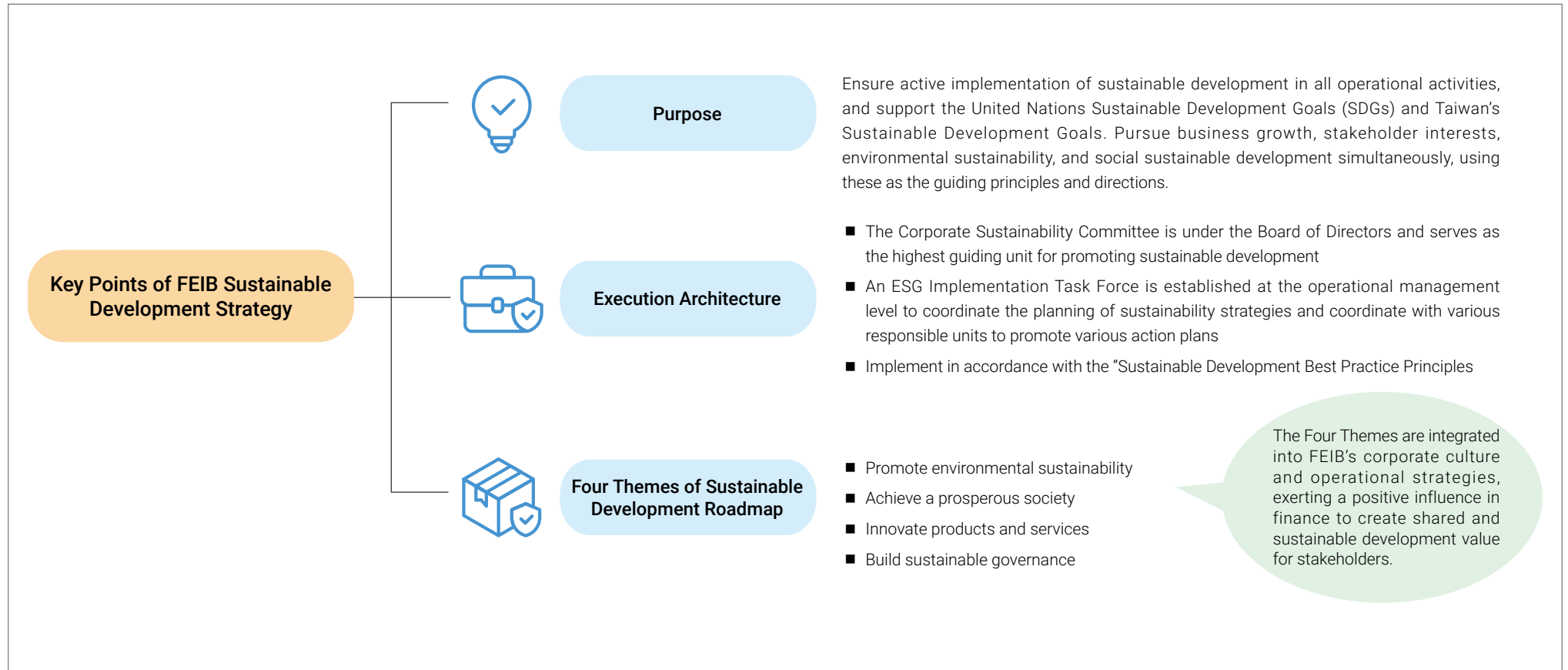




- 17** Sustainability Development Strategy
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2-1 Sustainability Development Strategy

While continuing to generate operating profits, the company plans to promote sustainable development policies, aiming for the process to have a positive impact on society and the environment. The “Sustainable Development Code of Practice” outlines the commitment to “implement corporate governance, develop a sustainable environment, and maintain public welfare.” It explicitly states that when promoting sustainable development goals, the board of directors should “fully consider the interests of stakeholders and the following matters: formulate sustainable development policies, systems or related management guidelines; incorporate sustainable development into the bank’s operations and development directions, and approve specific plans for promoting sustainable development; ensure the timeliness and accuracy of the disclosure of information related to sustainable development” in its management guidelines.



Sustainable Development Organization Operations

To incorporate sustainability plans and action programs into the overall policy framework, the Board of Directors has established a Sustainable Development Committee responsible for overseeing the implementation of corporate sustainability policies, systems, and related management guidelines. The Administrative Management Division is responsible for executing the committee's affairs and compiling the sustainability report. The Sustainable Development Committee has established an The ESG Implementation Team, with members from various departments and business groups. Its operating mechanism is as follows:

2023 Corporate Sustainability Committee Major Resolutions	Number of Resolutions
Formulation of sustainable development strategy direction and promotion plan	1
Tracking and reviewing the implementation effectiveness of sustainable development	4
Decision on other matters related to sustainable development	2




- The Group Sustainable Development Committee convenes at least two meetings annually, which in 2023 were held on February 17 and August 1, respectively.
- The ESG Implementation Team is responsible for following the three main concepts of ESG: environment, society, and governance;
 - ① It formulates eight major areas of promotion for sustainable development, including climate change, environmental sustainability and sustainable finance in the environmental aspect, human rights protection, inclusive innovation and social prosperity in the social aspect, as well as corporate governance and risk management in the governance aspect;
 - ② It coordinates with various responsible units to propose and implement relevant promotion plans within their respective jurisdictions;
 - ③ It arranges for work planning and execution results to be discussed or reported at the Sustainable Development Committee meetings, and reports annually to the Board of Directors on the promotion of sustainable development.
- Concrete implementation by the working group:

Execution Aspects of Sustainable Development Practice Principles		2024 Key Work Directions
 E nvironment	Climate Change	Continue to deepen climate governance and actions in accordance with TCFD and green finance action plans.
	Environmental Sustainability	Implement greenhouse gas inventory and set reduction targets accordingly, deepen carbon reduction actions, and continue to mobilize employees for beach cleanup activities.
	Sustainable Finance	Implement greenhouse gas inventory and set reduction targets accordingly, deepen carbon reduction actions, and continue to mobilize employees for beach cleanup activities.
 S ociety	Human Rights Protection	Create an equal, diverse, friendly and safe workplace environment, and deepen talent cultivation and employee sustainable transformation.
	Financial Inclusion and Innovation	Apply financial and technological strengths to implement fair customer treatment principles.
	Social Co-prosperity	Continue to promote arts and culture, care for disadvantaged children, and sponsor and participate in community welfare activities.
 G overnance	Corporate Governance	Enhance operational governance, legal compliance, information security protection, and anti-money laundering, and manage various operational risks in accordance with the FSC's Corporate Governance 3.0, Sustainable Development Roadmap, and corporate governance evaluation indicators.
	Risk Management	

- Include sustainability-related information reports in annual general shareholders' meetings and quarterly institutional investor conferences.
- Include sustainability performance reports and policy announcements in the annual all-employee spring festival rally.
- Arrange sustainability-related courses in employee education and training plans, and design activities that encourage learning combined with charitable donations.
- Compile and issue Chinese and English versions of the sustainability report.
- Selected as a constituent stock of the Taiwan Sustainability Index for the 10th consecutive time, passing FTSE Russell's evaluation of over 300 items across 14 themes in the environmental, social and governance aspects, achieving an overall ESG score of 3.3, higher than the global financial industry average of 2.5 among the constituent stocks.
- Participated in the first Sustainable Finance Evaluation launched in 2023.







