than 1/3. Through health management, health promotion, safety maintenance management, and occupational safety and health supervision and inspection, we discuss, track, and manage the implementation of issues related to employee health concerns and the working environment. In 2024, a total of 25 issues were discussed. Every quarter, the "Occupational Safety and Health Implementation Work Report" is prepared, reviewed and, approved by the "Occupational Safety and Health Committee" and submitted to the Board of Directors for reference.

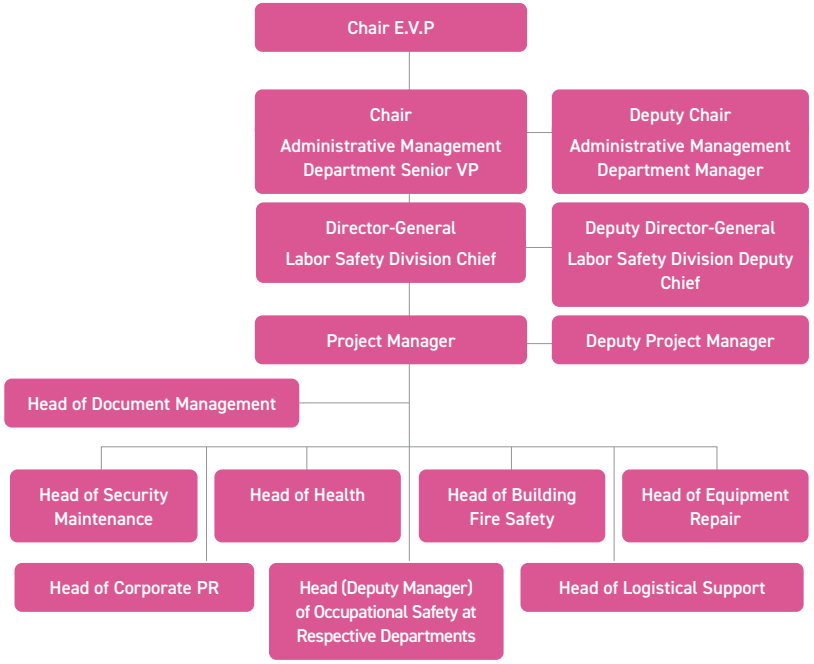
Systematic Promotion of Occupational Health and Safety and Contractor Management

Following the implementation of ISO 45001 and TOSHMS, the "Occupational Safety and Health Management Task Force" at TCB continues to operate actively. The management system covers relevant personnel at the head office, including employees (95.2%) and non-employees (4.8%). An annual Occupational Safety, Health, and Security Management Plan is formulated, outlining priority tasks , quantitative targets and action plans for the year. These focus on strengthening occupational safety and health management, providing safety and health training, conducting self-inspections, performing hazard identification and risk assessments, and promoting other safety and health initiatives. The ultimate goal is to achieve zero occupational accidents, maintain low risk levels, and provide a comfortable and safe work environment. In addition, internal audits are conducted regularly to review, monitor, and improve the system, while third-party verification ensures its continued effectiveness. Internal audit training is also provided to occupational safety and health supervisors (assistant managers) and members of the task force. A total of 30 personnel have obtained internal auditor certification. Through regular internal audits, the system's effective operation is maintained. Furthermore, the "Supplier Corporate Social Responsibility and Environmental Sustainability Commitment" includes occupational safety-related clauses, requiring suppliers to also implement occupational safety and health practices.

TCB Occupational Safety and Health Committee



TCB Occupational Health and Safety Management Implementation Task Force



Occupational Health and Safety Supervision and Inspection

Occupational health and safety supervision and inspection items for 262 units

An annual supervision and inspection plan is established, covering 52 inspection items such as security and stationed guard management, cleaning and meal service personnel management, management of occupational health and safety supervisors,/fire prevention managers,/first-aid personnel, and management facility safety maintenance operations. Any deficiencies or areas requiring improvement identified during inspections are fully rectified by the following month.

- Security and stationed guard inspection
- On-the-job occupational safety and health training
- Contractor personnel management
- Personnel holding 3 occupational safety and health certifications
- Alarm and alert systems
- Meal service environment inspection
- Fire protection equipment
- Occupational safety and health self-inspection management
- Monitoring and recording equipment management
- First aid drugs and consumables
- Carbon dioxide levels, lighting, and water quality
- Electrical equipment maintenance

Health Promotion and Safe Workplace

In honor of the April 28 World Day for Safety and Health at Work in 2024, the "Occupational Safety and Health Week Event" was held over a period of 5 days. Through a serious of events such as smart VR enhanced safety simulations, fire evacuation and disaster drills, workplace safety seminars, health lectures, and CPR + AED first aid skills training, we enhanced employees' awareness of disaster prevention and health knowledge. Led by the highest-ranking supervisor, we also declared a shared commitment with employees to create a safe and healthy workplace.

4 Major Prevention Plans

To encourage employees to actively manage their health, we proactively provide medical information, health promotion, and consultation services targeting employees diagnosed with illnesses or identified with the top 10 most common abnormalities in health examinations. In accordance with the Occupational Safety and Health Act, we also promote 4 major prevention plans (prevention of ergonomic hazards, diseases triggered by abnormal workloads, unlawful infringements, and maternal health protection). These initiatives are integrated with employee health examinations, accompanied by questionnaires or on-site physician visits for hazard identification and risk assessment, demonstrating continuous care and support for employees' physical and mental well-being. No occupational diseases occurred in 2024.

Prevention of ergonomic hazards

- In 2022, 7,718 valid musculoskeletal survey questionnaires were collected.
- In 2024, care and consultation were provided to 106 employees.

- In 2022, 7,718 valid abnormal workload survey questionnaires were collected.
- In 2024, care and consultation were provided to 144 employees.

Prevention of unlawful infringement while performing duties Note

Prevention of diseases triggered by abnormal workloads

Maternal health protection

- In 2023, 612 self-assessments were completed by supervisors.
- In 2023, hazard identification assessments were conducted for 306 units.
- In 2023, 306 communication skills training sessions were held.

- In 2024, interviews and care were provided to 24 employees during pregnancy or within 1 year postpartum.
- Ongoing efforts to promote maternal care and maintain the functionality of breastfeeding rooms, receiving the "Taipei City Excellent Breastfeeding Room" certification for outstanding performance.

Note: The original plan for addressing unlawful infringement encountered during duty was to be implemented once every 3 years. Although it was not carried out in 2024, starting in 2025, the frequency will be adjusted to once per year.

Incident Reporting, Investigation, and Management Procedure Flow

In order to ensure that all employees are fully informed of occupational safety and health regulations and the safety maintenance operational mechanisms, the Group has formulated the "Guidelines for Safety and Sanitation Works" and the "Guidelines for Handling Emergent Injury and Illness" to regulate operational standards on occupational safety and health, as well as principles for handling emergent accidents. At the same time, we comply with legal requirements by conducting regular online reporting of occupational accidents and adhere to the ISO 45001 incident reporting and investigation procedures to ensure investigation of incidents. This helps to monitor employees' health and safety conditions and reduce the likelihood of accidents recurring.

The "Regulations Governing Emergency and Crisis Management" have been formulated as the basis for handling emergencies. This effectively controls risks and damages arising from emergencies, stabilizes corporate operations, and enables each unit to coordinate smoothly with others and handle the aftermath rapidly. The head office, each regional center, and each business unit have formed "emergency response teams" to assist in handling various hazards and emergencies. In addition, when contractors are disabled due to injuries or pass away due to incidents, the supervisor of the unit responsible for the construction shall report in accordance with the regulations.

Absentee Rate from 2021 to 2024

	2021	2022	2023	2024	Target for 2024 Note4
Total days of absence Note 1	8,336	7,177	6,724	5,280	–
Absentee rate(%) Note 2	0.36	0.31	0.29	0.22	0.35 (achieved the target)
Employee coverage rate(%)	100				–

Note 1. Total days of absence refer to the total days of sick leave or work-related injury leave taken by the Group's employees that year.
2. Absentee rate = (Total days of absence/Total working days) x 100%.
3. Since 2022, the statistical data has extended to the Group as a whole, and the data in 2021 has been adjusted retrospectively.
4. The target absentee rate for 2024 is set based on the actual absenteeism rate and the targets of industry peers in 2023.

Occupational Health and Safety Training

To safeguard the safety and health of employees, the TCFCH Group conducted the following training programs in 2024：“Safety Protection Drills” - A total of 1,682 participants received at least 3 hours of training per year, with a cumulative total of 4,107 training hours for all workers. “Security and Occupational Safety Training Courses” - 8,845 participants received at least 1.5 hours of training annually, totaling 17,577 training hours. “Health Seminars”- 8,808 participants received at least 1.5 hours of training annually, with a total of 17,495 training hours.

Each unit within Taiwan Cooperative is required to have at least one designated occupational safety and health supervisor, fire prevention management personnel, and first-aid personnel. A digital system is used to monitor and manage these roles, ensuring immediate training assignment in the event of vacancies. In addition to training at institutions designated by the labor authority, regular on-the-job training is conducted to enhance knowledge and skills related to safety and health.

Training Program		2022		2023		2024	
		Number of Employees	Total Hours	Number of Employees	Total Hours	Number of Employees	Total Hours
Occupational Safety and Health Education and Training for Employees	Occupational health and safety supervisor Note1	78	2,478	327	3,621	71	2,310
	Fire prevention management personnel Note1	85	1,020	347	2,460	11	132
	First-aid personnel Note1	424	1,389	31	496	29	464
	ISO 45001 internal audit personnel	-	-	47	244	17	64
	CPR + AED first aid skills training Note2	506	1,518	83	249	500	1,135
Occupational Safety and Health Education and Training for Non Employees	Security personnel	278	3,336	278	3,336	276	3,312
	Cleaning personnel	-	-	-	-	24	48
	Electrical and mechanical personnel	-	-	-	-	20	360

Note 1.Occupational sfety and health supervisor must undergo refresher training at least once every 2 years, with a minimum duration of 6 hours; fire prevention management personnel must complete refresher training once every 3 years, also at least 6 hours; first aid personnel must complete refresher training once every 3 years, with a minimum of 3 hours.

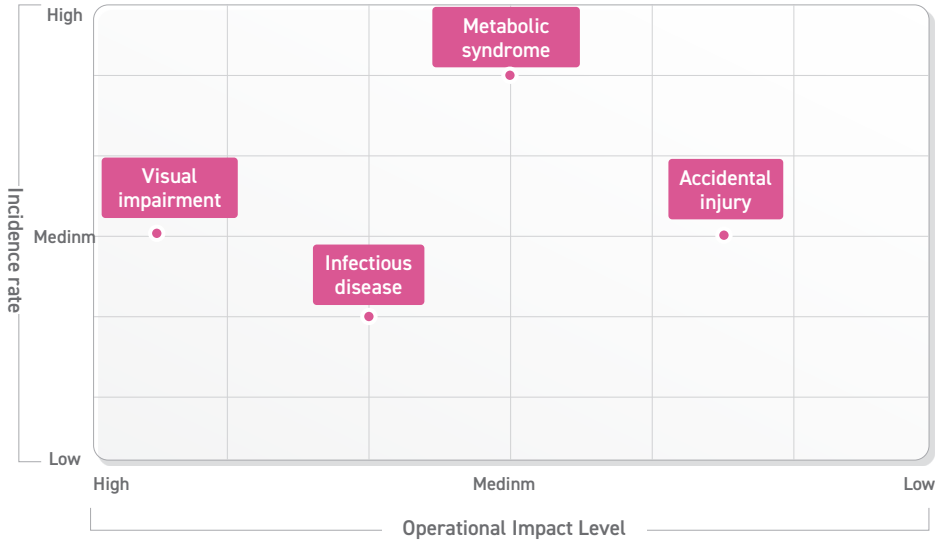
2.Although the Group's workplaces are not required to install Automated External Defibrillators (AEDs), considering employee health and creating a safe environment, AED devices have been installed at 13 building locations, which have obtained the “AED Safe Place” certification. Regular CPR and AED training is also provided to employees.

Occupational Safety and Health Risk Assessments

TCFHC plans new annual health management plans and activities based on indicators such as employee health inspections, the effectiveness of health management measures, and epidemiology, with activities like onsite doctor services, health lectures on a diverse array of topics, and the promotion of healthy exercise. We implement risk assessments based on safety status response notification events and hazard identification statistics, formulate target management plans for preventing metabolic syndrome, preventing employee commuting accidents, and improving workplace safety, and set control measures and review implementation results for risk issues.

Based on the 2024 health risk assessment, 4 issues with moderate to high incidence or impact were identified as health risks requiring management. Among them, metabolic syndrome, accidental injury, visual impairment, and infectious disease were recognized as risk factors. For employees with higher risk values, TCFHC organized weight management events and conducted 248 health promotion sessions to effectively reduce the frequency of employee health hazards and enhance organizational efficiency.

Occupational Safety and Health Risk Matrix



Control Measures for Occupational Safety and Health Risk Issues

Level of Impact	Risk Issues (Priority Items)	Control Measures (Action Plans)	2024 Implementation Results	2025–2030 Quantitative Targets
High risk	Metabolic syndrome	• Promote correct dietary habits among employees. • Issue promotional materials for the Occupational Safety and Health Academy.	• Conducted "Health Lectures" with dietary control as the main theme, totaling 17,495 training hours. • Held an 11-week "Heku Lohas Weight Management Program", encouraging employees to eat smart and exercise happily, achieving a total weight loss of 210.7 kilograms through diet control and regular exercise. • Organized health activities at 248 business units and obtained certification from the Health Promotion Administration for a healthy workplace. • Published 18 occupational safety and health educational bulletins, achieving a 100% view rate.	• Organize health lectures each year, with 8,000 hours. • Increase employee participation in TCB's weight management events by 30%. • Issue 12 promotional materials for the Occupational Safety and Health Academy.
Medium risk	Accidental injury	• Conducted "Occupational Safety and Health Training Courses". • Provided on-site health services. • Published occupational safety and health educational materials. • Passed audits and verifications for "ISO 45001 Occupational Health and Safety Management System" and "TOSHMS". • Implemented certification systems for Occupational Safety and Health Supervisors, Fire Prevention Management Personnel, and First Aid Personnel. • Conducted indoor carbon dioxide concentration testing, lighting monitoring, drinking water quality testing, maintenance and regular inspection of high-voltage electrical equipment. • Carried out supervisory inspections of occupational safety, health, and safety maintenance operations.	• Organized "Occupational Health and Safety Lectures", totaling 17,577 training hours. • In 2024, 29 occupational injury cases were reported, with 80% related to commuting accidents. • Provided on-site health services 96 times, with a total of 735 participants. • Published 18 occupational safety and health educational bulletins, achieving a 100% view rate. • TCB passed audits and verifications for "ISO 45001 Occupational Health and Safety Management System" and "TOSHMS". • TCB achieved a 100% certification rate for the 3 types of occupational safety licenses. • Annual testing of air quality, illumination, and drinking water quality all met standards. • TCB implemented 4 employee hazard prevention plans (human factors, abnormal work, maternity, unlawful harm) with a 100% execution rate. • Conducted CPR + AED first aid training with a total of 1,135 training hours, maintaining the validity of the "AED Safe Place Certification" at 13 building locations. • Used smart VR to simulate fire emergency environments and experiences, enhancing employees' workplace safety awareness, with 41 participants. • Conducted occupational safety, health, and safety maintenance inspections at 262 units, achieving 100% inspection coverage.	• Organize "Occupational Health and Safety Lectures" each year, totaling 8,000 training hours. • Organize 96 on-site health service sessions each year. • Issue 12 promotional materials for the Occupational Safety and Health Academy. • Pass the re-verification audits for the "ISO 45001 Occupational Safety and Health Management Systems" and "TOSHMS". • TCB achieved 100% certification rate for all 3 certifications. • Maintain the validity of the "AED Safe Workplace" certification for 11 buildings. • Achieve 100% coverage in occupational health, safety, and safety maintenance supervision and inspections.
	Visual impairment	• Increase the number of computer monitors replaced. • Include fundus photography and intraocular pressure monitoring in health examinations. • Conduct annual illuminance testing. • Promote awareness of eye-friendly dietary habits.	• Achieved a 90% replacement rate for employee computer monitors. • Achieved a 100% pass rate in illuminance testing.	• Achieve a 90% replacement rate for employee computer monitors. • Achieve a 100% pass rate in illuminance testing.
Low risk	Infectious disease	• The employee flu vaccination subsidy coverage rate exceeds 90%. • Organize 2 on-site workplace flu vaccination sessions. • Obtain the "Corporate Epidemic Prevention Alliance" certification.	• The employee flu vaccination subsidy coverage rate reached 100%. • TCB organized 2 on-site flu vaccination stations (both government-funded and self-paid). Doctors were invited to administer flu and COVID-19 JN.1 vaccines on-site for employees, with a total of 522 participants. • TCB obtained the "Corporate Epidemic Prevention Alliance" certification from the Taiwan Immunization Vision and Strategy (TIVS) and has been honored by the "Epidemic Prevention Vanguard Gold Award" for 4 years in a row.	• The employee flu vaccination subsidy coverage rate exceeds 90%. • Organize 2 on-site workplace flu vaccination sessions. • Obtain the "Corporate Epidemic Prevention Alliance" certification.

5.5 Social Care

Public Welfare Strategies

Entertainment
Joyful Learning

Life
Healthy Living

Tranquility
Tranquil Community

Care
Nursing and Care

As environmental and social structures change, TCFHC continues to pay close attention to the effects and opportunities arising from an aged society through its 4 major public welfare strategies of "Joyful Learning, Healthy Living, Tranquil Community, and Nursing and Care". The Group actively uses the core competencies of finance to launch a number of innovative products to solve social and environmental problems. At the same time, we also continue to integrate Group resources to give back to society and expand social influence.

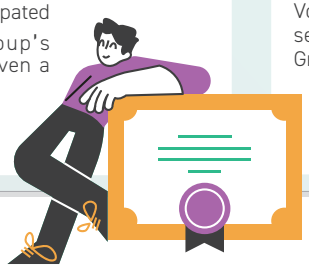
In addition, TCFHC takes "people" as the starting point and encourages colleagues to participate in public welfare activities, thereby cultivating social citizenship awareness. The "Implementation Points of Volunteer Service of TCFHC" were formulated. The Chair leads the team as the captain of volunteers, establishes a top-down corporate culture of public welfare, and passes on the feedback spirit of "Taking from Society and Using in Society" to every employee. BNP TCB Life has also planned a good deeds leave system and launched a "Public Welfare Passport" to support employees in participating in public welfare activities.

Volunteer passport

Volunteers who have participated in 3 or more of the Group's volunteering events are given a volunteer passport.

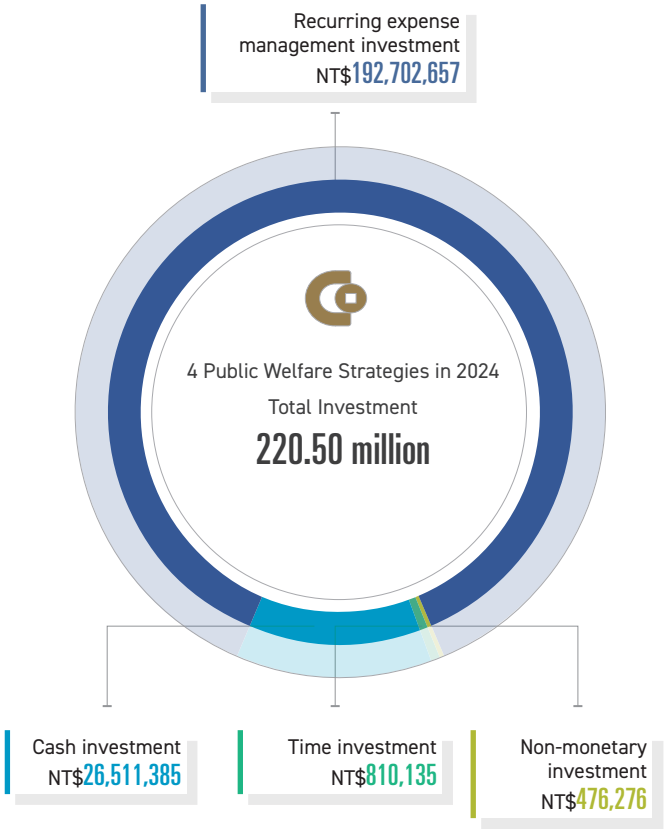
Certificate of commendation

Volunteers or units that have provided excellent service are given achievement certificates by the Group, as well as public recognition.

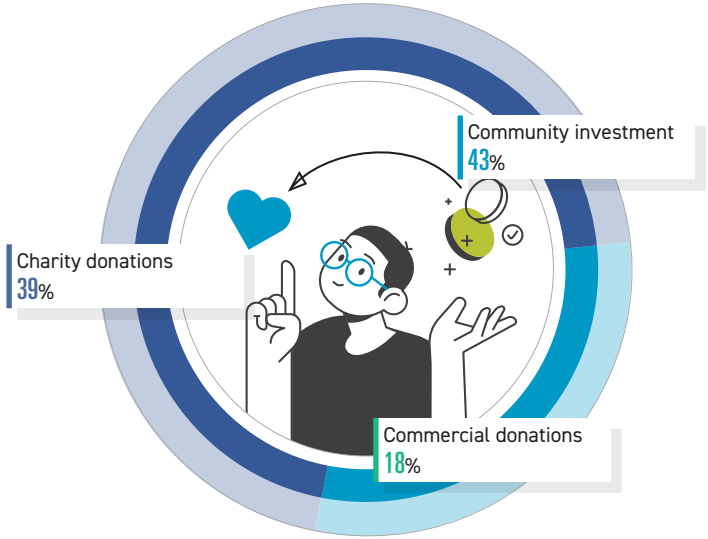


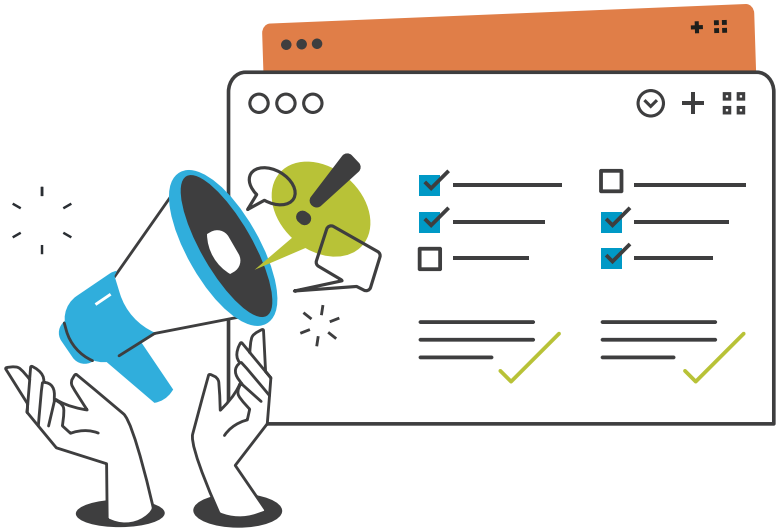
Social Welfare Resource Investment in 2024

TCFHC adopts the London Benchmarking Group (LBG) Business for Social Impact Framework (B4SI), based on "cash investment", "time investment", "non-monetary investment", and "recurring expense management investment" to present various data and classify the impact into 3 donation categories, including "charitable donations", "community investments", and "business donations". The total investment in the 4 major public welfare strategies in 2024 was NT$220.50 million.



Charity Donations by Percentage





Goals of the 4 Major Public Welfare Strategies from 2026 to 2030

Joyful Learning

- TCB to provide approximately NT$10.73 million in research grants and scholarships by 2030. Research grants are intended to encourage students to study financial innovation, green finance, information security, FinTech, and ESG topics, and bring new ideas into the financial sector.
- Continue to organize TCB Lectures and financial inclusion seminars and forums, with over 2,200 sessions by 2030. These sessions include cross-industry trust information sessions at social groups, medical institutions, schools, and care facilities, intended to educate the public on trust services. Financial planning seminars and other information sessions will help participants learn more about the financial products offered by the TCFHC Group and make an early start on retirement planning.
- TCB to host 5 financial planning camps by 2030 in order to teach schoolchildren about the importance of financial planning and the correct approach.
- TCS to donate a total of NT$2 million to 20 social organizations for children in remote areas by 2030.
- BNP TCB Life to hold a total of 5 ceramic design competitions to nurture campus design talent and provide opportunities for young people to participate in corporate activities by 2030.

Healthy Living

- Continue to provide NT$180 million or more every year to support 3 teams in table tennis, badminton, and baseball.
- Continue to hold 3 or more educational camps each year, with a cumulative total of 15 by 2030.
- Continue to help players develop a complete career path and transition with ease into the role of coach, consultant, or bank teller after retiring.
- Continue to hold cooperative programs with approximately 20 schools every year.
- Sponsor 50 sports events by 2030.
- Continue to organize 3 or more charitable health-themed events every year to reach a total of 15 by 2030.

Tranquil Community

- TCFHC Group to organize 250 events in support of various charities by 2030.
- TCFHC Group to purchase more than NT$4.5 million in locally produced goods by 2030.
- TCFHC Group to organize 30 volunteer activities by 2030.
- Call upon consumers to support public welfare by using TCB credit cards and affinity cards. A certain percentage of card spending will be donated to the Child Welfare League Foundation, the Huizhong Foundation, the Cardiac Children's Foundation Taiwan, and the Lugang Mazu Temple. Total donations are to exceed NT$49 million by 2030.
- TCFHC Group to support the development of cultural industries and sponsor 10 different arts and cultural activities by 2030.

