

Statement of Compliance with the Stewardship Principles for Institutional Investors

Taiwan Cooperative Bank Co., Ltd. (hereinafter referred to as "the Bank") operates banking services to develop the national economy and balance the financial requirements of cooperative enterprises, as well as the agricultural and fishery sectors. In addition to providing financing for cooperative enterprises and SMEs, the Bank also engages in general corporate deposit and loan services to support capital allocation and promote overall economic development.

Given that financial institutions control the direction of capital flow and play a critical role in driving the global economy towards sustainability, the Bank, as a Domestic Systemically Important Bank (D-SIB), will continue promoting environmental sustainability and green operations through banking activities, fulfilling corporate social responsibilities, and strengthening corporate governance to enhance the welfare of shareholders, society, and humanity. In terms of investment (including stocks, bonds, and other instruments), the Bank, based on the overall interest of capital providers (including clients, beneficiaries, and shareholders, hereinafter referred to as "capital providers"), hereby declares its compliance with the "Stewardship Principles for Institutional Investors." The following outlines the Bank's compliance with each of the six principles:

Principle 1: Establish and Disclose Stewardship Policies

The Bank's operational goal, considering the nature of banking and its role in the investment chain, is to maximize the overall interest of capital providers through banking operations. To achieve this, the Bank implements stewardship actions by incorporating environmental (E), social (S), and governance (G) (collectively referred to as "ESG") risks and performance into its investment process and decision-making. Constructive engagement with investee companies promotes their sustainable development, thereby enhancing the long-term interests of capital providers and generating positive impacts on society. The main contents of the stewardship policy are as follows:

1. The Bank conducts securities trading or strategic investments following the Banking Act and relevant regulations. Except as otherwise required by the authorities, investment analysis, decision-making, execution, amendments, and reviews are integrated into the Bank's internal control system.
2. According to the Bank's "Investment Guidelines," investments are assessed based on national policy requirements, industrial environment, corporate prospects, and business requirements. ESG evaluations have been incorporated into the investment decision process using related indicators to comprehensively assess risks and opportunities, including:
 - Environment: (1) Climate change, (2) Environmental protection, (3) Green resources, (4) Biodiversity
 - Social: (1) Labor compensation and welfare, (2) Health and safety, (3) Human rights, (4) Community development and engagement, (5) Consumer responsibility, (6) Product responsibility
 - Governance: (1) Establishing effective corporate governance structures, (2) Protecting shareholders' rights, treating shareholders fairly, fulfilling the important functions of corporate governance (3) Emphasizing stakeholder roles in governance, (4) Information disclosure and transparency, (5) Fulfilling board responsibilities
3. The Bank determines the methods, scope, and frequency of its stewardship activities based on investment objectives, costs, and benefits. These activities include monitoring

the operations of investee companies, attending shareholders' meetings and exercising voting rights, engaging in dialogue and interaction with management, and exercising e-voting rights.

4. The Bank may delegate certain stewardship tasks (e.g., proxy voting or advisory) to third-party service providers under contractual oversight to ensure compliance with Bank requirements.

5. The Bank discloses its stewardship performance annually on its website or in its annual report.

Principle 2: Establish and Disclose Policies on Managing Conflicts of Interest

To act in the capital providers' interest, the Bank has established employee service codes and investment business regulations, including duties and regulatory compliance, to avoid conflicts of interest:

1. Traders shall not disclose trading information or engage in related investments for personal gain, avoiding conflicts of interest by adhering to the following:

- Not engaging in investments related to their job responsibilities
- Not engaging in investments that affect the Bank's returns
- Not compromising the objectivity or independence of their duties

2. Employees must comply with the Bank's codes of conduct, business regulations, and internal control systems. Through measures such as education and training, clear delineation of responsibilities, information control and firewalls, and supervisory mechanisms, the Bank seeks to prevent conflicts of interest.

3. The Bank shall periodically or occasionally provide a summary explanation to its capital providers on the Bank's website or in annual report regarding the circumstances and handling of any significant conflict of interest events that have occurred.

Principle 3: Regularly Monitor Investee Companies

To ensure that the Bank obtains sufficient and effective information to build a solid foundation for investment decisions, the Bank continuously monitors issues such as the shareholder structure, business strategy, financial reports, operational performance, industry conditions, relevant news, environmental protection policies, social responsibility, labor rights, and corporate governance of investee companies. In particular, regarding ESG issues, the Bank will pay special attention to, analyze, and evaluate the relevant risks and opportunities of investee companies and understand their sustainable development strategies.

Principle 4: Maintain an Appropriate Dialogue and Interaction with Investee Companies

The Bank engages with investee companies to understand their risk management and long-term strategies, aiming to reach consensus on value creation. Interaction methods include:

- Communicating with management through written correspondence, email, phone calls, meetings, and earnings calls
- Publicly issuing statements on specific issues
- Expressing opinions at shareholders' meetings
- Proposing motions for shareholders' meetings
- Voting at shareholders' meetings

If necessary, the Bank may collaborate with other institutional investors or participate in ESG advocacy groups to amplify its influence. Post-engagement impacts and future

engagement plans are considered in investment decisions.

Principle 5: Establish Clear Voting Policies and Disclose Voting Results

To maximize the interests of capital providers, the Bank has established a clear voting policy and actively participates in voting at shareholders' meetings:

1. When the Bank formulates internal decisions regarding its attendance at shareholder's meetings and assigns personnel to exercise voting rights, the Bank shall comply with the government regulations and relevant internal regulations of the Bank.
2. As a principle, the Bank will participate in the shareholders' meetings of its investee companies and exercise of all votes. For those adopting e-voting, the Bank will exercise its voting rights electronically, except for those that attend shareholders' meetings in person due to business requirement.
3. Before exercising voting rights, each agenda item at shareholders' meetings should be carefully evaluated. When necessary, the Bank may engage with the management beforehand to gain further understanding. Proposals from management are not unconditionally supported.
4. Based on respect for the professional management of investee companies and with the aim of promoting their effective development, the Bank generally supports motions proposed by management.
5. The Bank will generally not support motions that are detrimental to the interests of its capital providers or that may hinder the sustainable development of the investee company.
6. If voting rights are exercised electronically, any impromptu motions or amendments to the original motions at that meeting will be considered an abstention.
7. If the Bank serves as a director or supervisor of an investee company, the corporate representative for such a position should be a Bank employee with substantial business experience, recommended or appointed after considering the scale of the investee company, the composition of its major shareholders, and the background of its board members and supervisors. Where, for business considerations, an external person is appointed, the reasons must be clearly stated. The appointment procedures for corporate representatives must be properly documented for reference.
8. Records of the Bank's exercise of voting rights at shareholders' meetings shall be retained, and an annual summary of voting activities shall be disclosed on the Bank's website or in its annual report.

Principle 6: Periodically Disclose to Clients or Beneficiaries about Status of Fulfilment of Stewardship Responsibilities

The Bank annually discloses its stewardship activities on its website or in its annual report, including this statement, non-compliance explanations, shareholder meeting attendance, voting records, and other major issues.

Signatory: Taiwan Cooperative Bank Co., Ltd.
Amended on September 29, 2020

*For the convenience of readers, the statement has been translated into English from the original Chinese version. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.