2023 Sustainability Performance Highlights



 <p>Environmental</p>	<ul style="list-style-type: none"> ★ Completed ISO 14064-1: Organizational Greenhouse Gas Inventory and obtained certification at all domestic and overseas locations ★ Obtained ISO 14001 Environmental Management System certification ★ Initiated first branch installation of solar panels ★ Led Taiwan's first green building commercial office sustainability-linked syndicated loan 	<ul style="list-style-type: none"> ★ ESG loan cases grew 26% annually; ESG loan balance grew 68% ★ Received Taiwan Green Finance Initiative of the Year Award from Asian Banking & Finance ★ Received Best Green Finance Achievement Award in Excellence Bank Evaluation ★ Organized employee beach cleanup activities to protect oceans for three consecutive years
 <p>Social</p>	<ul style="list-style-type: none"> ★ Selected as a constituent stock of Taiwan High Compensation 100 Index for ten consecutive years ★ Selected as a constituent stock of Taiwan Employment 99 Index for twelve consecutive years ★ Ranked in top 25% of financial industry in Fair Customer Treatment Evaluation by FSC for two consecutive years ★ Received First Place in Group B for Elderly Care Trust in Trust 2.0 Plan Evaluation by FSC for two consecutive years ★ Recognized as an outstanding bank in SME lending by FSC 	<ul style="list-style-type: none"> ★ Received Best Employer in Asia Award from "HR Asia" Magazine, Malaysia for 3 consecutive years ★ 100% of 56 workplaces obtained Healthy Workplace Certification from Ministry of Health and Welfare ★ Received awards from Ministry of Labor's Corporate Human Resource Improvement Program for 21 consecutive years ★ Sponsored Eden Social Welfare Foundation for 26 consecutive years, with cumulative donations through the platform exceeding NT\$96 million
 <p>Governance</p>	<ul style="list-style-type: none"> ★ Ranked in top 5% of listed companies in 8th and 9th Corporate Governance Evaluation ★ Received Gold Award in the Financial and Insurance Industry Category of Taiwan Corporate Sustainability Report Awards ★ Received Best Financial Sustainability Strategy Award from "The Asset" ★ Selected as a constituent stock of Taiwan Sustainability Index for ten consecutive times 	<ul style="list-style-type: none"> ★ Achieved steady long-term profit growth, with after-tax profit of NT\$4.27 billion reaching a historical high ★ Maintained effectiveness of ISO 27001 Information Security Management System certification for eighteen consecutive years ★ Maintained effectiveness of BS 10012 Personal Information Management System for ten consecutive years ★ Implemented and obtained certification for Business Continuity Management System ★ Bankee digital brand received seventeen fintech innovation awards cumulatively

2-2 Approach to Stakeholder Engagement

The annual communication performance with six major stakeholder groups is regularly reported to the Sustainable Development Committee and the Board of Directors by the Administration Management Department, and announced on the Bank’s official website. A major development in 2023 was multiple ESG-related presentations to regulatory authorities, sharing the Bank’s practices in fostering a culture of integrity, and exchanging ideas on innovative projects such as eco-friendly material uniforms and wealth management metaverse. This also helped align with the issues of concern to stakeholders.

Stakeholders	Main Issues of Concern	Main Communication Channels	Frequency	2023 Communication Results	Complaints and Feedback Channels
 Regulatory Authorities	Corporate Governance Integrity Management Legal Compliance Risk Management Information Security Personal Data Protection Financial innovation Sustainable Finance Climate Change Fair Customer Treatment Financial Inclusion Friendly Workplace	<ul style="list-style-type: none"> Cooperate with audits, provide relevant information Review operating procedures in line with supervision Cooperate with policies and promotion of issues, participate in various evaluations or assessments Proactively report major incidents Regulatory authority on-site inspections President attends FSC domestic bank presidents’ business liaison meetings Executives attend regulatory authority meetings Attend industry association meetings, seminars, participate in practical discussions ESG issue questionnaires 	Year-round	<p>The financial industry is highly regulated by the government. The Bank complies with regulations and cooperates with regulatory authorities’ policies to stabilize finance, promote financial industry development, promote sustainable finance and inclusive friendly finance, providing stable, professional and sustainable financial services:</p> <ul style="list-style-type: none"> Selected as constituent stock of Taiwan Sustainability Index, Taiwan High Compensation 100 Index and Taiwan Employment 99 Index Ranked in top 6-20% of listed companies in Corporate Governance Evaluation First Place in Group B for Elderly Care Trust in FSC’s Trust 2.0 Plan Evaluation Recognized as Grade A Bank in SME lending by FSC Ranked in top 25% of domestic banks in FSC’s Fair Customer Treatment Evaluation Obtained Sports Enterprise Certification from Sports Administration, Ministry of Education 14 additional branches obtained Healthy Workplace Initiation Mark from Ministry of Health and Welfare Completed connection with “Financial Information Sharing and Analysis Center, F-ISAC” of regulatory authorities; signed “Memorandum of Cooperation on National Information Security Joint Defense and Intelligence Sharing” with Taipei Field Office, Investigation Bureau, Ministry of Justice Invited to present on integrity corporate culture, wealth management Ten Happiness metaverse and other projects to FSC Invited to share “Eco-friendly Uniform Procurement Practices” at “Promoting Textile Circular Resource Utilization Seminar” held by Environmental Protection Administration, assisting in promoting policy direction for green circular procurement of uniforms Invited to share corporate sustainability strategies at Workforce Development Agency, Ministry of Labor FSC invited representatives from Bankers Association and Taipei City Construction Management Office to inspect barrier-free friendly services at Taipei Zhongxiao Branch 	Designate a dedicated staff member to provide immediate contact with the competent authority, receive and respond to official documents, and carry out assigned tasks.

Stakeholders	Main Issues of Concern	Main Communication Channels	Frequency	2023 Communication Results	Complaints and Feedback Channels
 Investors	Operating Performance	<ul style="list-style-type: none"> Set up Chinese and English investor relations sections on corporate website Appoint a spokesperson, deputy spokesperson, and dedicated manager for investor services ESG issue questionnaire on corporate website 	Year-round	One of the duties of corporate management is to maximize shareholder value, as investor support is an important force for steady corporate growth. The Bank faces all shareholders, big and small, with integrity, striving to provide investors with high-quality, stable investment value: <ul style="list-style-type: none"> Hold 4 institutional investor conferences Held 1 annual general shareholders' meeting Released 35 material information announcements and 15 public announcements, with English versions released simultaneously Issued 47 press releases 	<ul style="list-style-type: none"> Spokesperson: Lin Chien-Chung, Executive Vice President Tel: (02) 2378-6868 Deputy Spokesperson: Chou Hsin-Hua, Senior Vice President Tel: (02) 2378-6868 Investor Relations: Chuang Hui-Hsin, Senior Manager Tel: (02) 2378-6868 #85758
	Corporate Governance	<ul style="list-style-type: none"> Hold annual general shareholders' meeting; extraordinary shareholders' meeting when necessary Issue Chinese and English annual reports and issue Chinese and English sustainability reports 	Annually		
	Integrity Management	<ul style="list-style-type: none"> Hold Board of Directors meetings, Audit Committee meetings Hold institutional investor conferences 	Quarterly		
	Risk Management	<ul style="list-style-type: none"> Announce Operational Performance 	Monthly		
	Financial innovation	<ul style="list-style-type: none"> Announce material information Hold press conferences, issue press releases and other media communications 	Irregular		
 Client	Integrity Management	<ul style="list-style-type: none"> Conduct customer satisfaction surveys for wealth management, customer service, and mobile banking Face-to-face services such as branch offices and business teams Provides digital service channels such as online banking and mobile banking Set up customer service hotline, customer service mailbox, intelligent customer service, customer complaint hotline YOUTUBE "FEIBwin" channel comment section provides a feedback channel Hosting diverse physical events and professional seminars Launching a sustainable-themed story branch, providing a space for customers to engage in wellness activities ESG issue questionnaire on corporate website 	Year-round	The relationship between the customer and the bank is not a one-time consumption, but rather a constant and continuous interactive partnership. This line takes customer needs as the guide, pursuing the value of mutual trust: <ul style="list-style-type: none"> Customer satisfaction with financial management services reached 97.1%, customer service satisfaction reached 99.8% The brand new version of the Bankee APP was co-created with customers, incorporating feedback from nearly 9 thousand users and conducting dozens of testing activities before its launch. Distributing 40 thousand calendars with new ESG knowledge to customers Participate in the Taipei International Banking Exhibition Organized face-to-face events for clients, including golf tournaments, fashion shows for the elderly and green fashion, bowling tournaments, concerts, and Michelin-starred dinners. Several listed companies are customers of Laffan Bank, and they appeared in videos affirming the bank's services. 	<ul style="list-style-type: none"> Customer Service Hotline: 0800-261-732 For mobile phones, please call: (02)8073-1166 Customer Complaint Hotline: 0800-213-198 Online messages: <ul style="list-style-type: none"> ►FEIBwin YouTube channels and other self-media platforms ►Official website's Xiaole intelligent customer service
	Fair Customer Treatment				
	Information Security				
	Personal Data Protection				
	Financial innovation				
 Supplier	Integrity Management	<ul style="list-style-type: none"> Establish a dedicated service manager for suppliers and announce it on the company website Establishing an open tendering process, holding tendering briefings and negotiation meetings The corporate website provides a download for the "Supplier Social Responsibility Commitment" Receive visiting suppliers and hold relevant work meetings ESG issue questionnaire on corporate website 	Year-round	Suppliers are partners in the Bank's operations. Through procurement practices, we convey the concepts of sincerity, diligence, thrift, prudence, quality focus and sustainable management, influencing suppliers to implement ESG together: <ul style="list-style-type: none"> The number of suppliers signing the Social Responsibility Commitment increased by 55 Supplier commitment rate reached 100% 	Chen Yung-Chang, Senior Manager Contact number: (02)2378-6868#85112
	Green Operations				