Nursing and Care

- Hold up to 120 Respite Academy classes (including online and offline), attended by a headcount of approximately 3,600 people, provide Respite Coffee to a headcount of approximately 13,000 family caregivers, and organize up to 30 sessions of the arts therapy class by 2030.
- Donate a total of NT$12 million in mortgage life insurance policies by 2030.
- The number of users of flexible respite services and practical instructor services to exceed 400 by 2030.
- Cooperate with the TAFC to care for family caregivers and establish a Ukulele Support Group, recruiting a headcount of up to 40 people by 2030.
- Hold 10 long-term care activities by 2030, with an estimated number of participants up to 2,500, and social media promotional efficacy reaching 10 exposure entries on Facebook and 10 on Instagram. Organize a total of 50 trust and long-term care training and seminars. Continue to provide Trust Association's "Eldercare Financial Planning Consultant" certification courses and work with the Trust Association to organize "Family Trust Planning Consultant" certification courses.

Joyful Learning

TCFHC understands the importance of education and talent development for the sustainable development of corporations and society. Hence, for years, TCFHC has been working closely with the community, schools, and other institutions in order to support education and academic research. TCFHC strives to provide every child with equal educational and social resources, achieve financial inclusion, and bring financial knowledge and the concept of financial management to different groups in society.

Joyful Learning

Rewarding Learning

Offer scholarships for students from disadvantaged backgrounds to finish school.

Industry-Academia Collaboration

Provide internships for current students to develop financial independence and social skills.

Minority Empowerment

Donate to education-themed charities to support the disadvantaged in learning.

Senior Education

Hold "TCB Lectures" to provide senior product services and information, help the public start planning for retirement early, and make arrangements for the later years of their lives.

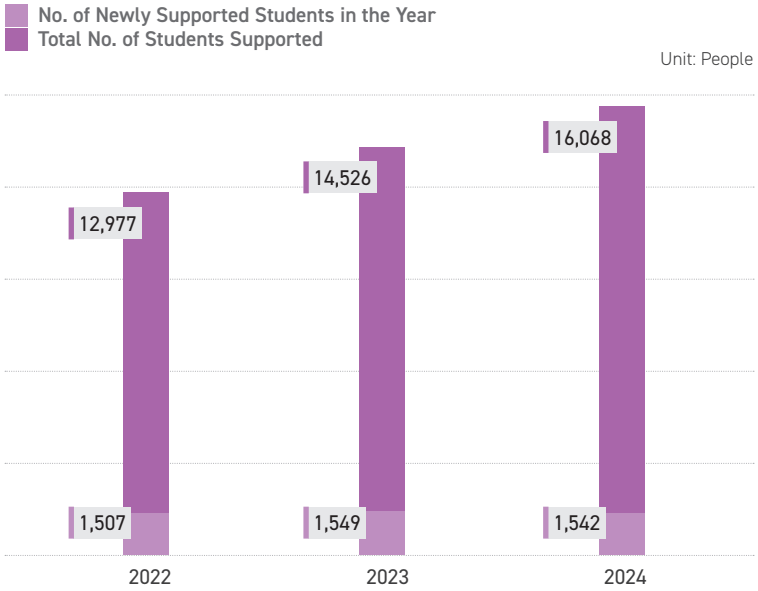
Cultivating Financial Literacy

TCB to organize the "Financial Literacy Campaign for the Campus and Community" and financial planning camps to help the public gain a wider range of financial knowledge and learn the right approach to financial planning.

Rewarding Learning

TCB has actively taken a role in the "Charity Fund for Financial Services Industry Education", which was launched by the "Taiwan Financial Services Roundtable" with donations from various financial agencies and institutional members. The fund provides NT$100 million in scholarships and subsidies every year to help young students from poor and disadvantaged families finish school and to organize financial courses to improve financial knowledge. A total of 16,068 young students benefited from the fund between 2015 and 2024.

Total Number of Students Supported



As an incentive for undergraduate, graduate, and PhD students to conduct research in economics and finance, TCB started a scholarship in 1954, and the scholarship has been helping schools develop talent. Since 1997, for educational institutions above high school level that deposit operating funds with the bank or request the bank to collect tuition fees, and for local governments that contract the bank to collect various types of fees or distribute compensation, TCB has provided scholarships to current students with excellent performance or to children of faculty or staff at the related schools.

Year	No. of Approved Recipients	No. of Scholarship-Receiving Schools	Total Amount Donated (NT$ Million)
2024	24	21	47.66
2023	22	20	45.15
2022	22	16	43.02

Cultivating Financial Literacy

TCB held the campaign "Communicating Financial Knowledge to Campuses and Communities". Internal professional lecturers traveled to various places to deliver financial knowledge, covering elementary schools, junior high schools, senior high/vocational high schools, colleges and universities, communities, senior citizens, people with disabilities, national army, correctional institutions, and social welfare groups. In 2024, a total of 39 sessions were held, attended by about 1,845 people. The courses not only covered wealth management and financial practices, but also conveyed correct concepts regarding anti-money laundering and countering the financing of terrorism. This helped the public and young people with limited financial professional literacy and maximized the efficacy of financial education, receiving the "Financial Education Contribution Award – Best Commitment Award" from the Financial Supervisory Commission. In addition, to help microbusinesses and SMEs enhance their business management and financial competitiveness, TCB partnered with the Taiwan Small & Medium Enterprise Counseling Foundation (Taiwan SMECF) and held workshops where industrial and economic experts were invited to express their views on "2024 Challenges and Prospects for Economic Developments". Meanwhile, government agencies, experts and scholars, as well as business owners were invited to serve as panelists. Approximately 61 participants attended, with the aim of providing business solutions for small and micro-sized enterprises to explore new opportunities and face the challenges of the carbon tariff era.

TCB organized 316 financial planning seminars in 2024, with a total of 5,935 participants, and held 52 trust information sessions at social groups, medical institutions, schools, and care facilities to educate the public on trust services. In addition, a children's financial literacy camp was co-hosted in collaboration with Eastspring Investments, using an edutainment approach to help children understand the value of money, covering income, saving, spending, and donating, through board games, thereby fostering financial education from an early age.

Minority Empowerment

To support education in rural areas, bridge the urban-rural gap, and create an equal and high-quality learning environment, TCS partnered with Teach for Taiwan in 2024 to launch the public welfare marketing campaign "E-Campaign with You to Protect the Earth". Joining hands to protect the Earth, for each customer who opted to receive account statements, TCS donated NT$5 to the foundation during the campaign. A total of NT$125,015 was donated in 2024.

The development of teenagers from high-risk families is another key issue that TCS continuously follows. In 2024, TCS donated to the Bornanew Youth Caring Association and Yunlin Prison of the Ministry of Justice, providing assistance to juvenile offenders to help them reintegrate into their families and schools, as well as subsidizing scholarships for children of inmates. The goal was to encourage them to face the future bravely and to urge society to embrace families of inmates without discrimination. A total of NT$200,000 was donated in 2024.

Industry-Academia Collaboration

In 2011, TCB started sponsoring the "Economically Independent Youth Part-time Employment Program" initiated by the Youth Development Administration of the Ministry of Education, providing over 500 internship opportunities to date. TCB helps current students from financially disadvantaged families complete internships in a secure environment, enabling them to gain work experience and learn to be financially independent at the same time. In 2018, TCS implemented the "Guidelines for Hiring Interns". The guidelines give priority to current university students when the company needs to fill short-term positions. More than 11 have been hired up to date, and additional openings are being offered on an ongoing basis.

Senior Education

With the goal of becoming "the number one brand of LOHAS and elder care", the TCFHC Group continues to offer a full range of products and services to help the public plan for life after retirement and make arrangements for their later years in advance. In 2024, 3 "TCB Lectures – Happy Living and Secure Caring Master Class" were held, with 1,074 participants discussing plans for their 2nd lives. In the same year, 2 "Orange Generation: Living a Happy and Carefree Life" elderly care and brain-teasing friendly experience events were held, with 200 participants, to help the public understand issues related to personal physiology, psychology, social relationships, and asset security in an aging society.

"TCB Lectures – Happy Living and Secure Caring Master Class"

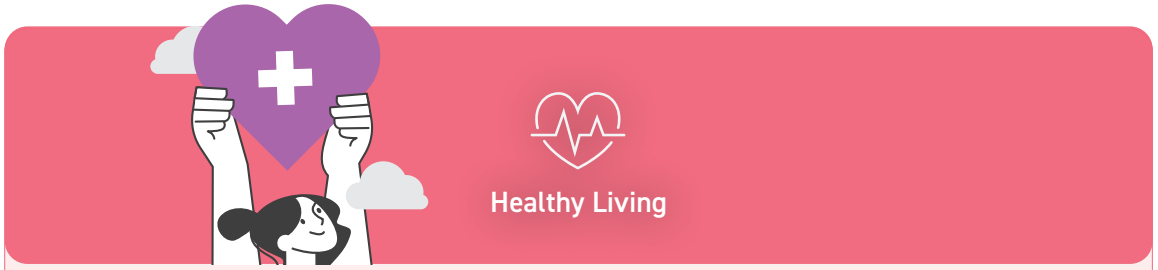
In 2024, TCB Lectures invited experts from various fields to explore senior living and senior financial products from different perspectives. The event was hosted by renowned news anchor Joyce Liu and featured 3 external specialists, who each shared insights on the 3 assurances, namely, "health and peace of mind", "food safety", and "financial stability". The invited external specialists included Dr. Yi-Hao Chang, a frequent guest on major programs, who spoke from the perspective of health and security. He taught participants how to interpret red flags in health examination reports and take follow-up actions. Senior nurse Tun-Tzu Tan, who has dedicated decades to toxicology research alongside her husband, Dr. Chieh-Liang Lin, is a leading figure in food safety in Taiwan. As food safety issues have drawn widespread attention, she shared methods for healthier eating from the perspective of food safety. Financial writer Hsien-Cheng Lai, known as "Stock Market Guru Hsien", spoke from the perspective of financial stability, sharing insights on the current investment market and how to safeguard retirement funds. Together with retirement wealth planning advice from TCB's team of experts, the lecture provided participants of TCB Lectures with an informative and enjoyable learning experience.

"Orange Generation: Living a Happy and Carefree Life"

To raise public awareness of the cognitive and physical abilities of elderly people with dementia, the event incorporated 3 major elements which were "lectures, experiences, and challenges". Through on-site experiences, participants were able to understand their own physical and cognitive abilities and gained knowledge about the spatial and cognitive disorders of people with dementia. The lectures analyzed comprehensive trust products related to retirement asset protection and wealth inheritance, shared case studies, and introduced 4 long-term care subsidies, including those for assistive devices and home-based barrier-free services. The seminar raised the awareness of elderly people and their families regarding long-term care resources and related financial products.

Healthy Living

TCFHC has been providing sponsorships in the sports industry for years and has discovered and nurtured a myriad of rising young sports stars. Since 1947, TCFHC has assembled a table tennis team (in 1947), a baseball team (in 1949), and a badminton team (in 1992), paying more than NT$100 million every year in support of these teams. The funds are spent on the development and training of these teams, provision of well-maintained training facilities, accommodation and other benefits, and financial sponsorship for athletes to attend various domestic and international games and tournaments, all of which are essential to enable Taiwan to compete on the global stage. Meanwhile, TCFHC combines sports with charity, promotion, and school sports sponsorships. In 2024, TCFHC received its 16th consecutive "Sports Activist Award" from the Sports Administration of the Ministry of Education.



Nurturing Sports Talents

Training Taiwan's sports stars and seeking international exposure through sports.

Promoting Sports Events

Holding corporate sports events and educational camps to promote sports in Taiwan.

i-Health for the Old and Young

Sponsoring healthcare foundations focused on disease or cancer prevention to fund free clinics and medical supplies.

Blood Drives

Organizing blood drives to help address the blood shortages.

Nurturing Sports Talents

Sports is an important soft power that enables Taiwan to connect with the world. Sports stars of TCFHC have delivered remarkable performances internationally in recent years. They include world-class players Tzu-Ying Tai and Tien-Chen Chou, and top table tennis players including I-Ching Cheng, Yun-Ju Lin, Chih-Yuan Chuang, and Chien-An Chen. There are also baseball stars Sheng-Feng Wu, Jia-Yo Lin, and Han Lin. All of them are excellent athletes in whom TCB has invested significant resources. In 2024, the TCB team sent players to support 45 sports events. TCB players performed outstandingly in various domestic and international competitions, winning multiple championships and runner-up titles, achieving excellent results, and showcasing Taiwan's capabilities to the world.

In addition to ensuring support for active sports stars, TCB tries to recruit athletes with great potential from national games or schools in cooperative programs and provide them with health allowances and competition bonuses in order to ease their financial burden. Outstanding performance is rewarded with an offer to become a full-time player on the team, and they can continue working at TCB after retiring from the team.

TCB supports grassroots sports in Taiwan. In 2024, TCB organized 3 table tennis, badminton and baseball camps in Kaohsiung, Taipei, and Tainan, respectively, which were attended by about 900 people, providing players with tangible resources and facilitating the relay of valuable experience in order to nurture more backbone players for their respective sports.

Promoting Sports Events

In addition to cultivating sports talents and enhancing Taiwan's international sports competitiveness, TCB also promotes sports culture, encourages employees to pay attention to their physical and mental health and develop sports habits, and organizes various sports events to promote sports culture among the public.

TCB has long invited corporate clients and their employees to participate in the TCB Badminton Cup, table tennis, and slow-pitch softball games. The games provide opportunities for participants to meet others with the same interests and to relieve stress from work. The ultimate goal is to promote Taiwan's sports culture.

	Cheng Shin Maxxis TCFHC National Table Tennis Tournament	TCB Badminton Cup	TCB Slow Pitch Softball Cup
Total number of events	11	19	14
Organizers	TCFHC, Cheng Shin Rubber Industry Co., Chinese Taipei Table Tennis Association	TCB	TCB
Participants	Students from elementary schools to universities	Company employees	Corporate clients, universities, and other organizations

i-Health for the Old and Young

TCS continuously donates to the Mennonite Social Welfare Foundation and actively supports care services for elderly people and people with disabilities in Hualien and Taitung. Given the lack of medical resources in that area, TCS has donated to the South-Link Medical Foundation to improve medic services for economically disadvantaged people in rural areas and increase emergency financial aid grants. TCS has also entered cultural and health stations and care centers for elderly people in various villages, providing health education and free physiological monitoring, in the hope of reducing inequality in medical care in rural areas and ensuring that residents in rural areas can receive comprehensive medical services and care. In addition, TCS has also participated in the "Care for Our Children" family care charity fair hosted by the Taiwan Fund for Children and Families for 4 consecutive years. In 2024, the company sponsored a charity booth and mobilized volunteers to support the Family Helper Center's sale of locally produced agricultural goods, working together to protect the well-being of disadvantaged families and children.

Blood Drives

To assist the government in alleviating the blood shortage problem, CAM and TCS held 1 charity blood donation event each in the vicinity of 228 Park and Hsinchu Big City Department Store Plaza in 2024, collecting a total of 204 bags of blood and calling on colleagues to roll up their sleeves and donate blood.

Tranquil Community

The modern world is constantly changing, and more and more of the disadvantaged are falling through the cracks or being forgotten. Therefore, the Group continues to provide donations of supplies or funds to improve the quality of life for the disadvantaged and bring more learning resources to children and the disabled in rural areas. In addition, TCFHC Group purchases local produce to contribute to local agricultural development and the improvement of farmers' lives. TCFHC cares for the disadvantaged and fulfills its corporate social responsibility in the process.

Tranquil Community

No Poverty
Organize fundraisers to help disadvantaged groups and families in need.

Zero Hunger
Participate in the "TAIFEX Food Bank" food drive and donate supplies.

Farming for Love
Purchase products from local farmers' associations to help mitigate overproduction problems.

Supporting Charities and Community Watch
Donate to charitable groups or in response to major disasters, contributing to the restoration of social stability.

Convening Volunteers to Give Back to Society
Gather the power of corporate volunteers to pass down the positive spirit of society.

Sponsoring Arts and Supporting Cultural Development
Support the development of Taiwan's cultural industries and sponsor various arts and cultural activities.

No Poverty

TCFHC is committed to giving back to society and continues to uphold the Group's charity policy. In 2024, TCFHC organized 97 fundraising events for disadvantaged groups and families in need, and donated more than NT$15.42 million. The more significant of these events are the following:

Donation for Hualien Earthquake Relief

The Group donated a total of NT$3.5 million to assist earthquake victims in Hualien.

TCFHC Donation Drive

Reached through branches all over Taiwan into cities to help disadvantaged children and groups in need. Donated a total of NT$5.02 million to 70 charitable organizations. More than 6,000 people benefited from the funds.

"Care for Our Children" Family Care Charity Fair Hosted by the Chiayi Family Help Center

TCS has continued its collaboration with the Chiayi Family Help Center to co-host a charity fair, sponsoring a booth to support the center's sale of locally grown agricultural products. The company also donated NT$106,000 and offered the public a chance to redeem plant-shaped iPASS cards featuring "Macodes petola" and "Monstera deliciosa" designs, with a total of 82 cards redeemed.

Zero Hunger

TCFHC has been helping to end hunger in the community for years. TCFHC has participated in the "TAIFEX Food Bank" for 10 consecutive years since 2015. The campaign donates goods to impoverished or crisis-struck families or marginalized households not eligible for welfare benefits.

TCS continuously orders coffee beans from the Future Cafe, established by the Bornanew Youth Caring Association, and holiday gift boxes from other charity organizations, with a total annual purchase amount of NT$527,400 to support public welfare through action and encourage disadvantaged groups to be able to support themselves.

Farming for Love

TCFHC worked hard to promote local agricultural products and took action to support the industry. It purchased fresh onions, and pomelos from local farmers' associations and shared them with customers and employees, as well as donated them to long-supported charitable organizations to help farmers mitigate overproduction problems.

In 2024, TCFHC spent a total of NT$6.49 million on purchasing local products

Supporting Charities and Community Watch

TCFHC not only extends its core competencies and influence as a financial institution to develop a wide range of financial products and services for consumers, but also fulfills the spirit of "Taking from Society and Using in Society". TCFHC combines resources from the Group and supports charities and emergency relief efforts on an ongoing basis.

TCB

Public Welfare Credit Cards

TCB called upon consumers to support public welfare by using credit cards. A certain percentage of credit card spending was donated to the Child Welfare League Foundation, the Huizhong Foundation, the Cardiac Children's Foundation Taiwan, and the Lugang Mazu Temple. From the issue date to the end of 2024, total donations reached NT$37.768 million.

Care Credit Card

Huizhoung Foundation Credit Card

Cardiac Children's Foundation Credit Card

Lugnag Mazu Temple Credit Card

Micro-Injury Insurance Donations

In 2024, TCB joined hands with KGI Life Insurance and the Yunlin County Social Welfare Workers Association to promote micro-injury insurance, offering basic insurance coverage to economically disadvantaged individuals and specific groups. From 2020 to 2024, microinsurance services have been provided to over 2,500 economically disadvantaged individuals.

TCBF

Donated NT$100,000 to the Taiwan Lung Foundation and NT$100,000 to the Taiwan Pancreas Society to support the prevention of lung and pancreatic diseases in Taiwan.

TCVC

Donated NT$350,000 to the A Kernel of Wheat Foundation.

TCSIT

Donated NT$50,000 to the Music Foundation for the Blind in Taipei and NT$50,000 to the Kanner Foundation of Taiwan Paid to support the care for people with physical and mental disabilities.

CAM

Donated NT$20,000 to the ROC Orphan Association.

Volunteer Activities

In order to fulfill its corporate social responsibilities, the Group held 5 volunteer activities as part of its commitment to giving back to society, improving the environment, and showing care and contribution to the public. The more representative activities are as follows:

- TCB visited the Catholic Diocese of Taichung-Affiliated Changhua County Private Sheng-Chih Center for Intellectual Development to host a DIY aroma stone crafting activity. The handmade aroma stones were gifted to children with physical and mental disabilities.
- TCB visited the Anping Community Development Association in Songshan District, Taipei City, to communicate financial knowledge and share cases on how to prevent against financial fraud.
- TCS held a public welfare seminar titled "Stress-Free Financial Planning for a Smooth Transition into Retirement" at the Taipei City Employment Service Office. A lecturer from TCSIC was invited to share smart financial planning strategies and promote awareness of financial fraud prevention.
- TCS organized a public welfare music performance event titled "Wind Music Gala" at the Aiwei Nursing Center in New Taipei City. A total of 25 volunteers from the TCB Saxophone Club and TCS participated in the event, and a donation of NT$60,000 was made.
- TCBF participated in the volunteer activities of the "ECPAT Taiwan" to build a good society and assisted the association in packaging and sending educational publications to elementary schools across the country, inspiring children to protect privacy and respect others in the digital environment. The importance of respecting others and then putting it into practice in daily life.

• TCFHC Donation Drive

In 2024, TCB organized the "TCFHC Donation Drive". On the day of the event, 10 volunteers from the Taipei Second District Regional Center and Songshan Branch visited the Anping Community Development Association in Songshan District, Taipei City, to make donations. TCB staff also held a seminar to provide financial knowledge, wealth management tips, fraud prevention strategies, and promote financial products. The aim was to help senior citizens make smart wealth management decisions, spend wisely, and understand retirement risk management. By sharing wealth management fraud cases, the seminar aimed to raise awareness among seniors about post-retirement financial risks, helping them avoid unnecessary investment losses and the misuse of their funds by others, so they can enjoy a healthy and worry-free retirement.

• Love Festival

For 3 consecutive years, TCS has supported the "Love Festival" organized by the Little Sapling. Through the event's "Frameless Classroom" exhibition area, Dr. Tsung-Hsien Li from the National Museum of Marine Biology and Aquarium was invited to give a lecture on marine conservation and protection knowledge, focusing on sea turtle rescue, to approximately 300 disadvantaged children from remote elementary schools as well as the Greater Taipei and Nangang areas. Dr. Li also personally provided adorable animal toys, such as baby leatherback turtles, as prizes for children who answered questions, which was met with an enthusiastic response.

TCS also took the opportunity to arrange a financial fraud prevention course to promote financial literacy among children in rural areas. The course covered various anti-fraud knowledge such as avoiding hot investment tips, not disclosing personal information to strangers, and not recklessly purchasing game points. 12 card tickets of different shapes were provided as prizes for a quiz on financial fraud prevention. The event also encouraged participants to remind their families not to trust investment channels of unknown origin to prevent financial losses for themselves and their loved ones. An additional 170 Monstera deliciosa and Macodes petola-shaped iPASS cards were provided as small gifts to participating children from remote areas, helping them get acquainted with these 2 tropical rainforest native plants.

Sponsoring Arts and Supporting Cultural Development

A total of NT$15.5 million was contributed to sponsoring arts and cultural activities

TCB sponsored a range of arts and cultural events, including the "2024 Taiwan Lantern Festival in Tainan" organized by the Tainan City Government, the "WE ARE: Formosa New Year's Eve Concert" music program by the General Association of Chinese Culture, the 2024 Projection Mapping Show Featuring the Presidential Office Building, the Power of Freedom Presidential Office Concert, the Taiwan WAY Arts and Cultural Tea Gathering, the 2024 Eslite Chamber Music Festival series organized by the Eslite Foundation for Culture and the Arts, the 2024 National Day Fireworks event by the Yunlin County Government, the Taipei City Government's National Day Evening Gala, and initiatives by the Taipei City Kuanyin Line Psychological and Social Care Association and the Mr. Yuan-Tung Hsu and Mrs. Hsu Memorial Cultural and Educational Foundation. By sponsoring arts and cultural events, we provide a platform for artists to fully express their creativity and help nurture Taiwan's cultural and creative industries.

Nursing and Care

With the trends of an aging population and declining birthrate, long-term care has become an increasingly important issue. However, most elderly individuals with limited self-care ability or persons with physical and mental disabilities are still cared for by family members. This places a significant physical and emotional burden on family caregivers, even leading to challenges in their work, finances, and social life, while they are frequently overlooked by society. Therefore, since 2013, BNP TCB Life and the Taiwan Association of Family Caregivers (TAFC) have been working together to introduce various measures and activities that support and care for family caregivers.

Nursing and Care Goals

Short-term Goal	Medium-term Goal	Long-term Goal
Raise Awareness	Raise Public Awareness of Caregiver Issues	Continue to engage the Young Adult Demographic
Raise awareness of the "sandwich generation", who are paying mortgages and understand the importance of insurance coverage in avoiding the loss of everything when they are at the height of their lives and careers.	Urge the public to pay attention to care issues and promote better use of long-term care resources through vertical integration of central and local governments and the media. Advocate that caregivers do not give up their work, relationships, or dreams.	Through different activities and communication methods, help young people understand family care issues early on to prevent more people from becoming part of the sinking middle-aged or vulnerable elderly.

Public Welfare Strategy for Supporting Family Care

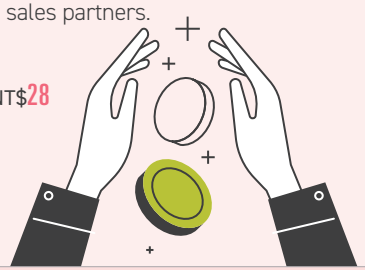
Charity Power of Corporate Core Businesses	Respite Services for Caregivers	Connecting the Care Network
Use insurance products provided by BNP TCB Life to raise funds for family caregivers and extend corporate social influence to promote long-term care services.	Provide respite services for family caregivers to support them.	Connect long-term care resources and raise public awareness of this topic.

Charity Power of Corporate Core Businesses

Guarding Happiness Donations

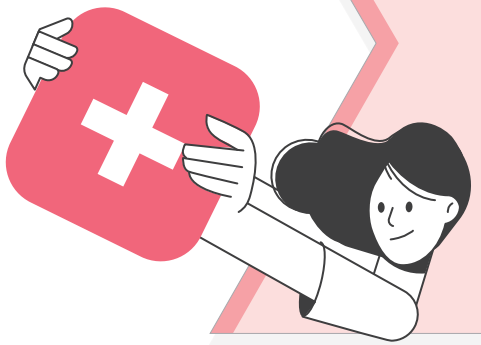
BPC TCB Life was the first to combine mortgage life insurance and donations to support family caregivers. A NT$300 donation is made to TAFC from each single-premium mortgage life insurance policy. This aims to differentiate the product in the market, establish the company as a leading brand in mortgage life insurance, and foster a sense of identity and pride among its sales partners.