Stakeholders	Main Issues of Concern	Main Communication Channels	Frequency	2023 Communication Results	Complaints and Feedback Channels
 Employees	Talent Attraction and Development	<ul style="list-style-type: none"> Set up employee suggestion box, employee exchange area on internal website Hold departmental weekly meetings or other work meetings Set up "FEIB WINNERS" Facebook and Instagram fan pages Education and training course feedback questionnaires and seminars ESG issue questionnaire on corporate website Comprehensive whistleblowing channels and opinion feedback mailbox 	Year-round	Corporate management is based on talent. The Bank is committed to creating an employee-friendly workplace and sharing the fruits of growth with employees, so that colleagues can develop their potential, realize themselves, and enjoy their work: <ul style="list-style-type: none"> Total training hours reached 499,015, with an average of 174 hours per person 4 labor-management meetings Held comprehensive health year activities, including 2 physical fitness tests with 165 participants; 11 health lectures with 1,642 participants; running/cycling activities with 2,175 participants Organized ESG Academy, encouraging all employees to learn about sustainability, with 2,576 employees completing training Posted 13 topics in the "Health Easy Go" section of the e-Learning discussion area, with 2,925 views 2 complaints and 3 reports through internal channels; 2 complaints and 0 reports through external channels, none involving sexual harassment, discrimination or human rights issues 	Human Resources Division Hotline: (02)2378-6893 Employee Suggestions Mailbox: suggestion@feib.com.tw
	Talent Retention	<ul style="list-style-type: none"> Implement performance evaluation communication procedures Hold all-employee spring festival rally to announce policy directions Hold "Employee Service Code" promotion courses and signing activities 	Annually		
	Friendly Workplace	<ul style="list-style-type: none"> Hold Employee Welfare Committee meetings Hold labor-management meetings Issue HR Quarterly 	Quarterly		
	Integrity Management	<ul style="list-style-type: none"> Departments organize social or team-building activities 	Irregular		
 Community Members Non-Governmental Organizations (NGOs)	Sustainable Finance	<ul style="list-style-type: none"> Establish a dedicated manager for public affairs Companies set up ESG section on their websites Corporate website stakeholder section and ESG issue survey 	Year-round	Since its establishment, nurtured by countless social resources, the bank has grown and flourished. It sees giving back to society as its mission. Through continuous and systematic social participation, it collaborates with partners in charitable organizations, academia, environmental protection, and community groups to jointly promote the forces of truth, goodness, and beauty in society: <ul style="list-style-type: none"> Sponsored non-profit organizations: Eden Social Welfare Foundation, Sunny Children Foundation, World Vision Taiwan, Taiwan Guide Dog Association, National Taichung Theater, Taiwan Connection, etc. Community activities attended: Christmas and New Year events in New Taipei City, Taipei City, and The Executive Centre, etc. Academic institutions involved in project collaboration: National Chengchi University, Yuan Ze University Invite organizations for people with physical and mental disabilities to conduct two sessions of interviews on the needs for accessible financial services 	Public Affairs Hotline: (02) 2378- 6868 #85614 ESG amil: cr@feib.com.tw
	Green Operations	<ul style="list-style-type: none"> Co-organized or sponsored three community events Collaborate with at least five non-profit organizations Collaborated with non-profit organizations to produce promotional videos Issuing Chinese and English sustainability reports 	Annually		
	Financial Inclusion				

Note: "Constant year" refers to the routine operations of daily affairs

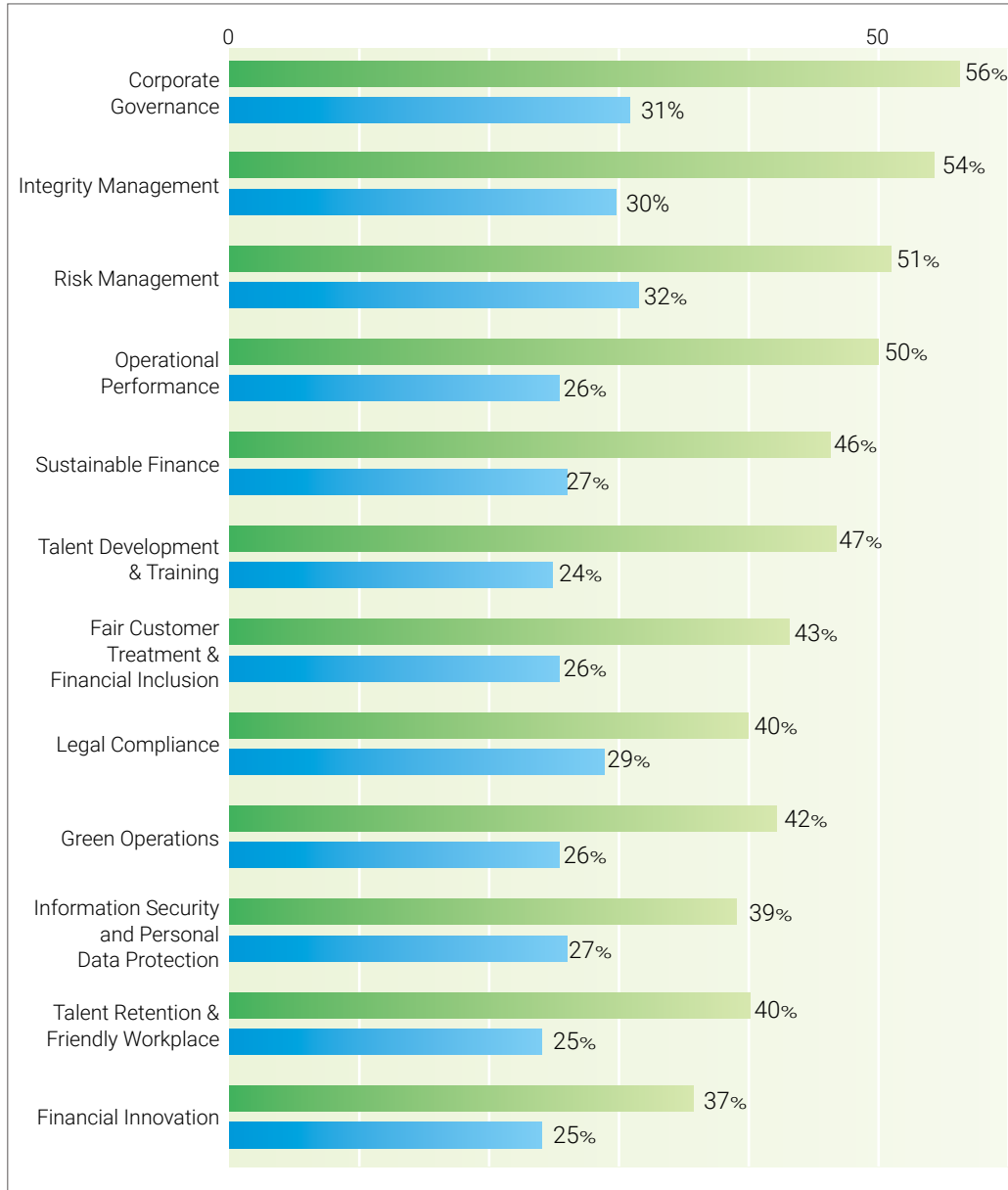
2-3 Materiality Identification

STEP ① Identification	<ul style="list-style-type: none"> Commissioned an international consulting firm to collaborate, taking into account the sustainability issues emphasized by international rating agencies such as MSCI ESG Rating and DJSI, as well as the sustainability issues of five benchmark financial peers in the country, and incorporating the concerns of stakeholders reflected by the departments responsible for stakeholder engagement, a total of eighteen issues were consolidated for further identification. Regarding eighteen potential issues of concern, they were evaluated respectively from the "level of stakeholder concern" and "impact on company operations". 261 questionnaires were collected, and after review and discussion, they were summarized and adjusted into twelve material sustainability issues for the bank: corporate governance, integrity management, operational performance, regulatory compliance, risk management, information security and personal data protection, sustainable finance, Green Operations, fair customer treatment and financial inclusion, financial innovation, talent development & training, talent retention and friendly workplace. 																
STEP ② Evaluation	<p>The heads of sustainability reports from various departments understand the Company's sustainability issues and their implementation based on their expertise, confirming the positive and negative impacts of the Company's sustainability issues on the economic, environmental, and social (including human rights) aspects, in order to further assess the probability and impact scale of each issue:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #28a745; color: white;"> <th colspan="4">The Potential Positive and Negative Impacts of FEIB's Significant Sustainability Topics on the Economic, Environmental, and Social Aspects</th> </tr> <tr style="background-color: #d4edda;"> <th style="width: 10%;">Aspect</th> <th style="width: 35%;">Economic</th> <th style="width: 30%;">Environmental Aspect</th> <th style="width: 25%;">Social (including Human Rights)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Positive Impacts</td> <td>Contribute to sustainable organizational development, such as enhancing operational resilience, increasing competitiveness, improving operational performance, and building risk management defenses; promote the development of the financial industry or help maintain order in the financial industry; promote national economic development or revitalize the capital market.</td> <td>Evaluate climate risk response with quantitative data; promote industrial low-carbon transformation; companies that value ESG receive financial support; directly or indirectly reduce carbon emissions.</td> <td>Everyone can access financial services or expand access to financial services fairly; everyone enjoys a non-discriminatory employment environment or promotes workplace diversity and inclusion; cooperate with the country or globally to combat crime; promote employee health, well-being, and personal career development.</td> </tr> <tr> <td style="text-align: center;">Negative Impacts</td> <td>It could undermine the stability, security of financial services, undermine the trust of stakeholders, and shake the foundations of the financial industry; it could lead to loss of business profits and loss of young customers; face penalties from regulatory authorities or legal liabilities; and damage the brand image.</td> <td>Restrict trading partners that conflict with business interests; directly or indirectly increase carbon emissions; unfavorable for achieving the national net-zero goal.</td> <td>Infringing on customer rights, social equity, customer trust; ignoring or violating human rights; triggering labor-management conflicts; endangering employee health or life; being penalized by labor authorities or incurring legal liability.</td> </tr> </tbody> </table>	The Potential Positive and Negative Impacts of FEIB's Significant Sustainability Topics on the Economic, Environmental, and Social Aspects				Aspect	Economic	Environmental Aspect	Social (including Human Rights)	Positive Impacts	Contribute to sustainable organizational development, such as enhancing operational resilience, increasing competitiveness, improving operational performance, and building risk management defenses; promote the development of the financial industry or help maintain order in the financial industry; promote national economic development or revitalize the capital market.	Evaluate climate risk response with quantitative data; promote industrial low-carbon transformation; companies that value ESG receive financial support; directly or indirectly reduce carbon emissions.	Everyone can access financial services or expand access to financial services fairly; everyone enjoys a non-discriminatory employment environment or promotes workplace diversity and inclusion; cooperate with the country or globally to combat crime; promote employee health, well-being, and personal career development.	Negative Impacts	It could undermine the stability, security of financial services, undermine the trust of stakeholders, and shake the foundations of the financial industry; it could lead to loss of business profits and loss of young customers; face penalties from regulatory authorities or legal liabilities; and damage the brand image.	Restrict trading partners that conflict with business interests; directly or indirectly increase carbon emissions; unfavorable for achieving the national net-zero goal.	Infringing on customer rights, social equity, customer trust; ignoring or violating human rights; triggering labor-management conflicts; endangering employee health or life; being penalized by labor authorities or incurring legal liability.
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STEP ③ Sorting	<p>Calculate the significance of impact for each issue by multiplying the probability of occurrence and scale of impact of positive and negative impacts, and prioritize accordingly. Issues with total positive and negative impact significance above 60% are listed as material topics.</p>																
STEP ④ Disclosure	<p>Confirm that all twelve major issues have significant impacts, the content is integrated by the Administration Department to compile the sustainability report, reviewed by the Sustainability Report Team, and approved by the Sustainable Development Committee and the Board of Directors before being publicly issued.</p>																

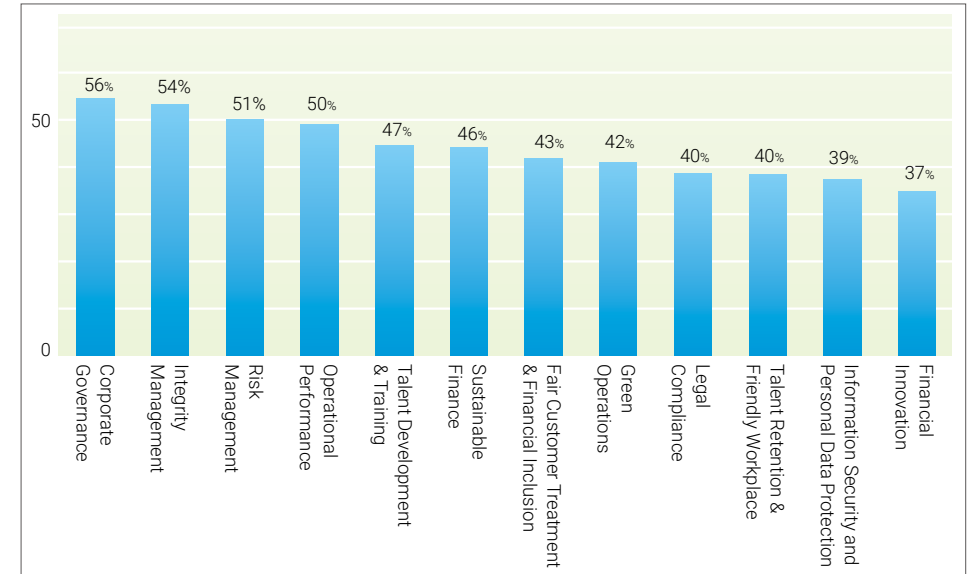
The Order of Significance of the Positive and Negative Impacts of Sustainability Issues on the Economy, Environment, and Society