Total donations reached NT$28 million by the end of 2024



Caregiver-Friendly Workplace

BNP TCB Life started working with TAFC on promoting "long-term care preparatory courses" and long-term care resources matching service in 2016. A designated contact was appointed under the Human Resources Department to be responsible for matching external resources and referring employees in need of long-term care assistance to TAFC. Employees who are caregivers are also provided with a "family care allowance" that is better than the statuary requirement to promote "care family without leaving work".



Respite Services for Caregivers

Respite Coffee

Since their launch in 2016, the "Caregiver Café" and the "Community Information Station" have provided more than 3,000 free cups of "Respite Coffee", as well as long-term care advice and stress-relieving activities to give family caregivers a break from the stress of caregiving. Meanwhile, BNP TCB Life was the first to offer a value-added policyholder service that provided 10 cups of "Respite Coffee" each year to customers who made claims and needed long-term care.

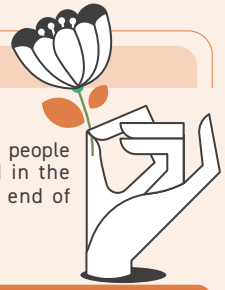
Charity Activities to Support Caregivers

In 2024, BNP TCB Life based its initiatives on the "Respite Academy" and launched a series of creative long-term care activities. Through a variety of rich themes, these events aimed to help family caregivers relieve the stress of daily caregiving and experience the thoughtfully designed, warm, and diverse service ecosystem created by BNP TCB Life. In addition to promoting the Long-Term Care 2.0 policy, the initiative also conveyed the concept of smart caregiving by addressing challenges in manpower, capabilities, and financial resources throughout the care process. A total of 4 events were held under the series—"Insurance Treasure Bowl", "Family Day Sports Games", "Pokémon of Insurance", and "Folk Song Sing-Along"—with a combined participation of 380 people.

Respite Academy

Organized movie days, yoga, baking classes, flower arranging courses, and the Ukulele Support Group to provide participating caregivers with opportunities to take a break and help them apply for respite services. An average of 24 sessions of the Respite Academy has taken place each year since 2014.

More than 15,225 people had participated in the activities by the end of 2024



Case Study

Ms. Chen, a mortgage life insurance policyholder, and Mr. Hsu, in his 40s, both work in the high-tech industry and have 2 sons. They bought a house 5 years ago and were seen as the picture of a perfect family. However, in August last year, Ms. Chen came home exhausted, and after taking a shower, she suddenly collapsed for unknown reasons. Since then, she has been bedridden and paralyzed. She cries when awake, and when exhausted from crying, she falls asleep, day after day. Mr. Hsu said that all he can do now is to stay by her side and try to comfort her. However, facing such a drastic change alone, he was caught off guard by many things, especially the stream of bills that followed. Monthly expenses have soared to NT$400,000. Fortunately, they had taken out mortgage life insurance at the time. Without it, the burden of a multimillion-dollar mortgage would have made even the highest salary insufficient to cover the costs.

Caregiver TV

Following the TAFC Caregiver TV campaign, BNP TCB Life produced shows such as "Caring Not Lonely", "Long-Term Care Classroom", and "Care-Giving Study Club" to help caregivers who were unable to leave the house and young people who had not been exposed to care issues learn more about care issues and possible solutions.

International Forums for Family Caregivers

Under the instruction of the Ministry of Health and Welfare, BNP TCB Life invites industry, government, and academic representatives working in long-term care in different countries and regions to discuss long-term care policies, research, and the current situation, and to present results that can serve as a key reference for future long-term care policies. The event has been attended by 300 people each year since 2013. It was held as an online academic conference in 2021 due to the pandemic. After resuming in 2022, approximately 3,195 had participated by the end of 2024.

Connecting the Care Network

Policyholder Value-Added Services

In 2022, BNP TCB Life launched value-added services for policyholders, offering innovative services such as flexible respite and practical instructors. Through these services, TAFC provides professional caregiving substitutes for policyholders and assists in assessing and planning appropriate long-term care resources for each individual case, helping to ease the burden of caregiving through the use of long-term care services. If a policyholder is ineligible for long-term care services, has not yet applied, or if the services are insufficient, TAFC will arrange for home service personnel to provide support. By adopting various innovative approaches, BNP TCB Life delivers value-added services that make policyholders feel genuinely cared for and supported.

In 2024, a total of 75 applications were made for flexible respite, a value-added service for policyholders.

CH6

Enrichment

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Stakeholders of concern

- Academic institutions/ consulting firms/ industries/guilds and associations

Corresponding material topics

- Climate strategies and actions

6.1 Climate Strategies and Actions

GRI 2-12、2-13、2-14、2-16、2-17、2-18、2-23、2-24、201-2

Climate change has become a global issue that cannot be ignored. As an important player in the capital market, the financial industry should become a leader in climate change management. The Company became a TCFD Supporter in December 2020 and established a cross-subsidiary TCFD Task Force within the Group. The Company has gradually established the Group's risks and opportunities identification, measurement, monitoring, reporting and other management procedures through education and training and task force meetings according to TCFD's "Governance", "Strategy", "Risk Management", and "Metrics and Targets".

Following the "Task Force on Climate-Related Financial Disclosures"(TCFD) launched by the Financial Stability Board (FSB) in 2017, financial supervisory agencies around the world have gradually formulated climate risk management-related disclosure norms, including the "Climate Risk Financial Disclosure Guidelines for Domestic Banks" and "Climate Risk Financial Disclosure Guidelines for the Insurance Industry" issued by Taiwan's FSC in 2021. The Company also follows the "comply or explain" principle when making disclosures. The summary of implementation results is as described hereunder. For complete contents of the disclosure, refer to the 2024 TCFD and TNFD Report for details.

	TCFD Aspects/ Disclosure Indicatorz	Execution Results	Corresponding TCFD & TNFD Report
		a The Board's oversight of climate-related risks and opportunities / b Management's role in assessing and managing climate-related risks and opportunities	
Governance	Governance Framework and Responsibilities	TCFHC, TCB, BNP TCB Life and TCBF have all formulated "Climate Risk Management Guidelines" or "Climate Risk Management Measures", which clearly define the organizational structure, authorities and responsibilities of climate risk management for the Board of Directors, relevant committees, senior management, working groups, and the 3 lines of defense for internal control. The rest of the subsidiaries manage climate-related risks in accordance with the Company's governance principles due to the low proportion of exposure. **Board of Directors Level**: Sustainable Development Committee — Deliberative Unit: Sustainability Office; Supervisory Unit for TCFHC's Climate Risk Management Framework Board of Directors — TCFHC's highest decision-making unit of climate risk management to ensure the establishment and maintenance of an appropriate and effective climate risk management system **Management Level**: Chief Sustainability Officer — Sustainability and climate-related matters in TCFHC is concurrently held by a position at the level of Vice President or above, who oversees the Group's overall sustainability affairs Senior Management — Regularly review TCFHC climate risk exposure status and risk management implementation every month and evaluate whether the response strategies under different climate scenarios are resilient Risk Management Committee — Deliberative Unit: Risk Management Department; The coordinating unit for climate risk management and be responsible for reviewing and approving the Company's climate risk management principles and limits. Monitor the implementation of climate risk management of the Company and subsidiaries on a quarterly basis and report to the Board of Directors **Execution Unit**: Sustainable Finance Task Force; TCFD Task Force	1.1
	Reporting Mechanism	• Each business unit regularly reports the implementation status of climate-related issues to the risk management unit according to its business activities. • Risk management units report important climate risk management issues to the Risk Management Committee on a quarterly basis. • The Risk Management Committee regularly reports climate risk identification results and management processes to the Board of Directors.	1.2

	TCFD Aspects/ Disclosure Indicatorz	Execution Results	Corresponding TCFD & TNFD Report
Governance		**a The Board's oversight of climate-related risks and opportunities** / **b Management's role in assessing and managing climate-related risks and opportunities**	
	Cultivating Knowledge and Skills	• In 2024, 100% of risk management personnel from relevant departments and subsidiaries participated in climate-related training. • In 2025, a more structured and differentiated training framework will be developed based on the specific characteristics of each business unit to ensure the training content meets their respective needs.	1.3
	Climate-Related Management Incentives	To provide incentives for the management of climate change issues, the Company has linked the annual bonuses, raises, and job reassignments of the chairs and CEOs of subsidiaries with climate risk management in the "Appraisal Measures for Subsidiary's Business Management", establishing climate-related performance indicators to strengthen the Group's management of climate change related issues.	1.4
Strategies		**a The climate-related risks and opportunities the organization has identified over the short, medium, and long term**	
	Identification and Results of Climate Risks and Opportunities	To identify potential climate-related risks and opportunities the Group facing and assess their impacts, the TCFD Task Force followed the TCFD framework guidelines and the IFRS S2 Sustainability Disclosure Standards. It also referred to climate and nature-related risk and opportunity classifications, conducted research on domestic and international climate-related literature, and considered climate risk management practices of peer financial institutions to develop a Climate-Related Risks and Opportunities Identification Questionnaire. Through surveys distributed to various departments and subsidiaries, the Group gathered perspectives on climate risks and opportunities based on the nature of their respective business operations. A quantitative analysis was conducted using 2 key dimensions—"financial impact severity" and "chance of occurrence"—along with a comprehensive evaluation of impact pathways, time horizons, value chain positions, and financial implications. Based on this assessment, the top 40% of identified climate-related risks and opportunities were selected to determine materiality. As a result of this analysis, the Group identified 2 material climate-related risks and 2 material climate-related opportunities.	2.1

b The impact of climate-related risks and opportunities on the organization's business, strategies, and financial planning

	Risk Items	Description	Impact Value Chain	Financial Impact	Links to existing Risks	
Impact of Climate Related Risks	Impacts of climate regulations, market preferences, and low-carbon technology transition on the Group's investment, financing activities, and financial products and services Note	High-emission industries are facing increasingly stringent energy transition policies and low-carbon regulations, leading to higher operating costs or declining asset values. These impacts may, in turn, affect the borrowers' repayment capacity and the market value of their issued securities.	• Financing/ Investment • Financial products and services	• Asset value loss • Investment and financing revenue Decrease • Product revenue decrease	• Credit Risk • Market Risk	2.1
	Disclosure on the impact of regulatory requirements for carbon emissions and other climate related information on the Group's operations Note	In response to policy and regulatory requirements for a low-carbon transition, and to meet the expectations of stakeholders, the Group is required to utilize renewable energy and invest in energy-efficient equipment in its operations.This includes replacing existing operational equipment, installing renewable energy generation facilities, or increasing the procurement of green electricity, all of which may result in higher operating costs.	• Own operations	• Compliance costs increase • Indirect costs increase	• Operating risk • Compliance risks	

Note: Material Climate-related Risks in 2024.

TCFD Aspects/ Disclosure Indicator	Execution Results					Corresponding TCFD & TNFD Report

b The impact of climate-related risks and opportunities on the organization's business, strategies, and financial planning

Strategy

	Risk Items	Description	Impact Value Chain	Financial Impact	Links to Existing Risks	
Impact of Climate-Related Risks	Impact of extreme weather events on the Group's operational sites	Extreme weather events may damage operational sites and IT infrastructure, potentially leading to business interruptions and increased maintenance costs. Global warming has resulted in a higher number of extremely hot days, requiring more energy and water consumption to maintain comfortable indoor temperatures. As a result, office operating costs, IT equipment maintenance expenses, and cleaning fees are expected to rise.	• Own operations	• Asset value loss • Direct costs increase • Indirect costs increase	• Operating risk	2.1
	Impact of extreme weather events on the Group's supply chain	Extreme weather events—such as heavy rainfall and flooding—may disrupt supply chains, leading to operational or service interruptions and increasing the risk of supply chain breakdowns.Such disruptions may affect the ability of key suppliers, including IT service providers, equipment and consumables vendors, and data center lessors, to deliver services as expected, potentially resulting in increased procurement and operational costs.	• Supply chain • Own operations	• Direct costs increase • Indirect costs increase	• Operating risk	
	Impact of increased frequency and severity of extreme weather events on the Group's investment and financing activities	As climate change intensifies, the increasing frequency and severity of extreme weather events—such as typhoons, droughts, heavy rainfall, and rising sea levels—pose significant risks to the Group's financial assets.These events may lead to impairment of collateral assets for both retail and corporate clients, as well as operational disruptions for investees and borrowers. As a result, the value of the Group's investment and financing portfolios may decline, potentially reducing overall profitability.	• Financing/ Investment • Financial products and services	• Asset value loss • Investment and financing income decrease	• Credit Risk • Market Risk	
	Opportunity Items	**Description**	**Impact Value Chain**	**Financial Impact**		
Impact of Climate Related Opportunities	Potential benefits to the Group from providing green and sustainable financial products and services[Note]	Sustainability has become a key area of public concern, and financial institutions have increasingly introduced green products and value-added services aligned with the low-carbon economy. These efforts not only help strengthen trust among existing clients and enhance brand perception among potential customers and markets, but also indirectly support the industrial sector in its low-carbon transition. In doing so, the Group aims to increase related revenue streams and move toward a more sustainable business model in response to the global low-carbon economic trend.	• Financing • Customers • Own operations	• Products and services revenue increase • Indirect costs decrease • Goodwill increases	2.1
	Potential benefits to the Group from green investment and financing [Note]	As net-zero carbon emissions become a global consensus and prevailing trend, governments and industries are promoting the transition toward a low-carbon economy through relevant policy initiatives. By engaging in green lending, green bonds, and renewable energy investments, the Group supports the development of a sustainable economic model. These efforts also help the Group realign its operational strategies and capture value from the growth opportunities arising in low-carbon transition industries.	• Financing • Investment	• Investment and financing revenues increase • Investment opportunities increase • Goodwill increases	
	Potential benefits to the Group from engaging with investee and borrower entities on climate related issues and actions	Through engagement and communication across multiple channels, the Group aims to enhance client understanding and acceptance of low-carbon financial products, thereby increasing business revenue. At the same time, these efforts help encourage high climate-risk clients to take adaptive actions, which can reduce the Group's financial risks related to investment and lending activities and strengthen overall financial resilience.	• Customers	• Products and services revenue increase • Goodwill increases	
	Potential benefits to the Group from improving energy and resource use efficiency	By improving the energy and resource efficiency of existing buildings and continuously expanding the deployment and use of renewable energy, the Group aims to create low-carbon or green building models that provide employees with a high-quality and sustainable working environment.	• Own operations	• Indirect costs decrease • Goodwill increases	
	Potential benefits to the Group from implementing green procurement and supply chain Management	Through proactive supplier management and green procurement practices, the Group prioritizes the use of environmentally friendly products-such as those with energy efficiency labels, eco-certifications, and sustainable forestry marks to reduce operating costs.	• Own operations	• Indirect costs decrease • Goodwill increases	

Note: Material Climate-related Opportunities in 2024.

TCFD Aspects/ Disclosure Indicator	Execution Results			Corresponding TCFD & TNFD Report
b The impact of climate-related risks and opportunities on the organization's business, strategies, and financial planning				
Strategy	Climate Strategy	Topics Covered	Metrics and Targets	
Climate Response Strategies and Actions (For details, refer to the "Climate Strategy Blueprint" in the TCFD & TNFD Report)	Spearheading Corporate Transformation Striding towards a Net-Zero Future	Green Investment and Financing	• The capacity of renewable energy installations approved for offshore wind power and green energy-saving industry loans is targeted to increase by 60MW every year. • TCVC expects to increase the new amount of green investment by 10% compared with the previous year's target, but it will not exceed 5% of its net worth. • Include ESG factors in the investing, financing, and product review processes.	2.3 4.1 4.2
		Green Financial Products and Services	• Green consumer loans are targeted to increase by 10% annually compared to the previous year's target. • TCB increases the underwriting ratio of green bonds and issues green credit cards in order to accomplish carbon reduction symbol certification for credit cards by 2026.	2.3 4.1 4.2
		Climate Engagement and Initiative	• ESG topics are included in the investment evaluation decision-making process to strengthen dialogs and interactions on ESG topics with invested companies.	2.3
	Promoting Zero Carbon Management Strengthening Climate Resilience	Carbon Emissions of Financial Assets	• Follow the SBTi goals.	2.3 4.1
		Climate Risk Management	• Continue to advance in climate governance, strategies, risk management, indicators, and goals, among others. • Continue to answer to government policies, with the upper limits of investments in highly-polluting and high carbon-emission industries reduced by 1% from the previous year.	2.2 3.2 4.2
	Utilization of Green Energy Fulfillment of Low-Carbon Operations	Transformation to Low-Carbon Energy	• TCB sets up 5 to 7 solar power branches each year and will have 40-54 solar power branches by the end of 2030. • Adjusting the amount of renewable energy used on a rolling basis reflective of SBT goals.	2.3 4.2
		Fulfillment of Green Operations	• Carbon reduction by 50.4% by 2032 from 2021 in compliance with SBT goals; targeting fulfillment of the national spontaneous carbon reduction commitment of "Net-Zero Carbon Emissions by 2050". • Continuing with the Group-wide "ISO 14064-1 Greenhouse Gas Inventory" verification. • TCB continues to examine and update its internal carbon pricing each year and utilize it in reality. • Resource recycling rate >30%. • Waste is reduced by an average of 2% compared to the past 3 years.	2.3 4.1 4.2

TCFD Aspects/ Disclosure Indicator	Execution Results	Corresponding TCFD & TNFD Report

c The resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2℃ or lower scenario

Strategy

Climate Scenario Analysis

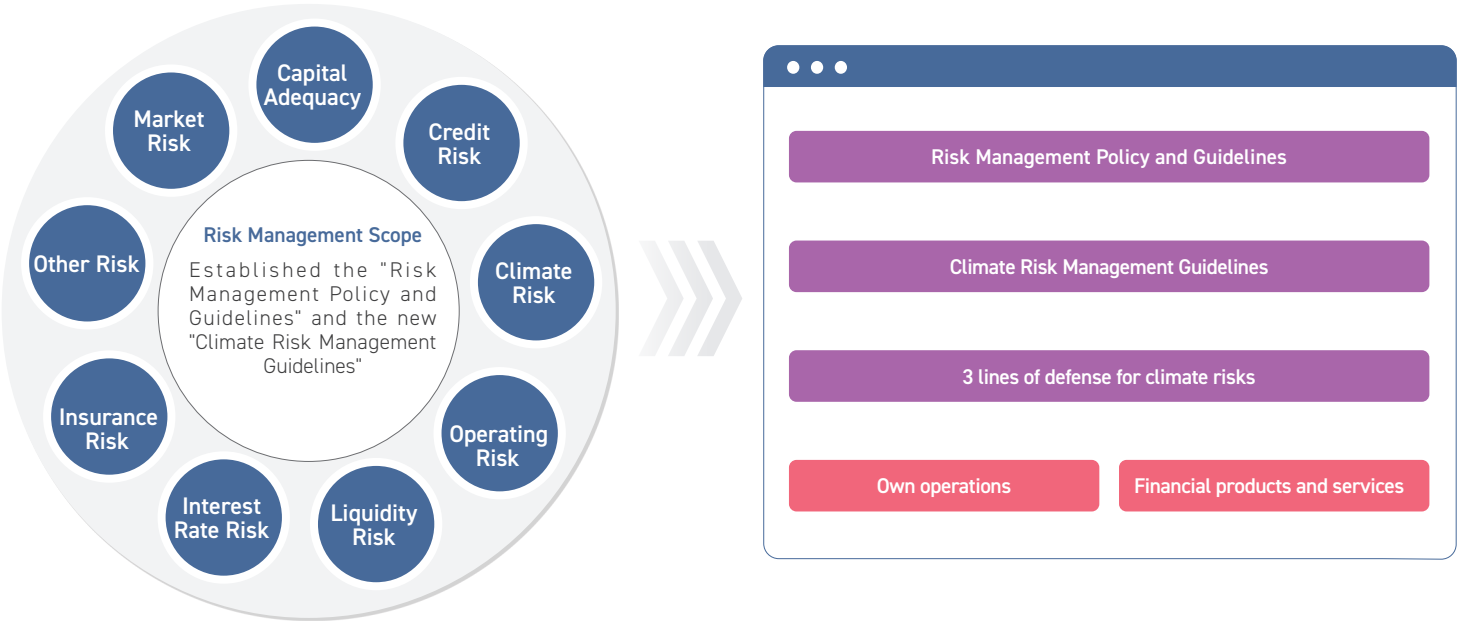
Based on the prioritization of material climate-related risks and opportunities, the Group selected all identified climate risks and 2 key opportunities, which were green and sustainable financial products and services, and green investment and financing, for scenario analysis. The purpose is to quantitatively assess the potential financial impacts of climate change. Informed by the results of this analysis, the Group developed corresponding strategies and measures to strengthen its management of specific climate-related risks and to better capture associated opportunities.

Aspect	Target	Climate related Risk Classification	Risk Description	Region	Climate Scenarios		Corresponding TCFD & TNFD Report
					Below 2℃	Above 2℃	
Financing	Credit in high carbon emission industries	Transition risk-policy and regulations, market	Transition risks for credit in high carbon emission industries	Taiwan	• Orderly transition: NGFS net zero 2050 • Disorderly Transition: NGFS delayed transition	• Passive transition NGFS fragmented world	2.2
	Real estate collateral for individuals	Physical risk - floods	Impact of heavy rainfall and flooding on real estate collateral for individuals	Taiwan	• SSP1-2.6	• SSP2-4.5 • SSP5-8.5	
	Real estate collateral for corporates	Physical risk - floods	Impact of heavy rainfall and flooding on real estate collateral for corporates	Taiwan	• SSP1-2.6	• SSP2-4.5 • SSP5-8.5	
	Entities subject to carbon fees	Opportunity- carbon fee-driven Financing /low-carbon transition lending	Opportunities for carbon fees or loans supporting low-carbon transition initiatives	Taiwan	• NDC	-	
Investment	Passbook Investment positions	Transition risk - policy and regulations, market	The imposition of carbon fees has an impact on high-carbon emission industries and indirectly affects the investment positions of banks	Global	• Orderly transition: NGFS net zero 2050 • Disorderly transition NGFS delayed transition	• Passive transition NGFS fragmented world	
Own operations	TCB locations	Physical risk - floods	Impact of heavy rainfall and flooding on locations of operation	Taiwan	• SSP1-2.6	• SSP2-4.5 • SSP5-8.5	
	Group locations of operations	Transition risk - own operations	Impact of low-carbon transition compliance costs on own operations	Taiwan	• NDC	-	

	TCFD Aspects/ Disclosure Indicator	Execution Results							Corresponding TCFD & TNFD Report
	c The resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2℃ or lower scenario								
Strategy	Climate Scenario Analysis	Suppliers	IT and system suppliers	Physical risk - floods	Impact of heavy rainfall and flooding on the service provided by IT and system suppliers	Taiwan	• SSP1-2.6	• SSP2-4.5 • SSP5-8.5	2.2
		Domestic banks manage climate change scenario analysis work plan	Corporate financing, consumer financing, bank book investment positions	Transition risk - policy and regulations Physical risks - extreme rainfall, floods, drought	Impact of transition risk and physical risk on various asset classes	Global	• Orderly transition: NGFS net zero 2050 • Disorderly transition: NGFS delayed transition	• Passive transition NGFS fragmented world	
	Climate Strategy Resilience	Based on the scenario analysis results, the impact of relevant financial impacts on the capital adequacy ratio was further taken into consideration. The assessment results showed a slight decrease, but it was still within the acceptable range of internal control. Therefore, it was judged that the current climate strategy was resilient. The Group will continue to deepen climate response strategies and actions and increase operational resilience to move towards climate sustainability.							

a The organization's processes for identifying and assessing climate-related risks | **b The organization's processes for managing climate-related risks**

Risk Management	Risk Identification, Assessment, and Management Procedures	Comprehensively check the climate-related physical and transition risks on own operations, investment and financing and other business activities, which may cause existing risks (such as credit, market, liquidity, operation and reputation risks) in the short-, medium- and long-term impacts. The risk level is determined according to the geographic location of the asset or the risk exposure of carbon-related (high pollution and high carbon emission) assets to identify risks and conduct materiality assessment. The climate risk identification and assessment process is mainly divided into 4 major steps, which are identify, evaluate, monitor, and report.				3.3
		Step 1 Identify	Step 2 Evaluate	Step 3 Monitor	Step 4 Report	
		Referencing domestic and foreign climate-related risk reports and the identification results of benchmark companies, each subsidiary identifies its main climate risks and opportunities based on its business characteristics.	Based on company's business characteristics, regularly measure the impact of climate events, the possibility of an event occurring, and the potential risks to operating activities.	Depending on the scope and nature of the business, regularly monitor climate risk-related indicators and the financial impact of scenario analysis results.	The Risk Management Department regularly compiles the climate risk management implementation status, relevant response measures and strategies of each subsidiary every year and reports it to the Risk Management Committee and the Board of Directors.	