Sorting		1	2	3	4	5	6	7	8	9	10	11	12
 <p>Economic</p>	Positive Impacts	Integrity Management	Risk Management	Corporate Governance	Operational Performance	Legal Compliance	Information Security Personal Data Protection	Financial Innovation	Talent Development & Training	Sustainable Finance	Fair Customer Treatment Financial Inclusion	Talent Retention Friendly Workplace	Green Operations
		70%	69%	67%	64%	62%	49%	46%	45%	41%	41%	41%	36%
	Negative Impacts	Risk Management	Integrity Management	Information Security Personal Data Protection	Corporate Governance	Legal Compliance	Operational Performance	Fair Customer Treatment Financial Inclusion	Financial innovation	Green Operations	Talent Retention Friendly Workplace	Sustainable Finance	Talent Development & Training
		42%	36%	35%	35%	34%	34%	28%	25%	25%	24%	23%	23%
 <p>Environmental</p>	Positive Impacts	Sustainable Finance	Green Operations	Corporate Governance	Operational Performance	Risk Management	Legal Compliance	Integrity Management	Financial innovation	Talent Development & Training	Fair Customer Treatment Financial Inclusion	Talent retention Friendly Workplace	Information Security Personal Data Protection
		59%	59%	46%	42%	40%	35%	35%	27%	21%	20%	18%	17%
	Negative Impacts	Sustainable Finance	Green Operations	Corporate Governance	Legal Compliance	Risk Management	Integrity Management	Financial innovation	Operational Performance	Fair Customer Treatment Financial Inclusion	Talent Retention Friendly Workplace	Talent Development & Training	Information Security Personal Data Protection
		31%	29%	26%	24%	24%	21%	19%	19%	16%	15%	14%	13%
 <p>Social and Human Rights</p>	Positive Impacts	Talent Development & Training	Fair Customer Treatment Financial Inclusion	Talent retention Friendly Workplace	Integrity Management	Corporate Governance	Legal Compliance	Information Security Personal Data Protection	Operational Performance	Risk Management	Sustainable Finance	Financial Innovation	Green Operations
		76%	69%	62%	56%	55%	52%	50%	45%	43%	39%	38%	31%
	Negative Impacts	Talent Retention Friendly Workplace	Talent Development & Training	Fair Customer Treatment Financial Inclusion	Information Security Personal Data Protection	Integrity Management	Corporate Governance	Legal Compliance	Risk Management	Sustainable Finance	Operational Performance	Green Operations	Financial Innovation
		37%	36%	33%	32%	32%	32%	31%	30%	27%	26%	24%	22%

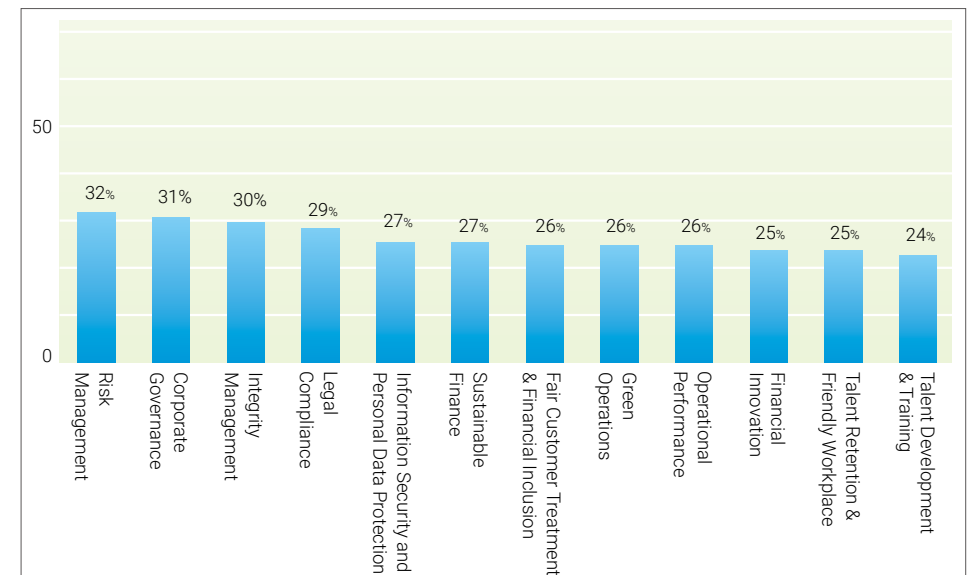
Prioritization of Overall Impact Significance of Sustainability Issues



+ Prioritization of Overall Positive Impact of Sustainability Issues



+ Prioritization of Overall Negative Impact of Sustainability Issues



2-4 Material Topic Management

For 12 major issues, this line identifies their impact boundaries, reviews and formulates management policies and implementation plans, invests in them with a systematic management mechanism over the long term, and responds openly and transparently. It continues to review the performance and feedback of each issue to uphold its commitment to protecting the rights and interests of stakeholders. Apart from the two topics related to human resources, the implementation results of the remaining issues are included in the board of directors or sustainable development committee reports.

Material Topic	Key Impact	GRI Material Topic SASB Commercial Banks Standard	Corresponding SDGs	Management Approach Purpose	Management Policies and Results Corresponding Chapters	Value Chain Boundary Impact Object								
						1	2	3	4	5	6	7		
Corporate Governance	Corresponding Chapter for Management Approach and Results Value Chain Boundary Impact Objects	GRI 2-9~2-21 General Disclosures	5.5 Ensure women's full participation in leadership at all levels 16.6 Develop effective, accountable and transparent institutions	Maintain the effectiveness of the corporate governance structure and its operations.	3.1 Director of Directors Operations	○		○		○				
Integrity Management	The market and stakeholders expect companies to demonstrate ethical business and governance practices. Failure to control unethical risks such as employee fraud can impact stakeholders' trust in banks or result in penalties from regulators.	GRI 205-1,2,3 Anti-Corruption GRI 415-1 Political Contributions FN-CB-510a.1 Total amount of monetary losses as a result of legal proceedings FN-CB_510a.2 Whistleblower policies and procedures	16.5 Reduction of energy consumption	Shaping a culture of integrity in business operations, preventing any incidents of corruption	3.6 Integrity Management				●					
Risk Management	To handle various operations related to assets and liabilities on and off the balance sheet, all associated risks such as credit risk, market risk, interest rate risk, liquidity risk, operational risk, climate change and environmental risk, or other risks are managed. While maintaining operational stability and business flexibility, the likelihood of risk occurrence is reduced, strictly preventing losses that may impact financial performance or damage reputation.	GRI 419-1 Socioeconomic Compliance FN-CB_550a.2 Capital Adequacy Management and Policies	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Mitigating the impacts of climate change risks and exploring related opportunities	1.4 Operational Performance 3.4 Risk Management	○	○	○	●	○				
Operational Performance	Pursuing long-term growth and steady profitability is the duty of a company, and it also affects whether the company can sustain its operations, impacting the interests of investors and the confidence of employees	GRI 201-1,2,3,4 Economic Performance FN-CB-000A Classification of deposit accounts and amounts FN-CB-000B Classification of Credit Customers and Amounts	8.1 Maintain profit growth by keeping up with GDP growth	Strengthen the operating constitution and enhance profitability to safeguard the interests of investors	1.4 Operational Performance	○	○	○		○				