	TCFD Aspects/ Disclosure Indicator	Execution Results	Corresponding TCFD & TNFD Report
	c How processes for identifying, assessing, and managing climate-related risks are integrated into its overall risk management		
Risk Management	Risk Management Framework and Policies	• The "Climate Risk Management Guidelines" was established based on the "Risk Management Policy and Guidelines", incorporating climate risks into the existing risk management structure and integrate issues related to climate risks and opportunities into business, strategy and financial planning. The Guidelines apply to the whole Group. • According to the Company's "Risk Management Policy and Guidelines", the Board of Directors is the ultimate undertaker of overall risk management. It is clearly stipulated that the Company and its subsidiaries should establish risk identification, measurement, supervision and control procedures. Senior managers and risk management units are respectively responsible for supervising and implementing risk management policies, and reporting the implementation status in accordance with regulations. • Clearly divide climate management responsibilities based on the 3 lines of defense of internal control in order to achieve effective governance.  	3.1
	Risk Appetite and Limit	• Climate risk appetite declaration: The Company and its subsidiaries support transformation goals consistent with the "Paris Agreement" and "Taiwan's Pathway to Net-Zero Emissions in 2050", assessing the impact of physical risks and transformation risks to formulate corresponding climate risk mitigation and adaptation measures. • Risk limits for "high pollution and high carbon emission industries" have been set to monitor the risk status of high climate risk-sensitive industries, carry out differentiated management measures for industrial positions that are more affected, and help to strengthen the identification, assessment and management of climate risks.	3.2

	TCFD Aspects/ Disclosure Indicator	Execution Results	Corresponding TCFD & TNFD Report
Metrics and Targets	**b Disclose scope 1, scope 2 and, scope 3 GHG emissions and the related risks**		
	Own Operations GHG Emissions	• All locations in Taiwan and overseas passed "ISO 14064-1 Greenhouse Gas Inventory" certification. Detailed verification data of each category refers to 6.3 Green Operation. • In 2024, the carbon emissions of category 1 and 2 of the Company's own operations were reduced by 32.16% compared with 2021. • Participate in the Carbon Disclosure Project (CDP) and introduce "ISO 50001 Energy Management Systems" and "ISO 14001 Environmental Management Systems", continuously reducing GHG emissions.	4.1
	Investment and Financing GHG Emissions	• Since 2021, the Group has complied with the directions of the Partnership for Carbon Accounting Financials (PCAF) to conduct carbon accounting on financial assets, covering the carbon emission of business loans, equity and bond investment portfolios, sovereign debt investments, project finance, commercial real estate loans, mortgages, and motor vehicle loans to assess the carbon emission distribution of the Company's overall financial assets. • The Group's carbon reduction target has been validated by the Science-Based Targets Initiatives (SBTi) in 2023. • In 2024, investment and financing emissions are 23,989,360 metric tons of CO_2e in total. Detailed inventory data of each category refers to 2.4 Net Zero Transition.	
	a The metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process / **c The targets used by the organization to manage climate-related risks and opportunities and performance against targets**		
	Other Climate Metrics and Targets	In addition to GHG emission indicators and targets, the Company also established key climate metrics and targets for energy use, transition risks, climate-related opportunities, capital allocation internal carbon pricing, climate governance, engagement and communication.	4.2
	Climate Metrics and Targets Monitoring Mechanisms	In order to reduce the impact of climate related risks and opportunities on the business, the TCFD Task Force holds regular meetings to communicate and understand the management needs of each subsidiary, while the Risk Management Department compiles the key climate metrics and targets achievement status developed by the subsidiaries every year and submits reports according to prescribed procedures.	4.1~4.2

6.2 Natural Risk Management

According to the World Economic Forum's (WEF) Global Risks Report 2025, nature-related risks such as "biodiversity loss and ecosystem collapse", "critical changes to Earth systems", and "natural resource shortages" are ranked 2nd to 4th among the top 10 global risks over the next decade. This highlights that, beyond climate risks, nature-related risks as a whole are becoming increasingly significant. In light of risk-based management awareness, the Group is gradually incorporating nature-related risks into its overall risk management framework.

Analysis of Nature Dependencies, Impacts, and Nature-Sensitive Areas

(Corresponding to Section 5.2 Nature Dependencies, Impacts, and Nature Sensitive Area Analysis of the 2024 TCFD & TNFD Report)

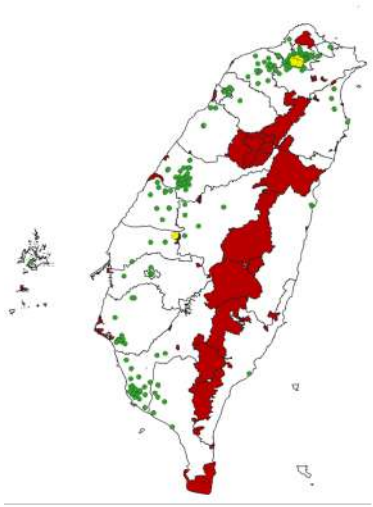
To assess the Group's dependency on and impact toward natural capital across its operations and investment/financing portfolio, the following process has been adopted:

Identification of industries involved by the Group → Identification of nature dependencies and impacts → Overlay analysis of nature-sensitive areas → Nature and ecology actions and initiatives

This analysis utilizes biodiversity hotspot data from the Forestry and Nature Conservation Agency of Taiwan's Ministry of Agriculture. Based on parameters such as species distribution data and species distribution models, the analysis covers biodiversity hotspots for mammals, birds, amphibians, reptiles, and butterflies. The dataset calculates hotspots for animal species in forests, open habitats, streams, or wetlands, defining grids within the top 5% species counts as hotspots. Hotspots are categorized into five levels from highest (5) to lowest (1).

Upon reviewing the Group's biodiversity hotspot impact analysis results, none of the bank's operating locations are adjacent to biodiversity hotspots at level 5 or 4 within a 1-kilometer radius. Branch locations situated in level 3, 2, and 1 hotspots account for 1.05%, 1.4%, and 5.96% of total locations, respectively. Approximately 91.58% of branches are not located within biodiversity hotspot areas.

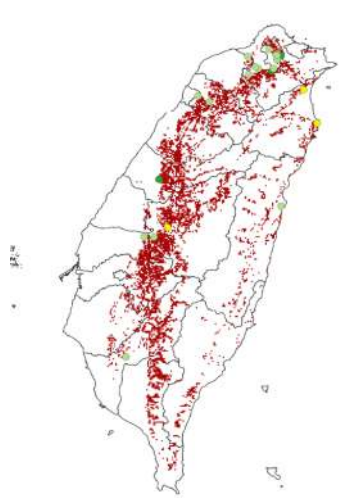
For this year's newly identified critical biodiversity areas, 2.11% of bank operating locations are adjacent to these critical biodiversity areas within a 1-kilometer radius, while 97.89% of locations are not near critical biodiversity areas.



Taiwan's Key Biodiversity Areas(KBA)

Operating locations

- Locations situated within Key Biodiversity Areas (KBAs)
- Locations not situated within Critical Biodiversity Areas (KBAs)



Biodiversity Hotspots

Biodiversity Hotspot Levels of Operating Locations

- 1
- 2
- 3

Critical Biodiversity Areas Analysis		Biodiversity Hotspots Analysis: Biodiversity Hotspot Levels	Biodiversity Hotspots Analysis: Proportion of Locations in Biodiversity Hotspots (%)
Proportion of operating locations adjacent to critical biodiversity areas within a 1-kilometer radius(%)	2.11	5	0.00
		4	0.00
		3	1.05
		2	1.40
Proportion of locations not adjacent to critical Biodiversity areas(%)	97.89	1	5.97
		0	91.58
		total	100.00

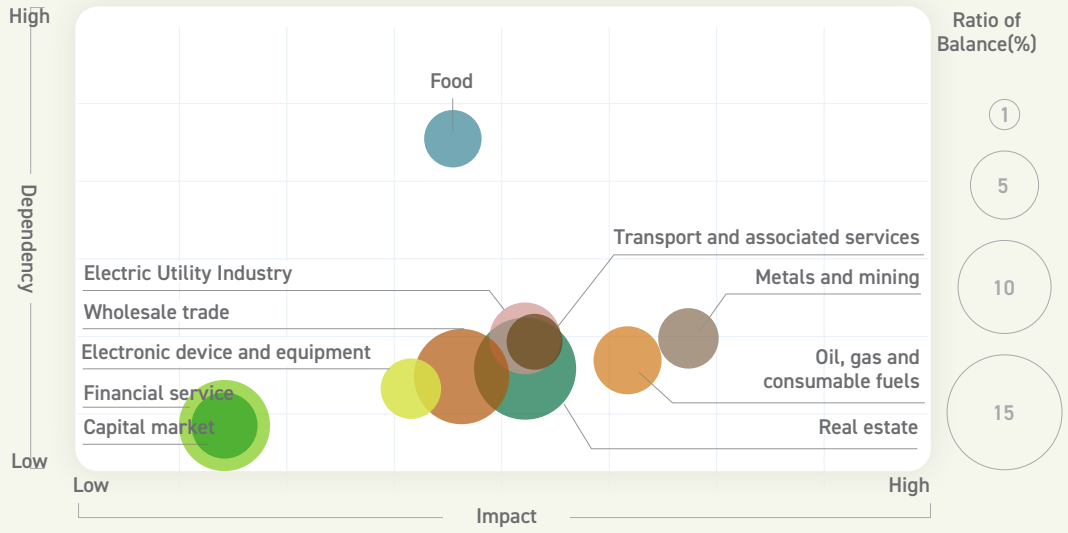
Analysis of Dependencies and Impacts on Investment and Financing Targets

(Corresponding to Section 5.2.2 Process for Analyzing Dependencies and Impacts on Investment and Financing Targets of the 2024 TCFD &TNFD Report)

To properly assess the dependency and impact of the investment and financing portfolio on natural resources, the Group follows the recommendations of the TNFD and utilizes the ENCORE tool for analysis and evaluation.

In 2023, the Group conducted an assessment of the dependencies and impacts of various industries within its investment and financing positions. There were no significant changes in the investment and financing positions between 2023 and 2024. Analysis of the industries accounting for the top 90% of investment and financing balances revealed that the food industry has a relatively high dependency on natural resources, with exposure accounting for approximately 3.06% of the total investment and financing balance. Industries with higher impact on natural resources include real estate and the metals and mining sectors, with exposure shares of 1.11% and 5.99%, respectively. The Group also reviewed the exposure proportions across industries, identifying the top 3 industries with the highest exposure as real estate, wholesale trade, and financial services. These industries exhibit moderate to low levels of dependency and impact on natural resources.

This year, a further analysis of dependency and impact factors was conducted for the food industry, which shows higher dependency and impact within the investment and financing portfolio. For full disclosure, please refer to Sections 5.2 to 5.3 of the 2024 TCFD &TNFD Report.



Note: This figure only presents the analysis results of the top 10 industries in terms of investment and financing balance.

Countermeasure

Strategies	Description
Avoid undertaking high-risk cases	The Group has established investment and financing thresholds and divestment timelines for industries related to coal-fired power generation, coal mining, coal trading, and unconventional oil and gas. As a signatory to the Equator Principles, the Group will continue to prudently assess whether project finance cases involve issues related to natural capital, in order to avoid or prohibit engagement with companies that have adverse impacts on natural capital. Moving forward, the Group also plans to gradually integrate this assessment process into all business risk evaluation procedures.
Define natural capital risk policy	Continuously planning to integrate nature-related risks into the overall risk management framework by establishing clear risk appetite, risk assessment, and risk mitigation policies.
Strengthen nature-related due diligence Set up natural capital risk limits	Before engaging in business activities, each subsidiary of the Group has already considered the risks and opportunities related to their counterparties or underlying assets in terms of climate, forests and water, biodiversity, and human rights. Going forward, the Group plans to incorporate assessments of corporate dependencies and impacts on natural capital into credit, investment, and other decision-making processes.
Set up natural capital risk limits	In the future, the Group will establish concentration limits for natural capital-related risks based on its risk appetite, in order to control exposure levels in high-risk areas.
Continue to introduce LEAP methodology	Since 2023, the Group has followed suggestions of the TNFD framework by gradually introducing the LEAP methodology. In the future, it will keep an eye on international trends to grasp the Group's natural risks and opportunities.
Reinforce nature-related information disclosure	Continue to follow the requirements of TNFD and other frameworks, strengthen the disclosure of natural capital risk information year by year, and improve transparency.

6.3 Green Operations

GRI 2-23、2-24、302-1、302-3、302-4、303-3~303-5、305-1~305-6、306-2~306-5

Environmental Sustainability Management Strategy

In fulfillment of the 2050 net-zero emission goal and the SDGs, TCFHC implements green operations and reduces the impact of its business activities on the environment across 6 areas, which are "Energy Conservation and Carbon Reduction", "Energy Management", "Water Resources Management", "Waste Management and Circular Economy", "Environment and Biodiversity Education", and "Environment and Biodiversity Conservation". At the same time, TCFHC has set short-, medium-, and long-term goals for environmental sustainability and fullfills green operations by tracking implementation status every quarter and conducting review meetings every 6 months to improve management measures on a rolling basis.

To deepen environmental sustainability efforts, TCFHC established the Environmental Sustainability Taskforce under the Sustainable Development Committee. TCB, on the other hand, became the 1st state-owned bank to set up the "Environmental Sustainability Section" under the Administration Department, taking charge of the Environmental Sustainability Taskforce of TCFHC. We use a vertical integration model to plan environmental sustainability affairs, plan to mitigate or adapt to the impacts of climate change, and implement the Group's low-carbon operations.

Facing the impact of global warming and climate change, TCFHC fulfills its environmental sustainability commitments and responsibilities, and has formulated the "Environmental Sustainability and Energy-Related Policies" as a way to set environmental and energy goals, establish a corporate green culture, implement green procurement, and strengthen the understanding of sustainable development. We actively respond to the carbon emission reduction path, align with the international net-zero trend, and enhance climate change resilience.

2024 Inventory Locations and Accomplishments in Environmental or Energy Management Implementation

Green Operations	Operating Locations Implemented or Implementation Accomplishments
ISO 14064-1 Greenhouse Gas Inventory	All 337 domestic and foreign locations
ISO 14001 Environmental Management Systems	36 locations[Note 1]
ISO 50001 Energy Management Systems	36 locations[Note 2]
ISO 46001 Water Resources Efficiency Management Systems	2 locations
ISO 14046 Water Footprint	4 locations
ISO 14067 Carbon Footprint	8 items
Carbon Footprint Labels for Products or Services	7 items
"Diamond-Class" Green Building Label	5 buildings
"Bronze-Class" Green Building Label	2 buildings
"Qualified-Class" Green Building Label	8 buildings
Self-Generated Solar Energy for Self-Use (including systems under construction)	21 locations
Procurement of Renewable Energy	2,446.47 kWh
Supporting Green Office Measures	241 locations

Note 1. The certification validity period for "ISO 14001 Environmental Management System" at 36 locations begins between October 21, 2023 and December 4, 2023, and ends between October 26, 2026 and December 3, 2026. Annual surveillance audits are conducted during this period to maintain the validity of the certificates.
2. The certification validity period for "ISO 50001 Energy Management System" at 36 locations begins between December 4, 2022 and December 7, 2023, and ends between December 3, 2025 and December 6, 2026. Annual surveillance audits are also conducted to ensure continued certification validity during this period.

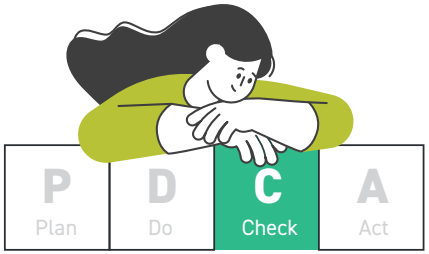
Energy Conservation and Carbon Reduction

Over the past few years, global warming has changed the ecological environment, and frequent extreme weather events are threatening human survival as well. If we continue to ignore this imminent crisis and persist in unrestrained resource consumption, climate change will worsen and eventually lead to irreversible damage to the ecosystem. For the sake of mitigating the impacts of climate change, the Group proactively manages greenhouse gas emissions and is devoted to joining the global effort to limit global warming within 1.5 °C. We used the verification results from completing the "ISO 14064-1 Greenhouse Gas Inventory" at all domestic and overseas locations in 2021 as the base year to set a science-based target (SBT), which was reviewed and approved in 2023. The Group's own operations (Scope 1 plus Scope 2) will reduce absolute emissions by 50.4% in 2032 compared to the base year (2021), with an average annual decrease of 4.58%, 41.24% reduction target by 2030 compared to 2021 baseline, and the reduction target for 2024 is 13.75% compared to 2021.

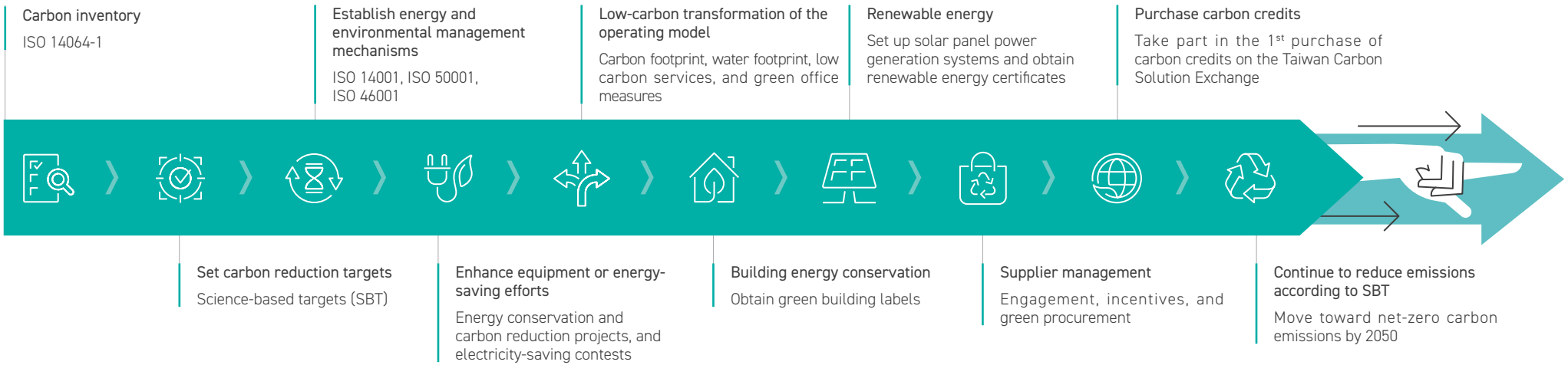
TCFHC continues to implement energy conservation and carbon reduction by adopting multiple ISO international standards for verification, promoting green procurement and green office measures, obtaining green building labels, and leveraging government energy-saving diagnostic services. Additionally, by introducing measures such as an internal carbon pricing mechanism, we actively internalize the external costs of greenhouse gas emissions, strengthen the identification and management of risks and opportunities related to carbon emissions, and make strides toward low-carbon and sustainable operations.

GHG Emissions

To enhance the automation and intelligence of managing GHG emissions across the entire Group, we have, since 2023, leveraged technology to assist in carbon emissions data inventory. In 2024, we completed the "ISO 14064-1 Greenhouse Gas Inventory" across 337 domestic and international sites, covering Scope 1 to Scope 3 emissions. The combined GHG emissions from Scope 1 and Scope 2 have been reduced by approximately 32.16% compared to the baseline year (2021), achieving the reduction target of 13.75%. Additionally, we participate annually in the international Carbon Disclosure Project (CDP), actively taking steps to address environmental issues. In 2024, we attained the "A List – Leadership Level" recognition. We have also implemented the "ISO 14001 Environmental Management Systems", "ISO 50001 Energy Management Systems", and "ISO 46001 Water Efficiency Management Systems", using the Plan-Do-Check-Act (PDCA) cycle to effectively manage resource consumption and reduce carbon emissions.



Carbon Emission Reduction Roadmap



Greenhouse Gas Emissions from 2021 to 2024

Scope Classification[Note 1]	2021	2022	2023[Note 7]	2024	Target for 2024
Scope 1 (Category 1) direct emissions(tCO_2e)	2,574.55	2,720.60	2,781.54	2,737.70	2,220.66
Data coverage rate [Note 2] (%)	100.00	100.00	100.00	100.00	-
Scope 2 (Category 2) Energy indirect emissions – location-based [Note 3](tCO_2e)	25,163.33	23,339.48	19,699.26	16,078.51	21,704.52
Scope 2 (Category 2) Energy indirect emissions – market-based(tCO_2e)	25,163.33	23,339.48	19,628.74	15,993.19	21,704.52
Data coverage rate (%)	100.00	100.00	100.00	100.00	-
Scope 1 (Category 1) + Scope 2 (Category 2) emission intensity – location-based [Note 4] (tCO_2e/ NT$ million net revenue)	0.5098	0.4900	0.3663	0.2859	-
Scope 1 (Category 1) + Scope 2 (Category 2) emission intensity – market-based (tCO_2e/ NT$ million net revenue)	0.5098	0.4900	0.3651	0.2846	
Scope 1 (Category 1) + Scope 2 (Category 2) emission intensity – location-based [Note 5] (tCO_2e/person)	2.9118	2.7028	2.3207	1.9446	-
Scope 1 (Category 1) + Scope 2 (Category 2) emission intensity – market-based (tCO_2e/person)	2.9118	2.7028	2.3134	1.9358	-
Scope 3 (Category 3–5) other indirect emissions[Note 6](tCO_2e)	4,775,706.74	6,473,333.58	14,231,773.82	24,015,926.08	-

Note 1.According to the greenhouse gas inventory categories under the reporting boundaries of the "ISO 14064-1:2018 Greenhouse Gas Inventory", the greenhouse gases include CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3.

2.The data coverage rate is calculated based on the proportion of operating locations that underwent inventory in the current year.

3. Indirect energy emissions are calculated based on the annual electricity emission factors published by the Energy Administration of the Ministry of Economic Affairs (measured in tCO_2e/kWh). The electricity emission factors for 2021 to 2024 are 0.000509, 0.000495, 0.000494, and 0.000474, respectively.

4. GHG emission intensity = (direct GHG emissions + indirect GHG emissions)/NT$ million net revenue. The net revenue from 2021 to 2024 was NT$54,413 million, NT$53,182 million, NT$61,377 million, and NT$65,824 million, respectively.

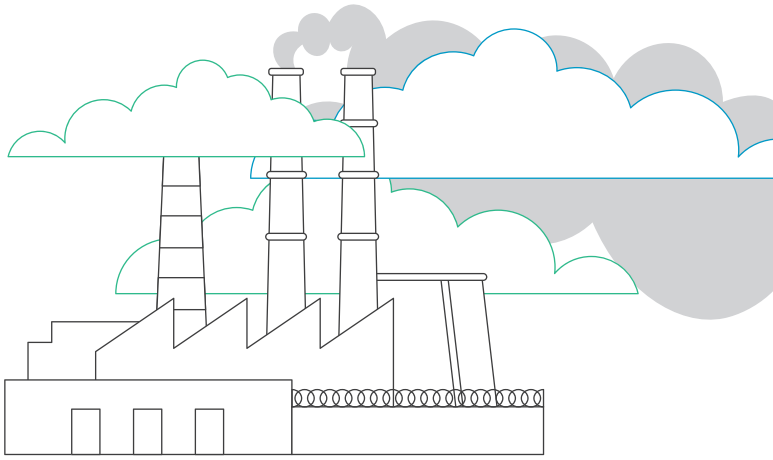
5. The number of employees in the Group from 2021 to 2024 was 9,526, 9,642, 9,687, and 9,676, respectively.

6. The emissions for Scope 3 (Category 3–5) are calculated using a multivariate inventory model, including mixed methods, average data methods, and cost-based methods.

7. The sources of emission coefficients used from 2021 to 2024 are mainly the Ministry of Environment's Greenhouse Gas Emission Coefficient Management Table Version 6.0.4, the Carbon Footprint Information Platform, and the ICAO. The global warming potential (GWP) in 2021 mainly uses the values published in the IPCC 2013 5th Assessment Report, and from 2022 to 2024 the values published in the IPCC 2023 6th Assessment Report are used.

8. The Scope 1 target was not achieved due to an increase in emissions resulting from the inclusion of additional refrigerant equipment in the carbon inventory.

9. Newly purchased and replaced air conditioning systems use environmentally friendly, next-generation refrigerants and do not contain ozone depleting substances (ODS).



In 2024, the Group conducted Scope 3 carbon inventory across 12 categories, of which 10 categories were verified by a third party. In addition, the Group has set a reduction target for business travel (including domestic high-speed rail and international/domestic air travel), aiming to reduce emissions by 3% annually compared to the previous year.

Total Scope 3 Greenhouse Gas Emissions of the TCFHC Group in 2024

Unit: tCO_2e

Scope 3 Categories	2024		
	Emissions	Data verified by a third party	Data Coverage Rate (%)
C1 Purchased goods and services	212.79	✓	100.00
C2 Capital goods	14,148.81	✓	100.00
C3 Fuel- and energy related activities	3,443.69	✓	100.00
C4 Upstream transportation and distribution	0.74	✓	7.42
C5 Waste generated in operations	175.99	✓	100.00
C6 Business travel	267.44	✓	100.00
C7 Employee commuting	4,675.72	✓	100.00
C8 Upstream leased assets	Although TCFHC has leased real estate, the energy consumed during the operational processes is paid by the Company, and the associated GHG emissions have been included in the Scope 1 and Scope 2 emissions.	—	—
C9 Downstream transportation and distribution	2,766.86	✓	100.00
C10 Processing of sold products	The results of the Group's Scope 1 and Scope 2 GHG emissions have been incorporated.	—	—
C11 Use of sold products	63.89	✓	92.88
C12 End-of-life treatment of sold products	7.39	✓	92.88
C13 Downstream leased assets	802.56	—	0.30
C14 Franchises	This category is irrelevant since Taiwan Cooperative Financial Holdings and its 7 subsidiaries belongs to the financial industry, all its branches are 100% directly operated, and it does not have a franchise business model.	—	—
C15 Investments	23,989,360.20	—	Detailed methodology and reduction goals have been disclosed in the 2.4 Net Zero Transition and the 2024 TCFD & TNFD Report.

Note: The data coverage rate is calculated based on the proportion of operating locations that underwent inventory in the current year.

Performance of Energy Conservation and Carbon Reduction

Starting in 2024, TCB launched the "Voluntary Reduction Project for Replacing High-Efficiency Lighting and Air-Conditioning Equipment at the Beidou, Pingjhen, Fuxing, Si Taichung, and Nanxing Branches". By replacing the existing lighting and air-conditioning equipment at these 5 branch offices, the project aims to improve energy use efficiency, conserve electricity, and reduce GHG emissions. The project was approved by the Ministry of Environment on January 6, 2025, and the accounting period spans from January 6, 2025, to January 5, 2035. It is estimated to reduce GHG emissions by 240 tCO_2e.

In 2024, 3 projects were implemented: "TCB Energy Conservation and Carbon Reduction", "Replacing and Reducing Lightning Fixtures", and "Air-Conditioning Equipment Energy Conservation Improvement". These initiatives focused on both hardware and software upgrades, adjustments to management practices, and raising employees' environmental awareness, encouraging energy conservation and carbon reduction in daily office routines. The total investment amounted to approximately NT$2.13 million, resulting in an estimated electricity savings of around 1,898,159 kWh and a reduction in carbon emissions of approximately 899.73 tCO_2e, equivalent to the annual carbon absorption of 2.43 Daan Parks [Note1]. The projected cost savings are NT$7.22 million, with an average payback period of just 0.30 years [Note 2].

Energy Conservation and Carbon Reduction Project	Description	Investment Cost (NT$10 thousand)	Expected Reduction in Electricity Consumption (kWh)	Expected Reduction in Electricity Consumption [Note 3] (GJ)	Carbon Reduction Performance [Note 4] (tCO_2e)	Estimated Cost Savings [Note 5] (NT$10 thousand)
Energy Conservation and Carbon Reduction	• Turn off horizontal and vertical billboards as well as nonessential lightning at operating locations. • Turn off lights in offices and machine rooms during the lunch break. • Oversee employees shut down personal computers (including monitors) after work. • Reduce the number of photocopiers in line with paperless initiatives. • Install heat-insulating film on selected windows. • Replace outdated servers and firewalls with new equipment.	40	1,742,574	6,275	825.98	662
Replacing and Reducing Lightning Fixtures	• Replace lighting in lobbies, offices, emergency stairwells, and restrooms with LED fixtures. • Adjust the lighting layout and reduce the number of fixtures in offices, emergency stairwells, and restrooms.	173	118,742	427	56.28	46
Air-Conditioning Equipment Energy Conservation Improvement	• Maintain the chiller and clean the return air filters. • Adjust the operating hours of the chiller. • Increase the chiller supply temperature setting by 1°C. • Adjust the operating hours of the parking lot exhaust fans.	-	36,843	133	17.47	14
Total		213	1,898,159	6,835	899.73	722

Note 1. The annual carbon sequestration capacity of Daan Park is 386.5 tCO_2e.
2. Average payback period = project investment cost/expected cost savings.
3. The expected reduction in electricity consumption is based on the parameters of the "Energy Product Unit Calorific Value Table" published by the Energy Bureau of the Ministry of Economic Affairs, and the unit conversion for electricity (consumer side) is 860 kilocalories per degree (kWh).
4. The electricity carbon emission coefficient for 2024 is 0.000494 (tCO_2e/kWh).
5. This refers to the electricity cost savings before and after the implementation of the energy-saving and carbon-reduction projects.

Internal Carbon Pricing

To implement effective carbon reduction management and reinforce the concept of "putting a price on carbon", TCB has been calculating an Internal Carbon Price (ICP) since 2022. By internalizing the external costs of greenhouse gas emissions, TCB assesses the carbon costs associated with its operations and incorporates them into future investment considerations for energy-saving and carbon-reduction projects. This approach enhances the Bank's carbon risk management capabilities and strengthens its climate resilience. At the same time, TCB actively adopts low-carbon operational measures and improves energy efficiency to further enhance carbon reduction effectiveness. TCB adopts an implicit pricing method, referencing the energy-saving benefits, purchase costs, and estimated service life of equipment to calculate its internal carbon price, which is used as a reference in procurement decision-making. The internal carbon price is reviewed annually on a rolling basis. In 2024, the average internal carbon price is NT$6,663.01 per metric ton, with a range between NT$4,939 and NT$7,566.

Implementation Measures	Purpose of Implementation
Based on TCB 2024 expenditures for lighting replacement and air conditioning equipment procurement, an average internal carbon price assessment was conducted. Procurement data for lighting and air conditioning replacements were collected, with investment costs calculated based on initial capital expenditures. Carbon reduction benefits were estimated by converting annual electricity savings into carbon reduction equivalents. A cost-benefit analysis was then performed to evaluate the carbon reduction cost of these projects over their expected service life.	• Conduct cost-benefit analysis • Drive energy efficiency • Drive low-carbon investments • Identify and seize low-carbon opportunities • Influence strategy and/or financial planning
By integrating the internal carbon pricing mechanism into climate risk management thinking, the Group seeks to mitigate its own operational climate risks through measures such as phasing out and reducing the number of lighting fixtures and enhancing the energy efficiency of air conditioning systems. These efforts support the active implementation of green operations while also reducing operational expenditures.	• Incentivize consideration of climate-related issues in risk assessment
Actively managing greenhouse gas emissions, TCB is committed to limiting global warming to within 1.5°C. Through setting science-based targets (SBTs) and implementing internal carbon pricing, the Bank promotes green procurement, green office measures, and other initiatives. The goal is to achieve a 50.4% absolute reduction in Scope 1 and Scope 2 emissions by 2032, compared to the baseline year of 2021.	• Setting and/or achieving of climate-related policies and targets • Incentivize consideration of climate-related issues in decision making

Carbon Credits

In order to implement carbon reduction and support national climate actions, TCFHC actively participated in the trading of the 1st batch of carbon credits on the Taiwan Carbon Solution Exchange in 2023. The purchased carbon credits will continue to be used to promote carbon reduction and carbon neutrality for the Group and its subsidiaries. Through the purchased carbon credits plan, TCFHC promotes the achievement of several SDGs, and while reducing corporate carbon emissions, also realizes universal values such as social inclusion and climate equity.

Carbon Footprint and Carbon Labels

In order to achieve a sustainable consumption and service model for a low-carbon economy, the life cycle assessment method is adopted to enhance transparency in the input and output of product supply chains and services, energy and resources, and sources of carbon emissions with potential environmental impacts. The entire Group has passed external verification for "ISO 14067 Carbon Footprint" and obtained a total of 8 verification statements. In addition, a total of 7 carbon labels for products or services have been obtained. These include TCB's "World Card", "LOHAS Card", "Head Office (Business Department) Counter Service", "Financial Online Service/ Online Banking Front End – General Login Overview", CAM's "Self-Owned Real Estate Sales Service", BNP TCB Life's "Personal Insurance Service Policy", and TCS's "Online Investment and Wealth Management Services". In the future, TCFHC will continue to examine the carbon emission hotspots of its operating products or services provided, optimize energy conservation and carbon reduction actions, and strive to establish low-carbon operations or service models.

Green Buildings

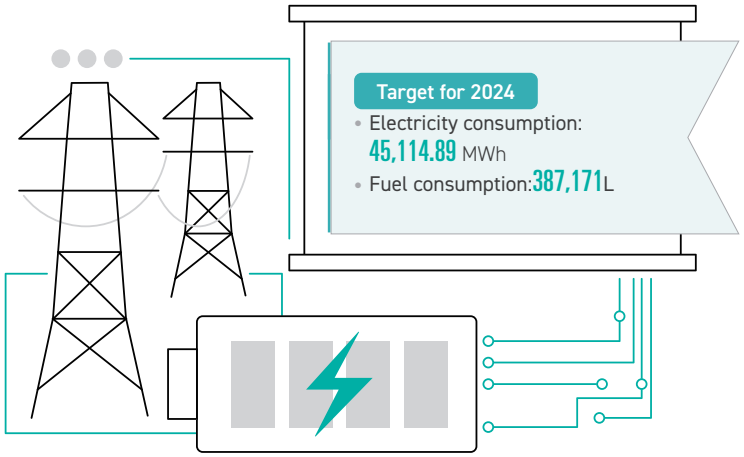
The head office building of TCB was constructed based on the 4 core principles of green architecture: "ecology, energy conservation, waste reduction, and health". It incorporates a variety of environmentally friendly and energy-saving designs that align with green building standards. In 2018, it received the EEWH Silver Label from the Ministry of the Interior. In 2023, it was further honored with the Silver Award at the Ministry of Economic Affairs' Energy Conservation Benchmark Awards and the Excellence Award in Category A in Taipei City's Zero-Carbon Benchmark Awards. In 2024, the building achieved the EEWH Diamond Label from the Ministry of the Interior and was once again recognized by the Ministry as a "Level 1+ Near-Zero Carbon Building", the highest rating in the existing Building Energy Efficiency Labeling System. In addition, to further the vision of sustainable architectural design and achieve harmonious coexistence with the planet, efforts have been made to promote the development of green buildings at other locations. As of the end of 2024, a total of 15 sites have obtained EEWH certifications (including 5 diamond, 2 bronze, and 8 certified labels).

Digital Paperless Operations

We promote digitalization measures, including the adoption of electronic official documents, e-bills, online training, and automated transactions, to drive business operations. These efforts are estimated to reduce paper usage by approximately **95,801,990** sheets and lower carbon emissions by about **689.77** metric tCO_2e—equivalent to the annual carbon absorption of **1.78** Daan Parks.

Energy Management

In order to reduce overall energy consumption, TCFHC introduced the "ISO 50001 Energy Management Systems" and through various spontaneous action plans and improvement measures, is devoted to energy conservation, energy generation, and energy procurement. These efforts aim to improve energy efficiency and increase the proportion of renewable energy used, achieve energy-conservation goals, and fulfill the responsibility of protecting the environment.



Energy Usage Overview

Energy Consumption from 2021 to 2024

		2021	2022	2023	2024	Target for 2024	Achievement of 2024 Target
Total purchased electricity consumption Note 1 (MWh)		49,097.01	45,594.59	42,020.18	41,734.73	45,114.89	✓
Non-renewable energy	Total purchased electricity consumption Note 1 (MWh)	49,097.01	45,594.59	39,775.52	33,800.68		
	Total fuel consumption Note 1 (MWh)	3,240.96	3,686.15	3,737.21	3,350.33	3,386.54	✓
	Total fuel consumption Note 1 (L)	357,226.00	406,296.00	409,722.00	379,291.15	387,171.00	✓
	Total energy consumption (purchased electricity + fuel) Note 1 (MWh)	52,337.97	49,280.74	43,512.73	37,151.00	48,627.53	✓
	Total energy consumption (purchased electricity + fuel) Note 1 (GJ)	188,456.00	177,446.97	156,677.34	133,770.35	-	
	Energy intensity (GJ/NT$ million net revenue) Note 2	3.46	3.34	2.55	2.03	-	
Renewable energy	Total self-generated renewable energy consumption Note4 (MWh)	28.35	36.60	260.08	484.62	-	
	Total purchased energy (MWh)	-	-	2,244.66	7,934.05	-	
	Total energy consumption (MWh)	28.35	36.60	2,504.74	8,418.67	-	
Data coverage rate Note 3 (%)		100.00	100.00	100.00	100.00	-	

Note 1. The total amount of purchased electricity and oil consumption of non-renewable energy is based on the parameters of the "Energy Product Unit Calorific Value Table" published by the Energy Bureau of the Ministry of Economic Affairs. From 2021 to 2023, the motor gasoline is 7,800 kcal/liter and the diesel is 8,400 kcal/liter. In 2024, the motor gasoline is 7,520 kcal/liter and the diesel is 8,629 kcal/liter. From 2021 to 2024, the electricity (consumer side) is 860 kcal/kWh for unit conversion.
2. The net revenue from 2021 to 2024 was NT$54,413 million, NT$53,182 million, NT$61,377 million, and NT$65,824 million, respectively.
3. Data coverage rates are calculated based on the operating locations included in the carbon inventory for the respective year. All data have been verified in accordance with "ISO 14064-1 Greenhouse Gas Inventory" standards and accompanied by verification statements issued by third-party auditors.
4. The total consumption of self-generated renewable energy is based on actual metered electricity generation.

Energy Usage Management

To achieve electricity saving targets and reduce carbon emissions, in addition to actively promotes various energy-saving and carbon reduction projects, implements electricity conservation measures, and practices green office initiatives, TCB established the "Electricity Saving Competition Incentive Program" for its business units in 2024. Annual electricity consumption reduction targets are allocated to all business units across Taiwan, with rankings based on actual electricity savings and the achievement rate of the annual reduction targets. Incentive rewards ranging from NT$6,000 to NT$60,000 are granted accordingly. In 2024, the total electricity consumption of participating domestic business units was 23,865,082 kWh, representing a reduction of 510,215 kWh (2.09%) compared to 2023. The electricity savings correspond to an estimated carbon emissions reduction of approximately 242 metric tons of CO_2e [Note], equivalent to the annual carbon sequestration of about 0.63 Daan Forest Park.

Note: The electricity carbon emission coefficient for 2024 is 0.000474 (tCO_2e/kWh).

Electricity-Saving Measures

- Promote energy-saving and carbon-reducing projects such as "Energy Conservation and Carbon Reduction", "Replacing and Reducing Lighting Fixtures", and "Air-Conditioning Equipment Energy Conservation Improvement".
- Promote energy-saving improvement measures for equipment and systems in conjunction with the government's energy conservation diagnostic service.
- Adjust the usage conditions of training classrooms in the head office building, assign classrooms with appropriate specifications based on the actual number of applicants, enhance space utilization efficiency, and achieve energy conservation and carbon reduction.
- Set the power-saving mode for computer equipment in the offices. Computers will automatically enter a low-energy sleep state after remaining inactive for 5–10 minutes.
- Set the air conditioning temperature at 26℃ and clean and service the air conditioning units regularly to prolong their useful life and maintain cooling efficiency.
- Regularly inspect and maintain elevators and define usage rules. Reinforce management or deactivate certain elevators to reduce standby power consumption.
- Adjust the usage time or operation mode of public equipment such as water dispensers and photocopying machines, and set them to sleep mode or turn off the power during non-working hours or off-peak periods.
- Prepare the "Mechanism for Inspecting Office Space Energy Conservation Guidelines in the Head Office Building" to guide all employees in the head office building to implement energy conservation practices.
- Hold power-saving competitions, assign carbon reduction goals to operating locations throughout Taiwan, and provide incentives.
- Launch the "Voluntary Reduction Project for Replacing High-Efficiency Lighting and Air-Conditioning Equipment at the Beidou, Pingjhen, Fusing, Si Taichung, and Nansing Branches".

Awareness Campaigns

- Post electricity-saving promotional materials and slogans in office areas, such as "turn off the power when you leave" near light switches.
- Notify units not open for business to turn off the lights for 1 hour during the noon break.
- Promote walking exercises and encourage employees to avoid using taking elevators when moving up or down 3 or fewer floors.

Renewable Energy Usage

In alignment with the 2050 net-zero emissions goal and energy transition policies, TCB has completed the installation of solar power systems at 17 locations, achieving a total actual electricity generation of 484,618 kWh and obtained 402 renewable energy certificates, resulting in a carbon emissions reduction of approximately 229.71 metric tons of CO_2e, equivalent to the annual carbon sequestration of about 0.59 Daan Forest Parks. Additionally, solar power systems are under construction at 4 more locations, bringing the total to 21 locations with solar installations. The estimated annual electricity generation from these systems is approximately 861,300 kWh, potentially reducing carbon emissions by about 408.26 metric tons of CO_2e, equivalent to the carbon absorption of 1.06 Daan Forest Parks annually. Furthermore, TCB has procured 24.4647 million kWh of renewable energy, with 7.9341 million kWh of green electricity supplied in 2024. TCB has also obtained 7,965 renewable energy certificates, corresponding to a carbon emissions reduction of approximately 3,760.74 metric tons of CO_2e, equivalent to the annual carbon sequestration of about 9.73 Daan Forest Park. Moving forward, TCB will continue to support the national net-zero emission policy by progressively increasing the proportion of renewable energy use.

Fuel Management

In order to enable employees to practice green office habits in daily life, we are gradually replacing old official vehicles and motorcycles with high-efficiency, low-fuel-consumption vehicles and electric motorcycles. Since 2022, a total of 202 environmentally friendly or energy-certified vehicles have been leased for official use. Meanwhile, we continue to promote the principle that employees should use public transportation instead of cars and motorcycles when commuting or traveling on business, or share rides when dispatching official cars. We also encourage the use video conferencing instead of in-person meetings or training courses to reduce energy and resource consumption and lower carbon emissions.

Oil-Saving Measures

- Gradually replace company vehicles with electric ones.
- Gradually replace old company vehicles and rent highly efficient, low-fuel-consuming company vehicles for employee use.
- Maintain and inspect company cars regularly, and ensure that tire pressure is kept at appropriate level.
- Provide a public EasyCard to facilitate flexible use of public transportation by colleagues on business trips.

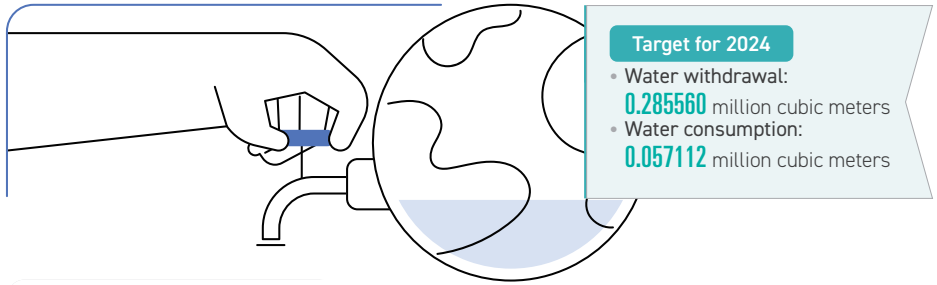
Awareness Campaigns

- Encourage employees who need to make long-distance business trips to ride together in company vehicles or take public transport.
- Encourage video conferencing to reduce energy and resource consumption.
- Promote avoiding stomping on the gas pedal and frequent braking while driving, reducing idling, maintaining appropriate in-vehicle temperatures without setting them excessively low, and minimizing unnecessary load weight among employees.

Water Resources Management

Global climate change has led to water resource scarcity, which is worsening each day. Responding to "SDG 6 Clean Water and Sanitation", the head office building, IT Department, staff training center, and central processing center of TCB have been verified for "ISO 14046 Water Footprint". The water footprint impact analysis helps improve water resource utilization efficiency, reduce environmental impacts related to water throughout the life cycle of products or services, and optimize water resource management.

In order to continuously reduce water consumption, the head office building and IT Department of TCB continuously introduced the "ISO 46001 Water Resources Efficiency Management System", seeking opportunities to recycle water, improve major water facilities, and enhance water utilization efficiency through reduction, replacement, and reuse, thereby striving to achieve the Group's annual water consumption reduction target of 1% compared to the average of the previous 3 years.



Water Resource Usage Overview

Water Usage from 2021 to 2024

Unit: Million Cubic Meters

	2021	2022	2023	2024	Achievement of 2024 Target
Water withdrawal (A) Note 1	0.289002	0.310334	0.265997	0.284834	
Water discharge (B) Note 2	0.231202	0.248267	0.212798	0.227867	
Total net fresh water consumption (A–B)	0.057800	0.062067	0.053199	0.056967	
Data coverage rate Note 3 (%)	91.89	100.00	100.00	100.00	

Note 1. 1 million cubic meters = 1,000 million liters; 1 unit of water = 1 × 10^{-6} million cubic meters.
2. The source of water used is tap water.
3. According to the 2021 revised edition of the "Design and Commentary for Wastewater Treatment Plants" by the Construction and Planning Agency, Ministry of the Interior, Taiwan, domestic wastewater discharge can be estimated using the formula: water consumption × 0.8 (a commonly used empirical value). As the Group's operating locations are primarily based in Taiwan, this method is used to calculate the wastewater discharge for all domestic and overseas sites within the scope of the inventory.
4. Data coverage rates are calculated based on the proportion of operating locations included in the inventory for the given year. All data have been verified in accordance with "ISO 14064-1 Greenhouse Gas Inventories" standards and have been certified by third-party verification bodies.

Water-Saving Measures

Water-Saving Measures

- Install a rainwater harvesting system to efficiently recycle and reuse water resources.
- Equip water-use facilities with water-saving devices, such as censor-activated taps and timed water sprinklers for horticultural use.
- Implement drip irrigation instead of sprinkler irrigation, with the system automatically switching off on rainy days to achieve water-saving efficiency.
- Use equipment bearing water-saving labels.
- Install water savers to faucets.
- Install smart water meters for air conditioners and domestic water equipment.
- Adjust the single flush volume of toilet water.
- Regularly record the amount of water consumed regularly, and adequately check and repair water lines.

Awareness Campaigns

- Utilize meetings to promote water conservation among employees, and post water-saving slogans to save water.

Waste Management and Circular Economy

To reduce negative environmental impacts and achieve sustainable resource management, TCFHC has implemented the "ISO 14001 Environmental Management System" and established waste management measures. Through resource recycling and reuse, green procurement, and leasing instead of purchasing, the Group promotes a circular economy. In addition to actively practicing the 3R environmental principles—Reduce, Recycle, and Reuse—to enhance the effectiveness of waste recycling and reuse, the Group has also set a new target to reduce non-recyclable waste. Starting from 2025, the Group aims to reduce the volume of non-recyclable waste by 1% annually compared to the previous year. This reflects a continuous improvement approach to waste reduction and reinforces implementation across the organization. The Group also prioritizes the procurement of environmentally friendly products, green building materials, and recycled products that carry government-recognized environmental, energy-saving, and water-saving labels.

In addition, in order to enhance the concept of circular economy and resource sustainability among employees, we continue to communicate knowledge on how to reuse resources, reduce unnecessary spending, minimize waste, and improve resource utilization efficiency through relevant conferences and educational trainings. In order to urge all units to do a good job in garbage classification and record keeping, resource recycling and waste management are included in the "Occupational Safety and Health and Safety Maintenance Supervision and Inspection Operation" and "Business Unit Self-Inspection Work Paper". At the same time, an asset sharing platform is implemented to match second-hand public property to extend the life cycle of office supplies. Second-hand item exchanges, waste battery recycling, free (waste) markets and beach cleaning activities are also organized to enhance employees' environmental awareness.

Target for 2024

- Waste (recyclable/reusable): Resource recycling rate >30%.
- Waste (non-recyclable): Reduction by 2% compared to the average of the past 3 years, with a target set at 283.79 metric tons.

Waste Disposal Overview

Waste Disposal Volume from 2021 to 2024

Unit: Metric tons

	2021	2022	2023	2024	Achievement of 2024 Target
Total waste volume	469.92	452.61	617.73	611.16	-
Total waste recycled/reused	178.69	216.26	276.31	282.64	✓
Total waste disposed	291.23	236.10	341.42	328.52	✗ Note 2
Waste landfilled	19.41	16.36	11.71	21.91	-
Waste incinerated with energy recovery	271.82	219.74	329.71	306.61	-
Data coverage rate Note 1 (%)	91.89	91.62	100.00	100.00	-

Notes 1. Data coverage rates are calculated based on the proportion of operational sites included in the inventory for the respective year. All data have been verified in accordance with "ISO 14064-1 Greenhouse Gas Inventory "standards and are accompanied by verification statements issued by third-party verification bodies.
2. As data coverage increased to 100% in 2024, the reduction target was calculated based on a 2% decrease from the average waste volume over the previous 3 years. However, the target was not met. The Group will continue to promote awareness through employee training and educational materials, advocating waste reduction, resource recycling and reuse, and improved resource efficiency to achieve future waste reduction goals.
3. As the company's operational sites are primarily office-based, the waste generated consists of non-hazardous waste. After sorting for recyclable materials, waste is sent off-site for disposal either at incineration plants or recycling facilities.

Waste Reduction Measures

Waste Reduction Measures

- Implement waste sorting and resource recycling for waste generated in the offices.
- Sort and recycle office supplies such as folders, paper bags, paper clips, and binder clips for reuse.
- Recycle used batteries.
- Avoid using disposable items such as utensils, plastic bags, and bottled water during events or meetings.
- Promote paperless green services and electronic official document systems to reduce paper use.
- Remove personal trash cans to reduce waste generation at the source by introducing inconvenience in disposal and encouraging changes in disposal habits.
- Promote an asset-sharing platform to match second-hand office items, thereby extending the lifecycle of office supplies.

Awareness Campaigns

- Utilize meetings to promote waste sorting measures, avoid food waste when ordering, and reduce kitchen waste among employees.
- Promote the storage, carrying, and reading of meeting documents on electronic devices to reduce paper used for photocopying.
- Make event materials and related promotional content accessible via QR codes for viewing and promotion.
- Organize used book exchanges and free (waste-free) market events to promote resource recycling.

Environment and Biodiversity Education

In order to implement "SDG4 Quality Education", "SDG11 Sustainable Cities and Communities", "SDG13 Climate Action", and "SDG17 Partnerships for the Goals", the Group actively adheres to the principles of "One Earth, Environmental Justice, Intergenerational Welfare, and Sustainable Development" to promote environmental education and achieve sustainable management goals.

Defining the Environmental Education Action Plan

In order to improve employees' environmental literacy and actively implement environmental sustainability, TCB has formulated an "Environmental Education Action Plan" to expand outreach and deepen grassroots efforts in promoting environmental education, guiding employees to establish positive environmental values.

Campus Sustainability Education

To expand the impact of sustainable development and promote the spirit of neighborliness and community friendliness, a cross-sector collaboration was launched with Taipei Municipal DunHua Elementary School. In November 2024, the first themed campus environmental education activity was held. In partnership with the school's Health Section under the Student Affairs Office, we promoted environmental education by sharing eco-friendly teaching resources and introducing the concept of "Waste Sorting Starts Now" to 210 second-grade students across 7 classes. Through interactive team-building games, students improved their ability to identify different types of waste, developed daily recycling habits, and contributed to alleviating Taiwan's waste accumulation issue in an engaging way. The initiative also supported the development of a circular economy and nurtured a deep-rooted culture of caring for the earth.