Material Topic	Key Impact	GRI Material Topic SASB Commercial Banks Standard	Corresponding SDGs	Management Approach Purpose	Management Policies and Results Corresponding Chapters	Value Chain Boundary Impact Object							
						1	2	3	4	5	6	7	
Sustainable Finance	In the past, companies pursued economic development and neglected social, environmental, and human rights costs for years, causing problems to emerge, creating negative impacts that conflicted with the overall interests of the bank's fund providers. While the banking industry's core business of lending, investing, and financial intermediation can help support green energy and environmental protection industries, and promote the development of companies that value corporate governance and social responsibility, encouraging the invested and financed companies to demonstrate corporate sustainability, and increasing long-term value for themselves and fund providers, this is a positive impact.	FS 1 is a policy applicable to specific environmental/social factors for business units. FS 3 monitors clients' compliance with environmental and social benefits in protocols or transactions FS 8 designs products or services that are beneficial to the environment FN-CB_410a.1 Disclose exposure by industry FN-CB_410a.2 Incorporation of ESG Factors in Credit Analysis by the Organization	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination 7.a Promote investment in energy infrastructure and clean energy technology 7.2 Shared renewable energy 12.6 Encouraging enterprises to adopt sustainable business practices 12.8 Ensure public access to information and protect fundamental freedoms	Collaborate for global environmental sustainability	6.2 Assisting Industry Low-Carbon Transition	○			○	○			
Talent Development & Training	Human resources not only enhance the competitiveness of enterprises and individual employees, but also enable enterprises to actively participate in national talent cultivation, stabilize employment, and practice shared values; otherwise, it will impact the competitiveness of enterprises and the social employment environment.	GRI 402-1 Labor/Management Relations GRI 404-1,2,3 Training and Education GRI 405-1,2 Diversity and Equal Opportunity GRI 406-1 Non-discrimination	5.1 Eliminate discrimination against women 5.b Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women 12.8 Everyone has access to sustainable information. 16.b Laws and policies prohibiting discrimination	Thinking from the perspective of the bank's goals for the future, construct a continuous talent development plan from this	5.1 Equal Employment 5.3 Training Programs	○	○	○	●				
Fair Customer Treatment & Financial Inclusion	Financial services are crucial for customers' asset management. Unclear product labeling or excessive marketing may mislead customers' decisions, and together with service quality, affect customer satisfaction, word-of-mouth, and have a significant impact on business development. Financial inclusion can promote social equity and integration. If disadvantaged groups are unable to access fair financial services and information, it will widen the wealth gap and increase financial fraud, undermining the inclusiveness of a civilized society.	GRI 417-1,2,3 Marketing and Labeling FS 7 brings products with social benefits FS 14 Financial Services for the Disadvantaged FS 15 Fair Sale Financial Services FS 16 enhances public financial literacy FN-CB 240a.1 Lending Practices for Small Businesses FN-CB 240a.2 Supports the number and amount of overdue and collection accounts for small and medium-sized enterprises FN-CB 240a.3 Number of financial accounts for disadvantaged groups FN-CB 240a.4 Financial Education for Disadvantaged Groups	1.3 Social security system for the junior population 1.5 Build the resilience of the vulnerable to disasters 8.3 Support for innovative small and micro enterprises 16.6 Develop effective, accountable and transparent institutions at all levels	Safeguarding the rights and interests of financial consumers and ensuring fair financial services for disadvantaged groups	4.1 Fair Customer Treatment 4.2 ESG Products	○	○		●	○		○	
Legal Compliance	The financial industry is highly regulated, and compliance with legal compliance not only as a line of defense for managing risks in banks, but also avoids related penalties and fines. Additionally, it helps maintain order in the financial industry, indirectly contributing to the stability of the economic environment and public livelihood. To implement anti-money laundering measures and cooperate globally to combat crime, it is an indispensable mission for the banking industry, which is at the forefront of prevention.	GRI 419-1 Socioeconomic Compliance GRI 307-1 Environmental Compliance	16.4 Reduce illicit financial flows and arms flows, and combat all forms of organized crime.	Ensure effective compliance management	3.3 Legal Compliance	○	○	○	○	○			

Material Topic	Key Impact	GRI Material Topic SASB Commercial Banks Standard	Corresponding SDGs	Management Approach Purpose	Management Policies and Results Corresponding Chapters	Value Chain Boundary Impact Object						
						1	2	3	4	5	6	7
Green Operations	Although banks are not a high energy-consuming or heavily polluting industry, they are still not immune to the impacts of climate risks. With their purchasing power as a resource, they can encourage suppliers to pay equal attention to environmental and social responsibilities. As enterprises with managerial influence, they can drive relevant industries to align with international sustainability trends.	GRI 302-1,4,5 Energy GRI 307-1 Environmental Compliance GRI 414-1,2 Supplier Social Assessment FS 3 monitors clients' compliance with Environmental and Social (E&S) processes in protocols or transactions	7.3 Improve energy efficiency 12.4 Environmental methods for waste management 12.8 Ensure access to relevant information for sustainable development 12.6 Encouraging enterprises to adopt sustainable business practices 12.7 Increase green procurement	Establish an operational structure and implementation path that contributes to environmental sustainability	6.3 Environmental Management 6.4 Supplier Management	○					●	●
Information Security & Personal Data Protection	<ul style="list-style-type: none"> With the rise of cybercrime, it's necessary to keep pace with the times and construct a robust information security network to safeguard against hacker intrusions. This prevents threats to the stability, security, and privacy of customer asset transactions in financial services, and avoids potential business losses, reputational damage, and penalties. Personal data protection is an important interest for customers and is protected by specific laws. Effective management is necessary to prevent data theft and avoid damaging customer trust, interests, and legal liabilities. 	GRI 418-1 Customer Privacy FN-CB 230a.1 Information leakage incidents and the proportion, number of affected customers FN-CB 230a.2 The organization identifies and manages cybersecurity risks	16.4 Reduce illicit financial flows and arms flows, and combat all forms of organized crime.	Ensure the security of customer transactions and personal information	3.5 Information Security and Personal Data Protection	○		●	○	○		
Talent Retention & Friendly Workplace	Pay, promotion, and benefits together create a friendly workplace environment, which can improve the well-being of employees and their families, indirectly easing the crisis of low birth rates and delayed marriage, and maintaining harmonious labor relations. Otherwise, the inability to retain talent will increase costs such as recruitment and training. Once a major labor-management conflict occurs, it will impact industrial operations.	GRI 401-1,2,3 Employment GRI 403-1,2,3,5,6 Occupational Health and Safety GRI 412-1,2,3 Human Rights Assessment	8.8 Promote safe and secure working environments for all workers, including migrant workers, particularly women migrants 10.4 Adopt appropriate policies on wages and social security to gradually achieve equality.	Offering comprehensive benefits that exceed legal requirements, helping employees enjoy their work and take care of themselves and their families in every aspect.	5.2 Compensation and Benefits 5.4 Work Environment 3.4 Risk Management on Human Rights Risk Management		○			○		
Financial Innovation	<ul style="list-style-type: none"> The development of technology is impacting the business models of the financial industry. The layout of financial technology has become a crucial issue for banks' service efficiency, competitiveness, and whether they have a proactive image, which are all important for sustainable survival. Financial innovation is a powerful tool for developing Financial inclusion and green finance, enabling banking services to penetrate beyond the metropolitan areas where physical branches are located, caring for the rights of people in remote areas. It also helps reduce carbon emissions associated with obtaining financial services through paper documents and over-the-counter transactions. 	FS 7 brings societal benefits through goods or services FS 8 Products or services that bring environmental benefits	4.4 Enhancing youth's proficiency in information and communication technology 8.2 Enhance economic productivity through technology 8.3 Support innovation for small and micro enterprises 8.10 Provide extensive financial services 9.6 Support technological innovation to help businesses increase the added value of their products 17.8 Promote and enable financial technology and innovation to enhance the use of technology	Developing digital finance to provide technological convenience for financial consumers, and contributing to the development of the financial industry	4.3 FinTech Innovation	○	○	○	●	○		