Enhancing the Concept of Environmental Sustainability

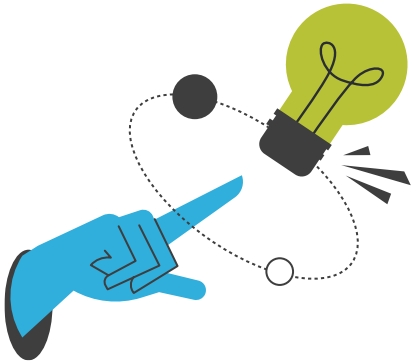
We arrange special lectures and courses for senior managers and new employees, conduct both advanced and entry-level environmental sustainability training programs, promote awareness of climate change, 2050 net-zero emissions, and net-zero green living policies, and provide employees with environmental education and learning opportunities through digital learning courses and various other channels. In 2024, a total of 43 keynote speeches, courses, or education and training sessions related to environmental sustainability were held, with 6,293 attendees in total. In addition, "ESG Classroom" articles were emailed to all employees on a weekly basis. As of the end of 2024, a total of 51 "ESG Classroom" articles had been distributed to deepen the concepts of environmental education and sustainable development.

Environmental Protection Green Points

To encourage employees to adopt habits of "green consumption" and "green life", environmental protection green points are offered instead of gifts or prizes. A total of 1,307,500 environmental protection green points were distributed, driving the green economic cycle and guiding employees to continue implementing sustainable actions across various aspects—food, clothing, housing, transportation, education, entertainment, and shopping—thereby expanding the influence of environmental sustainability.

Environment and Biodiversity Conservation

To implement "SDG4 Quality Education", "SDG11 Sustainable Cities and Communities", "SDG12 Responsible Consumption and Production", "SDG13 Climate Action", "SDG14 Life below Water", "SDG15 Life on Land", and "SDG17 Partnership for the Goals", TCFHC actively promotes various environmental sustainability measures and undertakes actions to protect natural ecological resources.

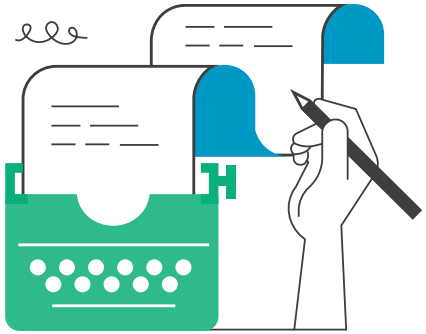


Earth Hour – Lights Off for 1 Hour

Since 2022, TCFHC has participated annually in the world's largest voluntary carbon reduction event, "Earth Hour – Lights Off for 1 Hour", by jointly turning off "non-essential lights" between 8:30 pm and 9:30 pm on March 23, 2024. Through ongoing energy-saving and carbon-reduction actions, TCFHC continues supporting this initiative.

Supporting Green Office Measures

Since 2022, the head office building has taken the lead in supporting the Ministry of Environment's green office policy and has actively promoted its adoption across office locations nationwide. The initiative focuses on implementing 35 measures under 5 key indicators: "Energy and Resource Conservation", "Source Reduction", "Green Procurement", "Environmental Greening and Beautification," and "Promotion and Advocacy". To date, a total of 238 locations have participated in the green office program.



Supporting the Tamsui River Convention

Recognizing the value of river resources, TCB continues to support CommonWealth Magazine's "Tamsui River Convention". In addition, TCB implements measures for resource recycling and waste reduction, strengthens the promotion of environmental sustainability concepts among suppliers, and increases the proportion of green procurement. TCB is committed to reducing plastic and waste to protect river health and contribute to the sustainable development of Taiwan's watersheds.

Promoting Low-Carbon Diets

TCFHC started promoting "TCFHC Vegetarian Day" in 2019. The event encourages employees to bring their own utensils and reduce the use of plastic ones in order to lessen the burden on the earth. In order to maximize its reach, the initiative was later renamed "Vegetable Day" and held twice a month (on the 1st and 15th day of the lunar calendar). In 2024, a total of 59,337 people took part, reducing carbon emissions by about 45.10 tCO_2e, equivalent to the annual carbon sequestration of 0.12 Daan Parks.

Street Tree Adoption

- Starting from 2020, TCB and the Parks and Street Lights Office of the Public Works Department, Taipei City Government, have signed an adoption agreement for 7 street trees between Lane 451, Section 2, Bade Road and Dunhua North Road until 2026, continuing to promote environmental protection and green landscaping work.
- TCBF has taken long-term responsibility for maintaining the landscaping along the sidewalk at the first floor of its head office, helping to improve the city's appearance while also contributing to the reduction of GHG emissions and air pollution.
- CAM partnered with the Liming Village Office in Zhongzheng District, Taipei, to adopt trees in Liming Park, working alongside other adopters to support environmental beautification efforts.
- TCS, in collaboration with the Parks and Street Lights Office of the Public Works Department, Taipei City Government, adopted the street trees on the median island at the intersection of Section 2, Bade Road and Alley 25, Lane 4, Dunhua North Road in Songshan District, Taipei, until February 2025, continuing to promote environmental protection and green landscaping work.

Coastline Adoption

Since September 2023, TCB has adopted the Qianshuiwan coastline in Sanzhi District, New Taipei City, and received a certificate of appreciation from the Environmental Protection Department of the New Taipei City Government. To further expand efforts in preserving the cleanliness of coastal environments, we also adopted the Green Bay coastline in Wanli District, New Taipei City in September 2024. With this addition, a total of 2 coastal areas are now under adoption, advancing ecological sustainability.

Environmental Public Welfare

- TCB actively participates in the Ministry of Finance's National Property Administration program to adopt marginal national lands not in public use for environmental protection, contributing to national land conservation and promoting environmental sustainability. We received a letter of appreciation from the National Property Administration for our efforts.
  - A donation of NT$350,000 was made to "Wetlands Taiwan" in support of the "Ocean's Guide – Qinkunshen Salt Field Wetland Conservation and Wise Use Promotion Project", aimed at protecting the Qinkunshen Salt Field Wetlands in Tainan. The project focused on habitat monitoring, maintenance, and management to achieve biodiversity conservation goals.
  - A donation of NT$1 million was made to the "Taiwan Black-Faced Spoonbill Conservation Association" in support of the "Creating a Harmonious Paradise for the Black-Faced Spoonbill Project", aimed at protecting the Dingshan Salt Field Wetlands in Tainan. The initiative included maintaining the second birdwatching pavilion, globally live streaming the black-faced spoonbills, and planting trees. These diverse efforts enhanced factors essential for habitat survival, protected natural resources, and safeguarded biodiversity.
- TCB donated NT$800,000 to National Sun Yat-sen University for the "Marine Sustainable Development Program Centered on Carbon Neutrality", supporting key initiatives in marine sustainable development and marine life conservation.
- TCB donated NT$400,000 to the Penghu Fishery Research Center of the Fisheries Research Institute, Ministry of Agriculture, in support of its "Seagrass Bed Restoration Project", aiding public agencies in restoring seagrass. The goal was to enhance seagrass restoration capabilities and success rates, increase biodiversity, and expand fishery resources.

Low-Carbon Green Initiatives

TCB

Sustainability Hiking and Mountain Cleanup Activity

Held the "Sustainability Hiking and Mountain Cleanup Activity" at Xianjiyan Trail in Jingmei, Taipei City. Participants took public transportation, brought reusable cups, and removed waste from the forest, thereby promoting plastic reduction, waste reduction, and carbon reduction. On-site environmental education activities were also conducted to help employees understand the importance of sustainable forests.

Sustainable Tree Planting Action

The volunteer team joined forces with the Southwest Coast National Scenic Area Headquarters, the Taiwan Black-Faced Spoonbill Conservation Association, and local residents in Tainan's Dingshan Salt Field Wetlands for the TCB Sustainable Tree Planting Action. Together, they planted 1,000 saplings to promote environmental sustainability through concrete green actions.

TCBF

Used Battery Recycling

To prevent environmental pollution and damage caused by the casual disposal of batteries, and to encourage employees to develop battery recycling habits, a used battery recycling activity was held from November 1 to 11. Around 1,189 used batteries were collected during the event.

BNP TCB Life

"Insurance for the Planet" Coastal Cleanup – Love the Earth, Just Do It!

A river cleanup and basic water quality testing event was held under the Dazhi Bridge at Dajia Riverside Park. Employees were invited to take part in protecting the shared environment we all live in.

TCS

"Donate Books to Support Sunshine, Go Green and Save the Planet" Sustainable Carbon Reduction Campaign

From November 11 to 29, 39 participants donated a total of 90 books. According to data from the Sunshine Social Welfare Foundation, each second-hand book donated can reduce carbon emissions by 34 kgCO_2e. This campaign achieved a total reduction of approximately 3,060 kgCO_2e—equivalent to the amount of carbon absorbed by Daan Park in 2.89 days.

CAM

TCFHC AMC Free (Reused) Market

Second-hand items were collected and displayed alongside promotional slogans and signs themed "Be Green and Love the Earth". Passersby were free to take what they needed at no cost. At the same time, volunteers engaged with the public to promote environmental values and raise environmental awareness.

TCSIT

We Love Zhongji Village – Jointly Maintaining the Community Environment

To jointly maintain the community environment, employees formed a green taskforce to care for Yijiang Park, doing their part as responsible village members.

"Mystery Exploration of the Thousand-Year Algal Reef and Natural Landscape Appreciation" Event

An ecological tour of algal reefs and sand dunes was held in Guanyin, Taoyuan. This hands-on activity promoted environmental and ecological sustainability.

TCVC

Hands-On Planting

A casual, hands-on craft activity was held, allowing participants to experience planting after work.

Working Together for Sustainability

TCB

Seagrass Restoration, Corporate ESG and Blue Carbon Forum & Razor Clam, Mantis Shrimp, and Seagrass Planting Activity

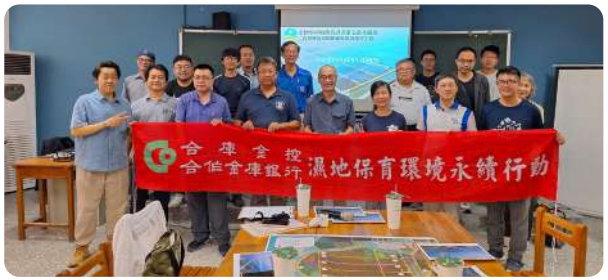
Participated in the "Seagrass Restoration, Corporate ESG and Blue Carbon" forum and the "Razor Clam, Mantis Shrimp, Seagrass Planting" hands-on seagrass restoration activity, organized by the Penghu Fishery Research Center of the Fisheries Research Institute, Ministry of Agriculture, in October 2024. The event focused on the status of seagrass restoration in Penghu, working together to protect marine biodiversity and develop sustainable development models, thereby advancing environmental sustainability.

Coconut Grove Carbon Sequestration Project – Tree Planting Ceremony

Participated in a tree planting event organized by National Sun Yat-sen University in December 2024, where 60 salt-tolerant coconut trees were planted at the "Gate of Love" in Cijin Beach. It is estimated that after a 3–5-year growth period, the annual carbon sequestration will reach approximately 1.5 tCO_2e. The project not only enhanced the aesthetic appeal of Cijin Beach and reduced shoreline erosion, but also increased carbon sequestration capacity and advanced ecological sustainability.

Qinkunshen Abandoned Salt Field Habitat Improvement Project – Abandoned Salt Field Reuse Workshop

Participated in a workshop held by "Wetlands Taiwan" in April 2024, where government units, experts, and scholars discussed the feasibility of promoting environmental engineering projects such as wetland habitat creation, seagrass bed restoration, and mangrove planting.



Dingshan Birdwatching Pavilion Black-Faced Spoonbill Live Stream and Habitat AI Smart Management System Launch Ceremony

In collaboration with the National Property Administration of the Ministry of Finance, Southwest Coast National Scenic Area Headquarters, Tainan Branch of Chunghwa Telecom, and local village chiefs and residents near the Dingshan Salt Field Wetlands in Tainan, the event leveraged technology through public-private partnerships to protect biodiversity and promote the development of ecological sustainability.

Hujing Seagrass Restoration Results Presentation and Education Outreach Event

Took part in a joint event in December 2024 organized by the Penghu Fishery Research Center of the Fisheries Research Institute, Ministry of Agriculture, Agriculture and Fisheries Bureau, Penghu County, and Hujing Community Development Association. The engage involved local Hujing Village residents in seagrass restoration efforts to enhance restoration capabilities and success rates, increase biodiversity, and expand fishery resources.

ESG Tree Planting and Carbon-Free Travel

In partnership with the Hualien Tourism Department, a tree planting event was held at Hualien Golf Course where 35 precious small-flowered camphor trees were planted. The carbon emissions for this trip, 10 metric tons, were offset through retirement of credits under the international Gold Standard (GS). to support environmental sustainability.

6.4 Sustainable Supply Chain GRI 403-7

The main suppliers of TCFHC Group are IT equipment and system manufacturers. In order to actively respond to the government's green procurement policy and deeply embed the concept of sustainability in procurement operations, the Group implements supplier sustainability management and collaborates with suppliers to jointly practice environmental sustainability.

Supplier Management

TCFHC continues to promote its Supplier Management Policy. Since 2020, TCFHC has required suppliers with individual procurement amounts exceeding NT$1 million to sign a Supplier Corporate Social Responsibility and Environmental Sustainability Commitment Letter. In addition, procurement contracts include clauses related to corporate social responsibility, clearly stating that suppliers must comply with regulations on occupational health and safety, environmental protection, and ethical conduct. With regard to labor and human rights, the policy mandates that suppliers comply with national labor laws, including the Labor Standards Act provisions (such as working hours, wage payment, paid leave, and equal pay for equal work). These requirements aim to protect workers' rights, strengthen labor-employer relations, and contribute to social and economic development. Suppliers are also required to follow relevant procedures and advance notice provisions under the Mass Redundancy Protection Act, to prevent infringement or potential infringement of labor rights due to large-scale layoffs, thereby supporting social stability. In 2024, a total of 458 suppliers with individual procurement amounts over NT$1 million signed the commitment letter.

Supplier Management Policy

Environmental Sustainability	Labor and Human Rights	Ethical Management
• The relevant raw materials used by suppliers in the course of business shall be based on the principle of protecting natural resources, giving priority to recycled or reused raw materials that meet product quality requirements, and avoiding the use of environmentally hazardous substances. • Concrete environmental protection and energy-saving measures shall be established, ensuring no major negative impact on the environment or violations of environmental regulations. Environmental sustainability shall be effectively implemented, with a commitment to caring for the Earth, cherishing resources, and promoting environmental protection and energy conservation.	• Suppliers shall comply with national labor laws, protect employees from infringement of their legal rights, respect internationally recognized basic labor and human rights, and shall not engage in forced labor, layoffs, or any actions that endanger labor rights. • Suppliers shall provide employees with a safe, healthy, and comfortable working environment, and comply with occupational safety and health laws and regulations.	• Suppliers shall engage in commercial activities in a fair and transparent manner, based on the principle of ethical management. • In the course of engaging in commercial activities, suppliers shall not, whether directly or indirectly, offer, promise, request, or accept any illegitimate benefits, or be involved in any conduct that may be construed as dishonest, illegal, or a breach of trust for the purpose of acquiring or maintaining benefits.

Suppliers' Human Rights Due Diligence

In order to implement the Supplier Management Policy, suppliers are urged to comply with relevant labor regulations and adhere to international human rights conventions. Potential and possible human rights issues are identified and compiled, and regular human rights due diligence is conducted for suppliers, including avoiding or reducing overtime or excessive working hours, setting maximum working hours and equal remuneration for men and women etc., to assess the frequency and severity of potential risks. Mitigation measures are developed for potential human rights risks to serve as a reference for future improvements to the Supplier Management Policy.

Supplier Human Rights Due Diligence Results and Responsive Measures

In 2024, TCFHC's human rights due diligence focused on 5 key risk categories, which were workplace diversity, gender equality, maternal health protection, forced labor, and occupational health and safety. A total of 26 potential human rights risk issues were identified. The assessment targeted suppliers (contractors) with annual transaction amounts exceeding NT$1 million, achieving a 100% response rate. Overall, the results indicated a low level of risk exposure. For the 3 human rights risk issues with relatively higher exposure identified through the self-assessment, TCFHC has formulated corresponding response measures as follows:

Stakeholder	Issue of Concern	Risk Identification Ratio(%)	Total Risk Ratio(%)	Mitigation Plans	Mitigation Ratio (%)
Suppliers (contractors)	Workplace Diversity	3.13	8.65	• Divide suppliers (contractors) into categories and assist them in the formulation of phased and region-specific improvement implementation plans and deadlines. • Formulate the priority order for improving barrier-free facilities across various buildings. • Provide consultation and guidance in drafting alternative improvement plans.	100
	Maternal Health Protection	2.21		• Urge suppliers to fully comply with the Labor Standards Act, Gender Equality in Employment Act, Regulations for Implementing Maternal Health Protection for Female Workers, and Articles 30 and 31 of the Occupational Safety and Health Act. • Encourage the adoption of the Technical Guidelines for Maternal Health Protection in the Workplace to enhance workplace care and support. This includes implementing flexible working hours, providing medical consultation sessions, and conducting job suitability assessments.	
	Occupational Health and Safety	3.31		• Encourage suppliers (contractors) to establish an "Occupational Safety and Health Committee" to provide recommendations on their proposed safety and health policies, as well as to review, coordinate, and advise on related safety and health matters. • Use the findings as a reference for "Planning Procurement Incentive Measures" for suppliers (contractors).	

Supply Chain Empowerment

Promoting ESG Implementation among Suppliers

To collaborate with suppliers in promoting ESG and achieving sustainable development goals, TCB has established the "Supplier ESG Incentive Guidelines." These guidelines include incentive measures such as reducing performance bond and warranty deposit requirements, public recognition, and inviting suppliers to participate in ESG training and workshops. Through supplier self-assessments and on-site audits, the Bank evaluates suppliers' ESG practices and encourages them to prioritize and implement environmental sustainability, corporate social responsibility, and corporate governance. In 2024, ESG self-assessments were completed by 85 suppliers, and 16 suppliers underwent on-site ESG evaluations. These efforts aim to continually motivate and urge suppliers to uphold ESG principles and to implement ethical business practices.

Supplier Management Conference

To harness the influence of financial institutions and collaborate with suppliers and borrowers in achieving the 2050 net-zero transition, TCFHC hosted the "4th Joint State-Owned Financial Institutions Supplier Conference" in September 2024. With the theme "Carbon Emissions Have a Price—Reduce Emissions, Achieve Net Zero", the event brought together officials from the Ministry of Finance, Ministry of Environment, and Financial Supervisory Commission's Banking Bureau, as well as chiefs of 9 state-owned banks. More than 200 suppliers and borrowers participated in the event, which focused on Taiwan's carbon fee policy, the impact of carbon pricing on businesses, and response strategies for suppliers.

In line with the conference theme and the goal of reducing carbon emissions and achieving net zero, all aspects of the event planning, including registration, venue setup, and refreshments, were carried out using environmentally friendly or reusable materials. The estimated carbon reduction totaled approximately 4,071 $kgCO_2e$, equivalent to the amount of carbon absorbed in one day by 3.84 Daan Forest Park.

Green Procurement

In order to practice green procurement and implement environmental protection, TCFHC prioritizes the use of environmentally friendly products with environmental protection labels, energy-saving labels, water-saving labels, and sustainable forestry labels. In line with the principle of "green operations and environmental friendliness", office renovation projects are carried out using green building materials. In 2024, the amount of green procurement reached NT$95.74 million. In addition, TCB was recognized by the Taipei City Government's Department of Environmental Protection under the "Promoting Green Procurement Plan for Private Enterprises and Groups" for outstanding performance for 5 consecutive years.

IT equipment

NT$**25.83** million for products with energy-saving labels and green marks

Large split-type and window-type air conditioners

NT$**3.34** million for environmentally friendly refrigerant models and inverter-type units with energy-saving labels

Lighting equipment

NT$**4.79** million for products with energy-saving labels and green marks

FSC paper and toilet paper

NT$**2.63** million for FSC- and PEFC-certified products or products made using zero-tree felling processes

Green building materials

NT$**6.59** million for products with green building material labels

Water dispensers

NT$**370,000** for products with Grade 1 energy efficiency and energy-saving labels

Sustainable Procurement

In order to comply with the international sustainability trend, TCFHC has clearly formulated a "Sustainable Procurement Policy" to follow, implementing the sustainability concept in the procurement units of each company in the Group and extending it to partner suppliers. In addition, TCB was the 1st to adopt the "ISO 20400 Sustainable Procurement - Guidance" in April 2022, passing the audit conducted by BSI. TCFHC and all other subsidiaries also passed the BSI audit in January 2023.

Appendix 1. Workforce Composition

Employment Contract Types and Work Locations from 2022 to 2024

Year	Employment Contract	Gender		Work Location		Total Number of Employees
		Male	Female	Domestic	Overseas	
2024	Permanent	3,937	5,737	9,247	427	9,676
	Temporary	1	1	2	0	
2023	Permanent	3,940	5,744	9,251	433	9,687
	Temporary	1	2	3	0	
2022	Permanent	3,928	5,708	9,201	435	9,642
	Temporary	2	4	6	0	

Full-Time and Contract Employment Statistics from 2022 to 2024

Year	Full-Time				Temporary (including employees without guaranteed working hours)				Total Number of Employees
	Domestic		Overseas		Domestic		Overseas		
	Male	Female	Male	Female	Male	Female	Male	Female	
2024	3,767	5,480	169	258	2	0	0	0	9,676
2023	3,764	5,488	176	257	1	1	0	0	9,687
2022	3,756	5,449	173	262	1	1	0	0	9,642

Employee Age Statistics from 2023 to 2024

Year	Number of Employees			Total Number of Employees (including permanent employees and contractors)
	Under 30	Between 30 and 50	Over 50	
2024	1,353	4,742	3,581	9,676
2023	1,447	4,672	3,568	9,687

2024 Employees' Education Level

	Senior High School or Below	Junior College	University	Master's	PhD
Total Number of Employees	486	788	5,871	2,520	11

2024 Statistics on Non-Employee Workers

	Non-Employee Workers(including dispatch and outsourced personnel)				
	Service Personnel	Security Personnel	Mechanical & Electrical Maintenance Personnel	Cleaning Personnel	Total
Total Number of People	80	32	20	32	164

2024 Statistics of Employee Occupational Injuries

Number of Injured People (including commuting accidents)	Total Working Hours	Frequency (FR)	Lost Days	Severity Rate (SR)	Total Susceptibility Index (FSI)
29	18,587,464	1.56	620	33	0.22

Note 1. Disability Injury Frequency Rate (FR) = (Total number of disabling injuries × 1,000,000) / Total working hours
2. Disability Severity Rate (SR) = (Total number of days lost due to disability injury × 1,000,000) / Total work hours
3. Comprehensive Damage Index (FSI) = $\sqrt{((FR \times SR) / 1,000)}$

Workforce Gender and Diversity Statistics from 2022 to 2024

Year	Gender	Number of Employees	Percentage of Total Employees (%)	Diversity			Percentage of Total Employees (%)
				Persons with Disabilities	Indigenous Peoples	LGBTQI+	
2024	Male	3,938	40.70	68	33	0	1.53
	Female	5,738	59.30	43	4	0	
2023	Male	3,941	40.68	71	35	0	1.56
	Female	5,746	59.32	42	3	0	
2022	Male	3,929	40.75	60	36	0	1.38
	Female	5,713	59.25	34	3	0	

Note: According to the regulations of the competent authorities, each person with a severe or above level of disability is counted as 2 individuals for employment purposes.

Breakdown of Employee Nationalities in 2024

Nationality	TCFHC	TCB	BNP TCB Life	TCS	CAM	TCBF	TCSIT	TCVC	Percentage of Employees of That Nationality(%)	Percentage of Employees of That Nationality in Managerial Positions(%)
Taiwanese	16	8,533	275	434	55	66	48	18	97.61	98.35
Asian (non-Taiwanese)	0	224	1	0	0	0	0	0	2.33	1.52
American	0	4	1	0	0	0	0	0	0.05	0.09
European	0	0	0	0	0	0	0	0	0.00	0.00
Australian	0	1	0	0	0	0	0	0	0.01	0.04
Total	16	8,762	277	434	55	66	48	18	100.00	100.00

2024 Wokforce Diversity Indicator (Gender)

Diversity Indicator (Gender)	Percentage (%)	Target for 2026
Share of Women in Total Workforce	59.30	Remain at or not less than 50%
Share of Women in All Management Positions (including junior, middle and top management)	57.27	Remain at or not less than 50%
Share of Women in Junior Management Positions	58.34	Remain at or not less than 50%
Share of Women in Top Management Positions	46.15	Remain at or not less than 45%
Share of Women in Management Positions in Revenue-Generating Functions	57.70	Remain at or not less than 50%
Share of Women in STEM-Related Positions	42.84	Expect to increase by 3%, or remain at or not less than 40%

Management Statistics in 2024

Items	TCFHC		TCB		BNP TCB Life		TCS		CAM		TCBF		TCSIT		TCVC	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Senior Management [Note 1]	1	2	4	4	5	2	2	4	3	0	1	4	3	2	2	0
Management [Note 2] (including junior, middle and senior management)	4	4	875	1,221	21	15	39	45	12	3	16	15	12	11	3	2
Total Number of Employees	8	8	3,574	5,188	111	166	151	283	32	23	34	32	21	27	7	11
Ratio of Number of Managers to Total Number of Employees (%)																23.75

Note 1. Senior management refers to position above executive vice presidents or supervisors of the equivalent position.
2. Management refers to those who serve as managers (including junior, middle and senior management).

Statistics on the Number of New, Transferred or Promoted Employees from 2022 to 2024

By Gender

Year	Number of New Employees		Number of Employees Transferred or Promoted	
	Male	Female	Male	Female
2024	256	337	1,140	1,624
2023	264	379	1,063	1,544
2022	258	394	1,149	1,464

By Age

Year	Number of New Employees			Number of Employees Transferred or Promoted		
	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50
2024	341	218	34	408	1,399	957
2023	388	204	51	417	1,319	871
2022	392	235	25	400	1,370	843

By Work Location

Year	Number of New Employees	
	Domestic	Overseas
2024	558	35
2023	607	36
2022	593	59

By Race

Year	Number of New Employees			Number of Employees Transferred or Promoted		
	Taiwanese (not including indigenous people))	Foreigners	Indigenous Peoples	Taiwanese (not including indigenous people)	Foreigners	Indigenous Peoples
2024	561	30	2	2,738	14	12
2023	606	36	1	2,586	10	11
2022	596	54	2	2,601	4	8

By Managerial Positions

Year	Number of New Employees		Number of Employees Transferred or Promoted	
	Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position
2024	22	571	898	1,866
2023	27	616	830	1,777
2022	24	628	839	1,774

Employees Turnover from 2022 to 2024

By Gender

Year	Male				Female			
	Voluntary		Involuntary		Voluntary		Involuntary	
	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off
2024	140	112	8	7	201	143	5	5
2023	133	108	7	8	164	160	3	8
2022	103	110	3	3	173	144	3	5

- **By Age**

Year	Under 30				Between 30 and 50				Over 50			
	Voluntary		Involuntary		Voluntary		Involuntary		Voluntary		Involuntary	
	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off
2024	158	0	0	3	146	8	3	7	37	247	10	2
2023	119	0	0	2	150	7	1	13	28	261	9	1
2022	124	0	0	2	132	6	1	3	20	248	5	3

- **By Race**

Year	Taiwanese (not including indigenous people)				Foreign Employees				Indigenous People			
	Voluntary		Involuntary		Voluntary		Involuntary		Voluntary		Involuntary	
	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off
2024	313	255	13	12	27	0	0	0	1	0	0	0
2023	257	266	10	16	38	2	0	0	2	0	0	0
2022	231	254	6	8	45	0	0	0	0	0	0	0

- **By Work Location**

Year	Domestic				Overseas			
	Voluntary		Involuntary		Voluntary		Involuntary	
	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off
2024	307	255	13	12	34	0	0	0
2023	257	266	10	16	40	2	0	0
2022	227	254	6	8	49	0	0	0

- **By Managerial Position**

Year	Managerial Position				Non-Managerial Position			
	Voluntary		Involuntary		Voluntary		Involuntary	
	Resignation	Retirement	Death	Lay Off	Resignation	Retirement	Death	Lay Off
2024	17	102	3	1	324	153	10	11
2023	14	125	4	3	283	143	6	13
2022	14	136	1	2	262	118	5	6

Ratio of Investment and Income in Salary and Welfare Expenses from 2021 to 2024

Unit: NT$ thousand

	2021	2022	2023	2024
Total Revenue	54,412,693	53,182,152	61,377,038	65,823,692
Total Operating Expenses	27,667,803	28,309,753	29,568,025	31,725,419
Total Employ-Related Expense	18,236,308	17,541,280	17,292,237	18,527,912
Return on Human Capital Investment (ROI) = [Total Revenue-(Total Operating Expenses-Total Employ-Related Expenses)] / Total Employ-Related Expenses	2.4666	2.4179	2.8395	2.8404
Total Employees	9,600	9,713	9,775	9,770

Note: Relevant data is based on the Company's consolidated financial report.

Appendix 2. Employee Satisfaction Survey

Company	Quantity of Questionnaires Sent Out	Quantity of Completed Questionnaires	Quantity / Satisfaction Score	Valid Questionnaires							Employee Satisfaction Score
				Female		Male		Under 30	Between 30 and 50	Over 50	
				Managerial Position	Non-Managerial Position	Managerial Position	Non-Managerial Position				
TCFHC	15	15	Quantity	4	4	3	4	-	3	12	4.54
			Satisfaction Score	4.69	4.28	4.67	4.56	-	4.67	4.51	
TCB	8,410	8,179	Quantity	1,125	3,663	814	2,577	1,234	3,908	3,037	4.33
			Satisfaction Score	4.43	4.24	4.51	4.34	4.25	4.27	4.43	
BNP TCB Life	202	197	Quantity	19	113	20	45	12	147	38	4.50
			Satisfaction Score	4.61	4.48	4.47	4.32	4.57	4.41	4.59	
TCS	421	420	Quantity	39	232	35	114	21	237	162	4.27
			Satisfaction Score	4.33	4.22	4.47	4.3	4.45	4.24	4.3	
CAM	54	52	Quantity	3	19	7	23	2	35	15	4.41
			Satisfaction Score	4.33	4.41	4.41	4.41	4.25	4.43	4.38	
TCBF	64	61	Quantity	12	17	9	23	11	24	26	4.27
			Satisfaction Score	4.70	4.04	4.33	4.18	4.23	4.32	4.24	
TCSIT	48	47	Quantity	6	23	6	12	3	29	15	3.90
			Satisfaction Score	4.11	3.93	4.04	3.67	4.54	3.9	3.77	
TCVC	14	14	Quantity	2	9	1	2	6	7	1	4.23
			Satisfaction Score	4.19	4.22	4.88	4.00	4.13	4.23	4.88	
Average											4.33
Data Coverage Rate											97.37%

Appendix 3. Impact Assessment of Material Topics

	Sustainable Finance	Digital Finance
Scope of Impact	Financial products, services, and operations	Financial products, services, and operations
Business Activity Coverage	More than 50% of business activities	More than 50% of business activities
Type of External Stakeholder	Environment, society, and consumers	Environment, society, and consumers
Positive/ Negative Impact	Directing capital flows to companies that may have a positive impact on the practice of sustainable development can encourage companies committed to ESG development and improve overall environmental and social benefits. However, if the company cannot effectively measure various ESG indicators of enterprises, it may invest investment funds in ESG-specific enterprises or projects that have a negative impact, while causing both positive and negative impacts on external stakeholders.	Guide customers away from the past habit of using transportation to visit branches for financial services and encourage them to use online channels, bringing them a more convenient service experience while reducing the negative impact on the environment from transportation and commuting-related carbon emissions. However, if customers fail to use online services correctly, it may lead to invalid or incorrect transactions, resulting in both positive and negative impacts on external stakeholders.
Quantification of Output	> Producing green electricity helps reduce carbon emissions by 11,563.55 tCO_2e in total: As of the end of 2024, TCB's total installed capacity of approved renewable energy financing projects reached 2,926 MW. The green power generated by renewable energy devices replaces the consumption of traditional electricity and reduces environmental impacts. TCB actively responds to the demands and expectations of stakeholders and uses the Environmental Profit and Loss (EP&L) assessment method to quantify the impact of green electricity production. Based on the total installed capacity of 2,926 MW of renewable energy projects in 2024, and assuming 8 hours of power generation per day, 23.408 million kWh of green electricity can be generated, reducing CO_2e by 11,563.55 tCO_2e.	> Online account opening helps reduce 49.63 tCO_2e in transportation- and commuting-related emissions: The Group guides consumers to use online services, which generate positive environmental benefits by reducing transportation and commuting associated with physical services. Based on the travel distances between the mailing addresses and the respective account-opening branches of the 10,895 customers who opened accounts online in 2024, a total of 293,361.22 kilometers in travel can be saved. Using the Environmental Profit and Loss (EP&L) assessment to quantify the reduced environmental impact from saved transportation and commuting, the travel distance that saved in 2024 amounts to 293,361.22 kilometers, which, when calculated based on the carbon emissions from the saved automotive fuels, equals a total of 49.63 tCO_2e. > Customers save a total of 7,263 hours in time costs through online account opening: Actual statistics show that it takes 1 hour per person to open an account at the counter, while it takes only 20 minutes online. With 40 minutes saved per person through online account opening, a total 7,263 hours could be saved for online customers of the Group in 2024.
Quantification of Impact	> Carbon reduction benefits worth NT$92.83 million created: The quantified impact of the social cost coefficient of carbon dioxide equivalent (CO_2e), as presented in the Technical Report on Social Cost of Carbon Emissions (Ahlroth, 2009) published by the U.S. Environmental Protection Agency, is referred to in calculating the environmental benefits of green electricity generated by renewable energy devices in reducing greenhouse gas emissions. As far as the coefficient is concerned, the social cost of NT$8,027.65 per ton of greenhouse gas emitted in 2024 is adopted, and carbon reduction benefits worth NT$92.83 million can be created in total in 2024. TCFHC supports projects that have positive impacts on the development of ESG through its core financial business and leads environmental and social progress toward a low-carbon economy.	> Positive environmental benefits from reduced transportation and commuting: The quantified impact of the social cost coefficient of carbon dioxide equivalent (CO_2e), as presented in the Technical Report on Social Cost of Carbon Emissions (Ahlroth, 2009) published by the U.S. Environmental Protection Agency, is referred to by the Group in calculating the environmental benefits of reduced transportation and commuting in reducing greenhouse gas emissions. As far as the coefficient is concerned, the social cost of NT$8,027.65 per ton of greenhouse gas emitted in 2024 is adopted, and carbon reduction benefits worth NT$398,412.27 can be created through online account opening of the Group in 2024. Through its core services in the financial business, TCFHC guides customers to change their financial service usage habits, working together to build a sustainable society. > Economic benefits resulting from time costs saved: The Group calculates the salary payable per minute as NT$3.05, based on the basic hourly wage of NT$183 in Taiwan in 2024. If additional income can be generated from the time saved through online account opening for customers, the economic benefits would amount to NT$1,329,190. TCFHC provides customers with more a complete and convenient financial service experience and works with them to increase their economic contribution to society.

Appendix 4. GRI Standards

Terms of Use	TCFHC has prepared this report in accordance with the GRI Standards. The information disclosed in this report covers the period from January 1 to December 31, 2024.
GRI Used	GRI 1：Foundation 2021
Applicable GRI Sector Standards	GRI has not announced its sector standards.

General Disclosures

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
GRI 2：General Disclosures 2021	The organization and its reporting practices			
	2-1 Organizational details	1.1 About TCFHC	P.11	
	2-2 Entities included in the organization's sustainability reporting	Report Overview	P.2	
	2-3 Reporting period, frequency and contact point			
	2-4 Restatements of information	5.1 Talent Recruitment and Retention	P.108	
	2-5 External assurance	Report Overview Appendix 10. BSI Independent Assurance Opinion Statement Appendix 11. CPA Limited Assurance Report Appendix 12. Summary of Assurance Items	P.2 P.191 P.192 P.193~195	
	Activities and workers			
	2-6 Activities, value chain and other business relationships	1.1 About TCFHC	P.11~12	
	2-7 Employees	Appendix 1. Composition of Employee	P.175	
	2-8 Workers who are not employees			
	Governance			
	2-9 Governance structure and composition	2.1 Sustainable Development Committe 3.1 Corporate Governance	P.20 P.53~55	
	2-10 Nomination and selection of the highest governance body			
	2-11 Chair of the highest governance body			
	2-12 Role of the highest governance body in overseeing the management of impacts	2.1 Sustainable Development Committee 3.1 Corporate Governance 6.1 Climate Strategies and Actions	P.20	
	2-13 Delegation of responsibility for managing impacts		P.53~55	
	2-14 Role of the highest governance body in sustainability reporting		P.146	
	2-15 Conflicts of interest	3.1 Corporate Governance	P.53~54	
	2-16 Communication of critical concerns	2.2 Material Topics and Stakeholder Engagement 3.1 Corporate Governance 6.1 Climate Strategies and Actions	P.24~26, 55	
	2-17 Collective knowledge of the highest governance body		P.56, 146	
	2-18 Evaluation of the performance of the highest governance body		P.56~57	

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
GRI 2：General Disclosures 2021	2-19 Remuneration policies	3.1 Corporate Governance	P.57~59	
	2-20 Process to determine remuneration			
	2-21 Annual total compensation ratio			
	Strategy, policies and practices			
	2-22 Statement on sustainable development strategy	Message from the Chair	P.3~5	
	2-23 Policy commitments	1.1 About TCFHC 3.2 Ethical Management 4.1 Sustainable Finance 4.2 Protection of Customer Rights 4.3 Financial Inclusion 5.3 Human Rights and Equality 5.4 Occupational Safety and Health 6.1 Climate Strategies and Actions 6.3 Green Operations	P.14 P.60 P.80 P.91 P.95 P.120 P.127 P.146, 152 P.156	
	2-24 Embedding policy commitments	1.1 About TCFHC 3.2 Ethical Management 4.1 Sustainable Finance 4.2 Protection of Customer Rights 4.3 Financial Inclusion 5.3 Human Rights and Equality 5.4 Occupational Safety and Health 6.1 Climate Strategies and Actions 6.3 Green Operations	P.14 P.60 P.80 P.91 P.95 P.120 P.127 P.146, 152 P.156	
	2-25 Processes to remediate negative impacts	2.2 Material Topics and Stakeholder Engagement	P.31~34	
	2-26 Mechanisms for seeking advice and raising concerns	3.2 Ethical Management	P.60~62	
	2-27 Compliance with laws and regulations	3.4 Legal Compliance, Anti-Money Laundering and Combating the Financing of Terrorism	P.71~72	For details on legal compliance in 2023, please refer to Section **3.4 "Legal Compliance, Anti-Money Laundering and Combating the Financing of Terrorism"** of the 2023 Sustainability Report
	2-28 Membership associations	1.2 Business Strategies and Profitability	P.17	
	Stakeholder engagement			
	2-29 Approach to stakeholder engagement	2.2 Material Topics and Stakeholder Engagement	P.22~26	
	2-30 Collective bargaining agreements	5.3 Human Rights and Equality	P.125~126	

Material Topics

Disclosures on Material Topics

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
GRI 3：Material Topics 2021	3-1 Process to determine material topics	2.2 Material Topics and Stakeholder Engagement	P.27	
	3-2 List of material topics		P.28	
	3-3 Management of material topics		P.28~34	

Particular topic standards

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
Climate Strategies and Actions				
201 Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	6.1 Climate Strategies and Actions	P.147~151	
Ethical Management				
205 Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	3.2 Ethical Management	P.60	
	205-2 Communication and training about anti-corruption policies and procedures		P.60~61	
	205-3 Confirmed incidents of corruption and actions taken		P.61	
206 Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.2 Ethical Management	P.61	
Employee Remuneration and Benefits				
201 Economic Performance 2016	201-1 Direct economic value generated and distributed	1.2 Business Strategies and Profitability	P.13	
	201-3 Defined benefit plan obligations and other retirement plans	5.1 Talent Recruitment and Retention	P.115	
	201-4 Financial assistance received from government	-	-	No government-related financial assistance this year
401 Employment 2016	401-1 New employee hires and employee turnover	5.1 Talent Recruitment and Retention Appendix 1. Composition of Employee	P.107~108 P.178~179	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	5.1Talent Recruitment and Retention	P.110~114	
	401-3 Parental leave		P.112~113	

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
403 Occupational Safety and Health 2018	403-1 Occupational health and safety management system	5.1 Talent Recruitment and Retention 5.4 Occupational Safety and Health 6.4 Sustainable Supply Chain	P.127	
	403-2 Hazard identification, risk assessment, and incident investigation		P.127	
	403-3 Occupational health services		P.113~114, 128	
	403-4 Worker participation, consultation, and communication on occupational health and safety		P.127	
	403-5 Worker training on occupational health and safety		P.130	
	403-6 Promotion of worker health		P.114~115, 130~131	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		P.130~131, 173	
	403-8 Workers covered by an occupational health and safety management system		P.127	
	403-9 Work-related injuries		P.129~131	
	403-10 Work-related ill health		P.128	
Human Rights and Equality and Diversity				
405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	3.1 Corporate Governance 5.1 Talent Recruitment and Retain Appendix 1. Composition of Employee	P.54 P.107 P.175~176	
	405-2 Ratio of basic salary and remuneration of women to men	5.1 Talent Recruitment and Retain	P.111	
406 Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.3 Human Rights and Equality	P.122	
407 Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.3 Human Rights and Equality 6.4 Sustainable Supply Chain	P.125	
409 Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.3 Human Rights and Equality 6.4 Sustainable Supply Chain	-	No incident of forced labor occurred this year
Legal Compliance				
417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	4.2 Protection of Customer Rights	P.93	
	417-2 Incidents of non-compliance concerning product and service information and labeling	-	-	No incident of forced labor occurred this year
	417-3 Incidents of non-compliance concerning marketing communications	3.4 Legal Compliance, Anti-Money Laundering and Combating the Financing of Terrorism 4.2 Protection of Customer Rights	P.71~72 P.94	
Protection of Customer Rights and information Security				
418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.2 Protection of Customer Rights	P.94~95	

General Topics

Disclosures on General Topics

GRI Standards	Disclosure Category	Corresponding Section	Page Number	Supplementary Remarks
Green Operation				
302 Energy 2016	302-1 Energy consumption within the organization	6.3 Green Operation	P.162	
	302-3 Energy intensity		P.162	
	302-4 Reduction of energy consumption		P.162~163	
303 Water and Effluents 2018	303-3 Water withdrawal		P.164	
	303-4 Water discharge		P.164	
	303-5 Water consumption		P.164	
305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions		P.158	
	305-2 Energy indirect (Scope 2) GHG emissions		P.158	
	305-3 Other indirect (Scope 3) GHG emissions		P.159	
	305-4 GHG emissions intensity		P.158	
	305-5 GHG emissions intensity		P.157	
	305-6 Emissions of ozone-depleting substances (ODS)		P.158	
306 Waste 2020	306-2 Management of significant waste-related impacts		P.165	
	306-3 Waste generated		P.165	
	306-4 Waste diverted from disposal		P.165	
	306-5 Waste directed to disposal		P.165	
Training and Development				
404 Training and Education 2016	404-1 Average hours of training per year per employee	5.2 Career Management and Learning	P.115	
	404-2 Programs for upgrading employee skills and transition assistance programs		P.116~117	
	404-3 Percentage of employees receiving regular performance and career development reviews		P.118~119	

Appendix 5. Sustainability Accounting Standards Board (SASB)

Disclosed Topics and Indicators

Disclosed Topic	Code/Metric	Nature	Disclosure Indicator	Description	Page Number
Data Security	FN-CB-230a.1.	Quantitative	• Number of data breaches • Percentage involving personally identifiable information (PII) • Number of account holders affected	TCB reported 1 incident in which a staff member failed to follow internal regulations regarding the use and safekeeping of customer information, resulting in the disclosure of a customer's account information to a third party. No data breach incidents occurred in the other subsidiaries	P.95
	FN-CB-230a.2.	Qualitative	Description of approach to identifying and addressing information security risks	3.5 Information Security	P.75~78
Financial Inclusion and Capacity Building	FN-CB-240a.1.	Quantitative	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	4.3 Financial Inclusion	P.96
	FN-CB-240a.2.	Quantitative	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	4.3 Financial Inclusion	P.96
	FN-CB-240a.3.	Quantitative	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	In 2024, there was no such circumstance occurring to TCB of providing unbanked or underbanked customers with no-cost retail checking accounts	-
	FN-CB-240a.4.	Quantitative	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	5.5 Social Inclusion	P.135~136
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410a.2.	Qualitative	Description of approach to incorporation of ESG factors in credit analysis	4.1Sustainable Finance	P.84~90
Business Ethics	FN-CB-510a.1.	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	There was no similar incidents occurring in TCFHC in 2024	-
	FN-CB-510a.2.	Qualitative	Description of whistleblower policies and procedures	3.2 Ethical Management	P.62
System Risk Management	FN-CB-550a.1.	Quantitative	Global Systemically Important Bank (G-SIB) score by category	This indicator is not applicable to TCB given that TCB is not categorized as a G-SIB	-
	FN-CB-550a.2.	Qualitative	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	3.3 Risk Management and Audit System	P.63~65
Financed Emissions	FN-CB-410b.1	Quantitative	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	2.4 Net-Zero Transition	P.50~51
	FN-CB-410b.2	Quantitative	Gross exposure for each industry by asset class		
	FN-CB-410b.3	Quantitative	Percentage of gross exposure included in the financed emissions calculation		
	FN-CB-410b.4	Qualitative	Description of the methodology used to calculate financed emissions		

Activity Metrics

Number and value of personal and small business checking and savings accounts (FN-CB-000.A)

Item	Personal	Small and Medium-Sized Enterprises	Other Enterprises
Number of Checking Accounts	246,804	119,370	4,006
Total Amount of Checking Accounts (NTD)	5,184,021,613	15,842,745,921	31,184,910,062
Number of Savings Accounts	12,816,173	554,784	27,968
Total Amount of Savings Accounts (NTD)	1,962,607,765,718	539,930,677,175	488,571,030,834

Note 1.Both the number of accounts and the total account balance exclude data from watch-listed accounts.
2. The amount represents the balance as of December 31, 2024.
3. Small and medium-sized enterprises (SMEs) are defined as those with paid-in capital of less than NT$100 million, excluding agricultural credit departments, credit cooperatives, fisheries credit departments, other associations, state-owned enterprises, and government agencies.
4. Other enterprises are defined as those with paid-in capital of NT$100 million or more, excluding agricultural credit departments, credit cooperatives, fisheries credit departments, other associations, state-owned enterprises, and government agencies.

Number and value of personal, small business, and corporate loans (FN-CB-000.B)

Item	Personal	Small and Medium-Sized Enterprises	General Enterprises
Number of Loan accounts	36,546	70,035	11,845
Outstanding Loan Balance (NTD)	134,493,495,150	837,772,846,813	499,078,413,277

Note 1. Personal loars exclude mortgage loans and revolving credit facilities.
2: The amount represents the balance as of December 31, 2024.
3. Small and medium-sized enterprises (SMEs) refer to those that meet the Ministry of Economic Affairs' "SME Definition Standards".
4. General enterprises refer to domestic companies that are not classified as SMEs (excluding state-owned enterprises and government agencies).

Appendix 6. Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Report by TWSE Listed Companies

Content of Disclosure	Corresponding Section	Page Number
Number of information leakage incidents, proportion of information leakage incidents related to personal information, and number of customers affected by information leakage incidents	4.2 Protection of Customer Rights	P.95
The number of loans and the balance of loans to promote the development of small businesses and communities	4.3 Financial Inclusion	P.96
Number of participants in providing financial education to underserved disadvantaged groups	4.3 Financial Inclusion 5.5 Social Care	P.99 P.135
Products and services designed by each operating units to create social or environmental benefits	4.1 Sustainable Finance	P.83 P.85 P.88

Appendix 7. TCFD

Aspect	Proposed Disclosure Category	Corresponding Section	Page Number
Governance	Description of Board of Directors monitoring climate-related risks and opportunities	6.1 Climate Strategies and Actions 6.3 Green Operation	P.146
	Description of the role of management in assessing and managing climate-related risks and opportunities		P.146
Strategies	Description of short, medium, and long-term climate-related risks and opportunities identified by the organization		P.147
	Description of the impact of climate-related risks and opportunities on the organization's business, strategies, and financial planning		P.147~148
	Description of the organization's strategic resilience and consider different climate-related scenarios (including 2°C or more severe scenarios)		P.150~151
Risk Management	Description of the organization's processes for identifying and assessing climate-related risks		P.151
	Description of the organization's processes for managing climate-related risks		P.151
	Description of how the organization's process of identifying, assessing, and managing climate-related risks are integrated into its overall risk management system		P.152
Metrics and Targets	Exposure of indicators used by the organization to assess climate-related risks and opportunities following its strategies and risks		P.153
	Exposure of Scope 1, 2 and 3 GHG emissions and associated risks		P.153
	Description of the targets used by the organization for climate-related risks and opportunities and performance of implementing its targets		P.153

Appendix 8. Climate-Related Information of TWSE/TPEx Listed Companies

The risks and opportunities associated with climate change on the Company and related responsive measures adopted

Item	Page Number
Description of the role of the Board of Directors and managers in monitoring and managing climate-related risks and opportunities	P.146
Description of the impact of climate-related risks and opportunities identified on the organization's business, strategies, and financial planning (short-, medium-, long-term)	P.147-148
Description of impacts of extreme climates and transition actions on finance	P.148
Description of how the organization's processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management system	P.152
If scenario analysis is adopted to evaluate climate resilience, the scenario, parameters, assumptions, factor analysis, and main financial impacts should be explained	P.150~151
If there is a transition plan for managing climate-related risks, explain the contents of the plan and the indicators and targets used to identify and manage physical and transition	P.153
If internal carbon pricing is adopted as a planning tool, the basis for price determination should be explained	P.161
If climate-related goals are set, the activities included, scope of GHG emissions, schedule plan, annual achievement progress and other information should be explained. If carbon offsets or renewable energy certificates (RECs) are adopted to achieve relevant targets, the sources and quantity of carbon offset credits or the quantity of RECs should be explained	P.157~163
GHG inventory and assurance, reduction targets, strategies and specific action plans	P.156~159

8-1 Company GHG Inventory and Assurance Status in the Past 2 Years

8-1-1 GHG Inventory Information

Specify the GHG emissions (tCO_2e), intensity (tCO_2e/NT$ million), and data coverage over the past 2 years

- In accordance with the ISO 14064-1 GHG Inventory Standard issued by the International Organization for Standardization (ISO), the Group has established a GHG inventory mechanism. Since 2021, the Group has continuously completed GHG inventories at all domestic and overseas locations, regularly reviewing the effectiveness of reduction actions.
- In 2023 and 2024, the Group conducted GHG inventories for all domestic and overseas locations based on the operational control approach. The total GHG emissions for Scope 1, 2, and 3 (excluding investments and financing) were approximately 28,094 metric tons CO_2e and 44,580 metric tons CO_2e, respectively. The emission intensities (metric tons CO_2e per million NTD of net revenue) were approximately 0.4577 and 0.6773, respectively.