Note 1: ○ Direct Impact ○ Indirect Impact ● Impact from Commercial Activities
 Note 2: Boundary Objects of Main Subjects ① Company ② Employees ③ Investors ④ Customers ⑤ Authorities ⑥ Suppliers ⑦ Communities and NGOs

Management Goals for Material Issues

Important Issue	Promise / Policy / Strategy	Key Performance Indicators	2023 Goals	Achieved in 2023	2024 Goals
Corporate Governance	<ul style="list-style-type: none"> Establish corporate governance principles, actively participate in evaluations, and ensure the unobstructed operation of governance norms. Formulate a code of practice for sustainable development to govern the management of sustainable development policies 	<ul style="list-style-type: none"> Corporate governance evaluation ranking Selected for the Taiwan Sustainability Index 	<ul style="list-style-type: none"> Excellent performance in corporate governance ranking Selected for the Taiwan Sustainability Index Participate in sustainable finance evaluation 	<ul style="list-style-type: none"> Ranked in the top 5% for corporate governance Selected for the Taiwan Sustainability Index Formulate sustainable development policies 	<ul style="list-style-type: none"> Excellent performance in corporate governance evaluation Selected for the Taiwan Sustainability Index
Integrity Management	With a spirit of diligence, simplicity and prudence in establishing our business culture, we have established codes of conduct such as integrity management principles, Integrity Management standards, employee conduct standards, donation management regulations, whistleblowing case handling standards, and supplier social responsibility management guidelines as guidelines.	Coverage of regulation promotion and signing	Directors and senior management 100% signed the Statement of Compliance; employees 100% signed the Code of Conduct and completed training	Directors and senior management 100% signed the Statement of Compliance; employees 100% signed the Code of Conduct and completed training	Directors and senior management 100% signed the Statement of Compliance; employees 100% signed the Code of Conduct and completed training
		Assess integrity risk	Complete the integrity risk assessment	The risk of dishonesty for all 101 business items are at low risk level.	Complete the integrity risk assessment
		Improving channels for reporting illegal activities	Smooth reporting channels and procedures	Allegations in three cases have been handled. two cases closed, no violation of integrity in operation found	Smooth reporting channels and procedures
Risk Management	<ul style="list-style-type: none"> Formulate risk management policies and operational procedures based on relevant qualitative/quantitative indicators provided by competent authorities, and regularly disclose information on credit/market/operational/liquidity risks, etc. The risk management policy incorporates climate change and environmental risk management, and follows the TCFD framework and the Equator Principles, establishing the "Climate Change and Environmental Risk Management Guidelines" and the "Key Points for Climate Risk Management". 	Enhance the content of the TCFD framework	<ul style="list-style-type: none"> Completion of the establishment of climate risk assessment mechanism Complete TCFD disclosure 	<ul style="list-style-type: none"> Complete carbon footprint analysis and climate risk scenario analysis for investment/financing portfolios and entities/transitions Added climate risk assessment and management for personal real estate credit Completion of the second phase of the TCFD project 	Join the SBTi initiative, set science-based emission reduction targets according to the SBTi methodology
Operational Performance	The operating strategy balances asset quality and business momentum, pursuing long-term sustainable growth. A strategic meeting is held in the fourth quarter of each year, considering internal and external environments as well as operational conditions, to set the operating budget and capital expenditure for the next year. The management team convenes weekly operational meetings to fully grasp the progress towards achieving the budgetary goals for each stage.	<ul style="list-style-type: none"> Total assets growing steadily over the long term Total loans Total deposits Credit rating 	<ul style="list-style-type: none"> Total assets of 784.2 billion Total loans 476.9 billion Total deposits of 643.3 billion Financial institutions maintaining a stable investment grade rating 	<ul style="list-style-type: none"> Total assets reached 101.06% Total loans achieved 99.36% Total deposits achieved 102.71% Financial institutions with stable investment-grade credit ratings 	<ul style="list-style-type: none"> Total assets of NT\$824.4 billion Total loans: NT\$502.7 billion Total deposits of 688.2 billion Financial institutions maintaining a stable investment grade rating

Important Issue	Promise / Policy / Strategy	Key Performance Indicators	2023 Goals	Achieved in 2023	2024 Goals
Sustainable Finance	Following the institutional investor stewardship principles and sustainable investment guidelines, incorporating ESG assessments into the investment process; incorporating the spirit of the Equator Principles, leveraging lending and investment financial power to review the ESG performance of borrowers or investment targets; offering ESG-related wealth management products to support funding for green-related industries and companies that practice sustainable values.	Carry out institutional investor due diligence governance activities	Disclosure of Corporate Governance Practices	The 2023 corporate governance practices will be disclosed on the official website.	Carry out institutional investor due diligence governance activities Statement of Compliance with the Institutional Investor Stewardship Principles
		Implement the Equator Principles, and formulate relevant regulations	<ul style="list-style-type: none"> Establish a sustainable deposit management mechanism for legal funds and issue The credit case operations have officially gone live with the Equator Principles 	<ul style="list-style-type: none"> Sustainable Term Deposits in French francs were subscribed by 84 customers, accumulating 5.3 billion francs Complete the review of the Equator Principles applicability for all credit approval cases 	<ul style="list-style-type: none"> The target for Cathay Sustainable Regular Deposit is NT\$5.6 billion, a 5% growth Integrating due diligence operations into corporate ESG questionnaires Establish a greenhouse gas emissions database for authorized corporate accounts
		<ul style="list-style-type: none"> Invest in sustainable bonds Sustainable Investment Management 	<ul style="list-style-type: none"> Expand the holding scale of sustainable development bonds by 10% Amended sustainable investment principles 	<ul style="list-style-type: none"> Added NTD 1.1 billion in sustainable development bonds Formulated sustainable investment principles and enhanced climate risk assessment 	<ul style="list-style-type: none"> Position in sustainable development bonds grew by 10% ESG stocks account for 80% of the bank's equity investments
		ESG Loan Balance	<ul style="list-style-type: none"> ESG credit balance ratio of 20% Loans to small and medium enterprises amounting to 65 billion yuan Set the promotion performance bonus indicators for ESG lending 	<ul style="list-style-type: none"> ESG lending reached NT\$66.7 billion, accounting for 28% of the outstanding balance Set incentive targets for promoting ESG lending performance Evaluated by the FSC as a Grade A bank for small and medium-sized enterprise loans, with relevant loans amounting to NT\$59.4 billion 	<ul style="list-style-type: none"> ESG lending grew by 5%, targeting NT\$70 billion The lending target for small and medium-sized enterprises is set at NT\$63 billion.
		ESG fund subscription amount	(Undecided)	ESG fund subscription total of NT\$5.57 million; ESG funds account for 6.2% to 8.6% of quarterly selected funds	<ul style="list-style-type: none"> The subscription amount for ESG funds' digital channel promotion activities grew by 10% ESG funds account for at least 5% of top selected funds each quarter