8-1-2 GHG Inventory Assurance Information

Specify assurance over the past 2 years, including the scope of assurance, assurance institution, assurance principles, and assurance feedback

In 2023 and 2024, the Group's GHG emissions were verified by third-party verification bodies, namely the British Standards Institution (BSI) and AFNOR International, in accordance with ISO 14064-3:2019. The data quality was certified to comply with the requirements of ISO 14064-1:2018. The assurance level for direct GHG emissions and indirect emissions from purchased energy was reasonable assurance, while the assurance level for other indirect GHG emissions was limited assurance. All verifications were issued without any reservations, and verification statements have been obtained. For 2023, the Scope 3 categories verified by third parties included 8 categories: purchased goods and services, fuel-and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, downstream transportation and distribution, use of sold products, and end-of-life treatment of sold products. For 2024, 10 Scope 3 categories were verified: purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, use of sold products, and end-of-life treatment of sold products.

8-2 GHG reduction targets, strategies and specific action plans

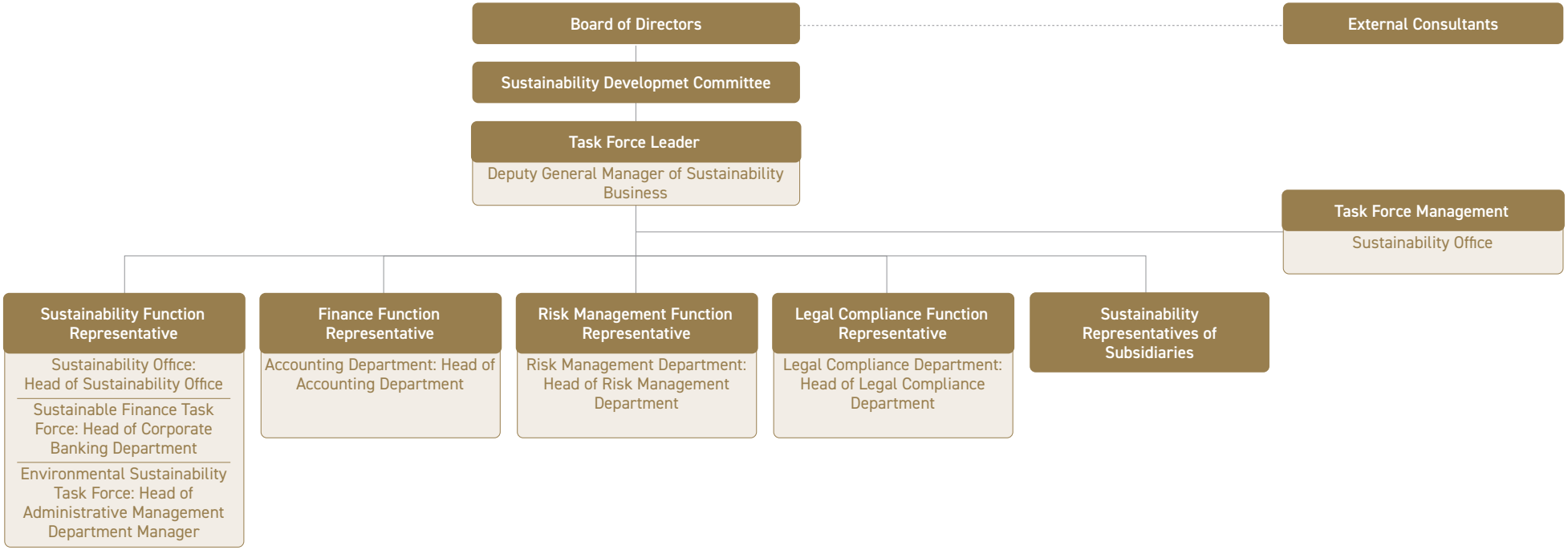
Specify the GHG reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets

- In accordance with SBT, the Group has set an absolute emission reduction target of 50.4% by 2032 for its own operations (Scopes 1 and 2), compared to the base year 2021 (approximately 27,738 metric tons CO_2e). This corresponds to an average annual reduction rate of 4.58%, resulting in a 2024 reduction target of 13.75% compared to 2021.
- The Group's Scope 1 and 2 carbon emissions for 2024 are approximately 18,816 metric tons CO_2e, representing a reduction of about 32.16% compared to the base year 2021, thereby achieving the reduction target.
- Specific Action Plans:
  1. Conduct annual GHG inventories in accordance with the ISO 14064-1 GHG Inventory standard to track carbon reduction performance and disclose results in the Sustainability Report.
  2. Implement the "ISO 14001 Environmental Management System", "ISO 50001 Energy Management System", and "ISO 46001 Water Efficiency Management System" to effectively manage energy and resource consumption and reduce carbon emissions.
  3. Collaborate with government energy-saving diagnostic services to promote energy-saving and carbon reduction projects. Continuously turn off vertical and horizontal signage and unnecessary lighting at operational sites, replace and reduce lighting fixtures, and improve air conditioning system efficiency.
  4. Encourage employees working remotely or on official business to carpool or use public transportation, and prioritize video conferencing to reduce energy and resource consumption.
  5. Install solar power generation systems at a total of 17 sites, achieving a total actual power generation of 484,618 kWh in 2024. Additionally, supply 7.9341 million kWh of renewable energy and have obtained 7,965 renewable energy certificates.
  6. Prioritize the use of environmentally friendly products with eco-labels, energy-saving labels, water-saving labels, and sustainable forestry certifications.
  7. A total of 15 sites have obtained green building certifications, including 5 Diamond, 2 Bronze, and 8 Qualified certifications.

Appendix 9. International Financial Reporting Standards (IFRS) S1 and S2

Starting in 2026, TCFHC will adopt the IFRS Sustainability Disclosure Standards S1 and S2. To ensure a smooth introduction of a sustainability information chapter in the 2026 annual report, published in 2027, TCFHC has established a cross-departmental IFRS Sustainability Disclosure Standards Taskforce responsible for promotion. The introduction timeline, content, and response strategies are as follows:

TCFHC IFRS Task Force



TCB	CAM	TCBF	TCS	TCSIT	BNP TCB Life	TCVC
Task Force Leader	Task Force Leader	Task Force Leader	Task Force Leader	Task Force Leader	Task Force Leader	Task Force Leader
Sustainability Function	Sustainability Function	Sustainability Function	Sustainability Function	Sustainability Function	Sustainability Function	Sustainability Function
Finance Function	Finance Function	Finance Function	Finance Function	Finance Function	Finance Function	Finance Function
Risk Management Function	Risk Management Function	Risk Management Function	Risk Management Function	Risk Management Function	Risk Management Function	Risk Management Function
Legal Compliance Function	Legal Compliance Function	Legal Compliance Function	Legal Compliance Function	Legal Compliance Function	Legal Compliance Function	Legal Compliance Function
Business Unit	Business Unit	Business Unit	Business Unit	Business Unit	Business Unit	Business Unit

Note: Internal audit is an independent unit that reports directly to the Board of Directors and also participates in the project. Internal audit function representatives are responsible for evaluating and monitoring the implementation status of organizational control measures.

IFRS S1 and S2 Introduction Plan and Execution Progress

Introduction Stage	Response Strategy	Planned Completion Time	Execution Progress
Stage 1: Analysis and Planning	1-1 Establish a cross-departmental taskforce that adopts IFRS Sustainability Disclosure Standards	Q4 2024	1. Completed (on schedule). 2. Reported to the Board of Directors in March 2025.
	1-2 Conduct preliminary identification of major gaps and impacts between current sustainability information and IFRS Sustainability Disclosure Standards S1 and S2	Q4 2024	
	1-3 Conduct preliminary identification of reporting entities	Q4 2024	
	1-4 Develop the implementation plan	Q4 2024	
Stage 2: Design and Execution	2-2 Identify sustainability-related risks and opportunities, assess financial impact, and evaluate material sustainability-related financial information	Q2 2025	In progress
	2-3 Identify and collect required data	Q3 2025	In planning
	2-5 Modify and adjust company processes, including financial and non-financial reporting procedures, IT systems, supply chain management, internal control, and daily operations across departments	Q4 2025	In planning
Stage 3: Introduction	3-1 Trial preparation of the sustainability information chapter for the annual report	Q3 2026	In planning
	3-4 Continuously update IFRS sustainability disclose-related internal control manuals and conduct training programs	Q4 2026	In planning
Stage 4: Adjustment and Improvement	4-1 Official release of the sustainability information chapter for the annual report	Q1 2027	In planning

Note: The response strategies in this table are based on the implementation items outlined in the TWSE "Reference Example for the Introduction Plan of International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards".

Appendix 10. BSI Independent Assurance Opinion Statement

bsi.

By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

Taiwan Cooperative Financial Holdings 2024 Sustainability Report

The British Standards Institution is independent to Taiwan Cooperative Financial Holdings Co., Ltd. (hereafter referred to as TCFHC in this statement) and has no financial interest in the operation of TCFHC other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of TCFHC only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by TCFHC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to TCFHC only.

Scope

The scope of engagement agreed upon with TCFHC includes the followings:

1. The assurance scope is consistent with the description of Taiwan Cooperative Financial Holdings 2024 Sustainability Report.
2. The evaluation of the nature and extent of the TCFHC's adherence to AA1000 AccountAbility Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Taiwan Cooperative Financial Holdings 2024 Sustainability Report provides a fair view of the TCFHC sustainability programmes and performances during 2024. The sustainability report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the TCFHC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are correctly represented. The sustainability performance information disclosed in the report demonstrate TCFHC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that TCFHC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to TCFHC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on TCFHC's approach to stakeholder engagement. Moreover, we had sampled 2 external stakeholders to conduct interview.
- interview with 30 staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of materiality assessment process.
- review of key organizational developments.
- review of the extent and maturity of the relevant accounting systems for financial and non-financial reports.
- review of the findings of internal audits.
- the verification of performance data and claims made in the report through meeting with managers responsible for gathering data.
- review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits.
- the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and sustainability performance information as well as GRI Standards is set out below:

Inclusivity

In this report, it reflects that TCFHC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the TCFHC's inclusivity issues and has demonstrated sustainable conduct supported by top management and implemented in all levels among organization.

Materiality

The TCFHC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of TCFHC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the TCFHC's management and performance. In our professional opinion the report covers the TCFHC's materiality assessment process and material issues.

Responsiveness

TCFHC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the TCFHC is developed and continually provides the opportunity to further enhance TCFHC's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the TCFHC's responsiveness issues.

Impact

TCFHC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. TCFHC has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within an organization. In our professional opinion the report covers the TCFHC's impact issues.

Performance information

Based on our work described in this statement and with no conflict of interest with the TCFHC in relation to providing the assurance of ESG performance information, which has been assured, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, TCFHC and BSI have agreed upon to include in the scope. In our view, the data and information contained within Taiwan Cooperative Financial Holdings 2024 Sustainability Report are reliable.

GRI Sustainability Reporting Standards (GRI Standards)

TCFHC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, including the disclosures of applicable economic, environmental, and social information, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the TCFHC's sustainability topics.

Assurance level

The high level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

This sustainability report is the responsibility of the TCFHC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

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Statement No: SRA-TW-820853

2025-05-19

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A Member of the BSI Group of Companies.

Appendix 11. CPA Limited Assurance Report

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Independent Limited Assurance Report

To Taiwan Cooperative Financial Holding Co., Ltd.:

We were engaged by Taiwan Cooperative Financial Holding Co., Ltd. ("TCFHC") to perform assurance procedures and issue a report over the selected performance indicators attached as Appendix I ("the Subject Matter Information") on the 2024 Sustainability Report of TCFHC ("the Report") for the year ended December 31, 2024.

Reporting Criteria of the Subject Matter Information

TCFHC shall prepare the Subject Matter Information in accordance with applicable criteria required by Article 4 of Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies ("the Regulation") and Global Reporting Initiative Standards ("GRI Standards") issued by Global Sustainability Standards Board ("GSSB") as set forth in Appendix I.

Management's Responsibilities

TCFHC is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the reporting criteria to fairly prepare and present the Subject Matter Information. TCFHC is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with the Standard on Assurance Engagements TWSAE3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation in Taiwan and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

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KPMG

Summary of Work Performed

As stated in reporting criteria of the Subject Matter Information paragraph, our main work on the selected information included:

- Obtain and read the 2024 Annual Report of TCFHC.
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above is based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2024 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of TCFHC. Therefore, the different stakeholders may have different interpretations of such information.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, in accordance with the reporting criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the subject matter information or the criteria applied after the issuance date of this report.

The engagement partner on the assurance resulting in this independent auditors' report is Hsiao, Pei-Ju.

KPMG

KPMG

Taipei, Taiwan (Republic of China)
Jun 30, 2025

Notes to reader

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

Attachment 1. Summary of the Subject Matter Information

Indicator Number	The Selected Performance Indicators	Applicable Criteria	Rules Governing the Preparation and Filing of Sustainability Report by TWSE Listed Companies	Page Number
Indicator 1	In 2024, TCFHC Group was investigated by the competent authority for 1 case of information leakage.	Following the first point of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard FNCB-230a.1 and based on the definition of data leakage of "TCFHC Regulation on Handling Computer Security Incidents", the number of data leakage cases of personal information during Internet data transmission and e-mail was calculated across TCFHC, its subsidiaries and sub-subsidiaries in 2024.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 1	P.95
Indicator 2	In 2024, the information leakage incidents in TCFHC Group related to personal data and verified by the competent authorities accounted for 100% of the cases.	Following the second point of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard FN-CB-230a.1 and based on the scope of data leakage defined in "TCFHC Regulations on Handling Computer Security Incidents", the percentage of personal data leakage due to data leakage was calculated across TCFHC, its subsidiaries and its sub-subsidiaries. Numerator: The number of personal data breaches that occurred in 2024 as defined by "TCFHC Regulations on Handling Computer Security Incidents". Denominator: The total number of data leakage cases in 2024. Considering that the data leakage defined by TCFHC refers to personal data leakage through data transmission on the Internet and e-mail, the numerator equals the denominator. If there are data leakages, the percentage of data leakage related to personal information will be 100%.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 1	P.95
Indicator 3	In 2024, the competent authority investigated and found that 1 customer was affected by an information leakage incident involving TCFHC Group.	Following the third point of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard FN-CB-230a.1 and based on the definition of data leakage of "TCFHC Regulation on Handling Computer Security Incidents", the number of customers affected due to data leakage during Internet data transmission and e-mail was calculated across TCFHC, its subsidiaries and sub-subsidiaries in 2024.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 1	P.95
Indicator 4	As of the end of 2024, TCB had 70,035 accounts with an outstanding SME loan balance that accumulated loan balance were NT$837.773 billion.	Following the first and second points of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard-FN-CB-240a.1 and based on the qualifications as SMEs defined by the "Ministry of Economic Affairs Standards for Identifying Small and Medium-sized Enterprises" and the "Operational Manual of Small and Medium Enterprise Credit Guarantee Fund of Taiwan", the total number of SMEs with loans from TCB and the total loan amounts were calculated. The statistics of the number of households for debt collections and non-accrual loans were calculated based on the first and second points of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard FN-CB-240a.2. The number of SMEs loan accounts with remaining balance includes the total number of SMEs with NTD and FCY loans, loans lent from customers deemed to be SMEs, land construction financing cases, and customers who have not fully repaid their loans. The loan balance is the total of the outstanding balance of the customers in the cases mentioned above (including non-accrual loans).	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 2	P.96

Indicator Number	The Selected Performance Indicators	Applicable Criteria	Rules Governing the Preparation and Filing of Sustainability Report by TWSE Listed Companies	Page Number
Indicator 5	As of the end of 2024, the total number of TCB "Urban Renewal and Time- worn Building Reconstruction Financing Projects" being undertaken was 291, totaling NT227.902 billion.	Following the first and second points of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard-FN-CB-240a.1 and based on the scope of urban renewal and risky/old building reconstruction defined in the "Urban Renewal Act", and the "Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings", the cumulative number of approved accounts and the cumulative approved limit for the urban renewal and risky/old building reconstruction that meet the requirements of TCB had been calculated accordingly. The number of accounts for both debt collections and non-accrual loans were calculated based on the first and second points of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard FN-CB-240a.2. The urban renewal and risky/old building reconstruction services include urban renewal and risky/old building reconstruction cases that have been approved by the government or are in the process of being approved. The total approved accounts are the total accounts from the initiation of the project to the end of 2024. The cumulative approved limit was the total approved limit (including non-accrual loans) from the initiation of the project to the end of 2024.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 2	P.95
Indicator 6	In 2024, TCB held 39 financial education seminars for disadvantaged groups that lack banking services, with 1,845 registered participants.	Following the first point of the technical guidance of SASB Commercial Banks Sustainability Accounting Standard-FN-CB-240a.4, Point 35 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies- Q&A" (such as students, teenagers, new immigrants, the elderly, ethnic minorities, and low-income households) and TCB's own definition of disadvantaged groups (such as members of the military, correctional institutions, and social welfare groups) who are less likely to obtain financial information, the number of financial education and training sessions provided by TCB to disadvantaged groups who lack financial services in 2024 was calculated.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 3	P.135
Indicator 7	The "Housing Loans for Youths" provided by TCB in 2024 generated 9,072 new transactions at the amount of NT71.825 billion.	In 2024, TCB provided qualified parties that meet the "Principles of Preferential Housing Purchase Loans for Youth Undertook by State-owned Banks" with mortgage. The disclosure of the preferential housing loans for youths only includes the number of loan accounts with preferential interest rates and the loan amount disbursed in 2024. The number of new transactions is the total number of newly approved loan accounts in 2024, and the amount newly disbursed is the total amount of the actual loan disbursed in 2024 (including non-accrual loans).	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.97
Indicator 8	The "Loan for Start-up Assistance for the Unemployed of Employment Insurance"and the "Unemployed Middle-Aged and Start-up Elderly Citizens Business Start-up Loan" provided by TCB in 2024 generated 118 Micro/ new Women transactions at the amount of NT85 million.	TCB provided qualified parties who meet the "Regulations for Start-up Assistance for the Unemployed of Employment Insurance", "Directions for Business Start-up Loan and Interest Subsidy for the Unemployed Middle-Aged and Elderly Persons" and" Regulations for Micro/Women Startup Loan" with loans. The number of new transactions for start-up assistance for the unemployed of employment insurance, Start-up Assistance for Unemployed Middle-aged Persons and Elderly Persons and micro/women start up is the total number of newly approved loans in 2024. The amount newly disbursed is the total amount lent in 2024 (excluding non-accrual loans).	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.97
Indicator 9	The "Loan for Youth Entrepreneurship and Startup Capital" provided by TCB in 2024 generated 2,288 new transactions at the amount of NT2.077 billion.	TCB provided qualified parties who meet the "Regulations for Loans for Youth Entrepreneurs and Startup Capital" with loans. The number of new transactions for youth entrepreneurs is the total number of newly approved loans in 2024. The amount newly disbursed is the total amount lent in 2024 (excluding non-accrual loans).	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.97

Indicator Number	The Selected Performance Indicators	Applicable Criteria	Rules Governing the Preparation and Filing of Sustainability Report by TWSE Listed Companies	Page Number
Indicator 10	In 2024, the "Full Loan for Housing-based Elderly Care" provided by TCB generated 258 new cases, with loans amounting to NT1.686 billion having been approved. The accumulated 3,022 cases during the year, with the approved loans of NT18.666 billion, included 2,069 cases of those who have no income or whose monthly salary is less than the minimum wage.	TCB provided loans related to "Reverse Mortgage" that met the "Credit Regulations for Members of the Bankers Association of the Republic of China". Full Loans for Housing-based Elderly Care are loans for domestic natural persons over 60 years old for household consumption and nursing purposes. The number of new loans in 2024 is the total number of loans approved in the current year, and the newly approved loan limit in 2024 is the total approved loan limit (excluding non-accrual loans) in the current year. The cumulative approved loan limit is the total approved loan limit from the initiation of the project to the end of 2024 (excluding non-accrual loans).	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.99
Indicator 11	TCB property trust for the disabled had 214 new beneficiaries in 2024, and the principal of the new trust property has reached NT164 million. Property trust for the elderly newly added 9,729 beneficiaries, and the new trust property principal amounted to NT10.516 billion in 2024.	Total number of beneficiaries added to the Seniors and the Disabled Property Trust Services by TCB and the balance of trust property principal as shown in the "2024 Q4 Trust Business Statistics Quarterly Report" published by the Trust Association of R.O.C. in 2024.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.98、P.99
Indicator 12	As of the end of 2024, TCB handled a loan balance of NT$ 800.574 billion for the "Six Core Strategic Industries Project Loans".	TCB provided total credit limit and total outstanding balance to the loan recipients defined in the loan programs for 6 industries listed in the "Program for Promoting Six Core Strategic Industries" approved by the Executive Yuan on May 21, 2021. The 6 industries include information and digital industries, cybersecurity industry, precision health industry, green and renewable energy industry, national defense and strategic industries, and people's livelihood and war preparedness industries.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.85
Indicator 13	As of the end of 2024, TCB had participated in a total of 4 offshore wind power financing projects, issuing a total of NT$5.311 billion in loans.	TCB provided definitions of offshore wind farms related loans for "Special Purpose Company (SPC or SPV)", investors, initiators, or winning tenderers that won important government procurements. The definition meets "TCB Rules for Handling Project Financing". The total number of offshore wind power projects refers to the total of cases since the initiation of the project to the end of 2024, and the cumulative loan balance refers to the total of the loan balance (excluding non-accrual loans) from the initiation of the project to the end of 2024.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.87
Indicator 14	The amount of green consumption loans of TCB was NT3.504 billion at the end of 2024.	TCB undertook business related to green consumption loans in accordance with the "Administrative Directions of Applying for Approval of Green Building Label" promulgated by the Ministry of the Interior. The targets of green consumption loans are those who have obtained green building labels recognized by TCB, and the approved limit refers to the total amount of newly approved loans in the current year (excluding non-accrual loans). The housing-based pension loan is based on TCB's "Full Loan for Housing-based Elderly Care", which helps the elderly to revitalize their own real estate and provide them with the funds they need for a high-quality elderly life or retirement. The loan amount refers to the total cumulative loan amount for the year (excluding collection amounts). The amount of green consumption loans is the sum of the cumulative rights amounts of green consumption loans and housing-based pension loans in the current year.	Attachment 1-3 of Article 4 Sustainability Disclosure Indicator No. 4	P.85

Indicator Number	The Selected Performance Indicators	Applicable Criteria	Rules Governing the Preparation and Filing of Sustainability Report by TWSE Listed Companies	Page Number
Indicator 15	Mean gender pay gap at TCFHC Group in 2024 was 0.55%. Median gender pay gap at TCFHC Group in 2024 was -7.34%. Mean bonus gap at TCFHC Group in 2024 was -3.49%. Median bonus gap at TCFHC Group in 2024 was -8.54%.	The percentage of gender pay gap= $\frac{\text{[Compensation for male (average compensation /median compensation)]-[Compensation for female (average compensation/median compensation)]}}{\text{[Compensation for male (average compensation/median compensation)]}}$ X 100 % The targets from which information was collected: The employees of TCFHC and its subsidiaries, TCB, TCBF, TCS, CAM, BNP TCB Life, TCSIT, and TCVC, who provide services to enterprises under the supervision of those enterprises (excluding foreign salaried employees), do not include those employees who only have contractual relationships with the enterprises, outsourcing or dispatched labor, as well as directors and supervisors. Salary: Refers to regular salaries such as salary, food allowance, supervisor's delay allowance, etc., excluding overtime pay, salaries for unused leaves, and other salaries payable. Bonus: Refers to irregular earnings, including performance evaluation bonuses/ festival bonuses, performance bonuses, and employee remuneration. The difference in the average and median bonuses between male and female exclude targets of which information is collected who have not received bonuses	TCFHC refers to the characteristics of its industry and the reported performance indicators or other standards formulated by itself	P.111
Indicator 16	Total days of absence of TCFHC Group in 2024: 5,280 days. Absentee rate of TCFHC Group in 2024: 0.22%.	1. Absentee rate = (Total absent days/ total working days) x 100%. 2. The total absent days refers to the total absent days of various sick leaves, taken by employees of TCFHC and its subsidiaries (TCB, TCBF, TCS, CAM, BNP TCB Life, TCSIT, and TCVC) during the year, such as occupational injuries, diseases, and flu, excluding scheduled or permitted absences such as holidays, study leave, maternity leave, or parental leave. 3. Total working days = Number of employees at the end of year x number of working days.	TCFHC refers to the characteristics of its industry and the reported performance indicators or other standards formulated by itself	P.129
Indicator 17	In 2024, the total purchased electricity consumption of TCFHC Group's non-renewable energy consumption was 33,800.68 MWh, and the total purchased amount of renewable energy consumption was 7,934.05 MWh.	According to the electricity consumption data of the whole Group audited by third parties, the data coverage rate is calculated based on the proportion of inspected business locations of TCFHC and its subsidiaries (TCB, TCBF, TCS, CAM, BNP TCB Life, TCSIT, and TCVC), including all domestic and foreign business locations of TCFHC and its 7 subsidiaries.	TCFHC refers to the characteristics of its industry and the reported performance indicators or other standards formulated by itself	P.162
Indicator 18	The total water withdrawal of TCFHC Group in 2024 was 0.284834 million cubic meters.	According to the water withdrawal data of the whole Group audited by third parties, the data coverage rate is calculated based on the proportion of inspected business locations of TCFHC and its subsidiaries (TCB, TCBF, TCS, CAM, BNP TCB Life, TCSIT, and TCVC), including all domestic and foreign business locations of TCFHC and its 7 subsidiaries.	TCFHC refers to the characteristics of its industry and the reported performance indicators or other standards formulated by itself	P.164

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