Important Issue	Promise / Policy / Strategy	Key Performance Indicators	2023 Goals	Achieved in 2023	2024 Goals
Green Operations	Sign the "1.5°C Climate Action Declaration", commit to cooperating with the government's 2050 net zero path planning, integrate resources to implement low-carbon transformation, jointly achieve the 1.5°C target set by the "Paris Agreement", and formulate the "Environmental Management Regulations" in accordance with ISO 14001 and ISO 50001.	<ul style="list-style-type: none"> The carbon emission reduction target is set at 1% per year, totaling an 8% reduction from 2022 to 2030. Per capita water consumption and per capita waste generation have decreased year by year. 	<ul style="list-style-type: none"> Carbon emissions reduced by 1% Completed the solar photovoltaic power station, to further plan the first 100% green power branch Per capita water consumption decreased by 1% Per capita waste decreased by 1% 	<ul style="list-style-type: none"> Expand the scope of implementation of ISO14001/ISO50001 and complete verification Per capita water consumption decreased by 2.55% Per capita waste decreased by 15.2% Completed the installation of the first solar photovoltaic system in our own premises Overseas and domestic sites as well as two subsidiaries completed carbon footprint verification and obtained verification The new uniform adopts eco-friendly materials. 	<ul style="list-style-type: none"> Carbon emissions in 2025 will be 3% lower than in 2022 100% of subsidiaries completed carbon footprint assessment and obtained verification Establishing the first branch powered entirely by green electricity Per capita water consumption decreased by 1% Per capita waste decreased by 1%
	Formulating the "Guidelines for Supplier Social Responsibility Management" and initiating supplier evaluations, leveraging procurement influence to drive suppliers' joint implementation of sustainable responsibilities	<ul style="list-style-type: none"> Green procurement amount Suppliers sign a commitment letter for single purchases reaching one million dollars 	<ul style="list-style-type: none"> Growth of green procurement 100% of major suppliers have signed the ESG commitment letter 	<ul style="list-style-type: none"> Green procurement NT\$26.16 million 100% main supplier signed the ESG Commitment 	<ul style="list-style-type: none"> Growth of green procurement 100% main supplier signed the ESG Commitment
Talent Development & Training	Promoting five policies: <ol style="list-style-type: none"> A comprehensive training system and talent development plan; Diverse development opportunities and supporting mechanisms; Abundant learning resources, training commitments, and training subsidies; A fair and transparent promotion system; Promoting youth employment, continuous industry-academia collaboration, and participating in cultivating social talent. 	Selected in the Taiwan Employment 99 Index	Selected in the Taiwan Employment 99 Index	Selected in the Taiwan Employment 99 Index	Selected in the Taiwan Employment 99 Index
		Receive government training incentive subsidy	Strive for human resources incentive subsidies	<ul style="list-style-type: none"> Awarded NT\$1.08 million from the Ministry of Labor's Youth Employment Flagship Program Human resources enhancement received funding subsidy award for 21 consecutive years 	Passed government training incentive review
		Strive for TTQS certification and related awards	<ul style="list-style-type: none"> Maintain TTQS gold certification Striving for relevant awards 	<ul style="list-style-type: none"> Maintain TTQS gold certification Won 3 training awards 	<ul style="list-style-type: none"> Continued TTQS Gold Certification Striving for relevant awards

Important Issue	Promise / Policy / Strategy	Key Performance Indicators	2023 Goals	Achieved in 2023	2024 Goals
Fair Customer Treatment and Financial Inclusion	<ul style="list-style-type: none"> Follow the Bank's "Fair Customer Treatment Policy", "Guidelines for Fair Treatment of Senior Customers", and other regulations on consumer protection to provide professional, friendly, and fair services to all customers by instructing relevant personnel on the principles of professionalism, courtesy, and integrity. And established a "Fair Customer Treatment Promotion Team" to monitor and evaluate the implementation effectiveness of each department Establishing customer complaint management regulations, striving to ensure that all customer complaints are properly handled and completed within the stipulated timeframe, and regularly reviewing and correcting improvement measures. 	<ul style="list-style-type: none"> Customer satisfaction Customer Satisfaction Ratio 	<ul style="list-style-type: none"> Customer satisfaction with financial management > 96 Customer satisfaction rate > 95% Intelligent customer service satisfaction rate ≥ 85% 	<ul style="list-style-type: none"> Customer satisfaction rate of 97.1 for financial management services Customer satisfaction rate 99.8% Intelligent customer service satisfaction 92% 	<ul style="list-style-type: none"> Customer satisfaction with financial management > 96 Customer satisfaction rate > 95% Intelligent customer service satisfaction rate ≥ 85%
		<ul style="list-style-type: none"> Customer service level comparison Customer complaint resolution rate ISO 10002 Certification 	<ul style="list-style-type: none"> Customer service level is greater than or equal to 80% Sensitive complaint cases to be handled within 3 days, general cases within 10 days Customer complaint resolution rate > 85% ISO 10002 certification successful 	<ul style="list-style-type: none"> 100% of customer complaint cases were resolved within the regulated time frame, and the average processing time outperformed the target. Customer service level above 80% Customer complaint resolution rate 87% ISO 10002 certification successful 	<ul style="list-style-type: none"> Customer service level is greater than or equal to 80% Sensitive complaint cases to be handled within three days, general cases within ten days Customer complaint resolution rate > 85% ISO 10002 certification successful Obtained BSI RMS Royal Excellence Service Charter Certification
		Fair Customer Treatment Operation Improvement and Implementation Effectiveness	<ul style="list-style-type: none"> Plan promotional activities Conducting a specific project audit on the implementation of financial friendliness 	<ul style="list-style-type: none"> Fair Customer Treatment evaluation performance maintained in the top 25% of national banks Establish Regulations Governing the Management of Friendly Financial Services 9 bus routes receive the Dementia Friendly label Host customer voting for friendly ambassador 	<ul style="list-style-type: none"> Organize Fair Customer Treatment workshop experience activities Conduct audits for marketing advertising projects The financial-friendly area of the official website has been upgraded to AA level accessibility by the Digital Service Department
		Financial Inclusion	<ul style="list-style-type: none"> Strive for excellent performance in the trust plan evaluation by the FSC Donate micro-insurance for remote areas The proportion of bilingual demonstration line-break has been increased from 10% to 15% 	<ul style="list-style-type: none"> The Retirement Trust Fund received the 1st place in Group B from the FSC evaluation Donate micro-insurance to remote areas Added 2 bilingual demonstration branches, accounting for 15% of the total 	<ul style="list-style-type: none"> Strive for excellent performance in the FSC's trust evaluation Donate micro insurance Increased bilingual demonstration line breaks to account for 18%
Legal Compliance	Formulating the "Compliance System Implementation Regulations", "Evaluation Guidelines for Legal Compliance", "Procedures for Immediate Reporting of Violations", and "Guidelines for Legal Compliance, Anti-Money Laundering and Combating the Financing of Terrorism for Overseas Branches" to ensure compliance.	Conducting on-site inspections and evaluations for legal compliance and anti-money laundering measures	<ul style="list-style-type: none"> On-site inspections 51 times A total of 167 evaluation sessions for the head office, branches, and sub-units 	<ul style="list-style-type: none"> Check execution rate 100% 100% evaluation execution rate No cases of violating regulations of the competent authority resulting in penalties 	<ul style="list-style-type: none"> On-site inspections 52 times A total of 167 evaluation sessions for the head office, branches, and sub-units Introduce legal compliance risk management and oversight framework

Important Issue	Promise / Policy / Strategy	Key Performance Indicators	2023 Goals	Achieved in 2023	2024 Goals
Information Security and Personal Data Protection	Establish an "Information Security Policy" with the Information Security Office being responsible for planning and managing information security affairs. From the completeness of establishing a control framework to continuously strengthen a robust and multi-layered security system, invest in education and promotion to enhance employees' information security mindset, improve incident response capabilities, and take a comprehensive approach. Build a management system that complies with information security governance and international information security standards, and cultivate professional talents.	<ul style="list-style-type: none"> Zero security incidents Zero data leakage incidents 	<ul style="list-style-type: none"> Zero security incidents Zero data leakage incidents 	<ul style="list-style-type: none"> Zero security incidents occurred Zero data leakage incidents 	<ul style="list-style-type: none"> No information security incident occurred. Zero data leakage incidents
		<ul style="list-style-type: none"> With information security governance and information security Monitor lean cyber resilience 	<ul style="list-style-type: none"> Obtained ISO 22301:2019 certification Maintain the validity of international management standard certifications The information security maturity assessment has reached the advanced level. Hire directors, consultants or establish an advisory group with expertise in cybersecurity Specialized cybersecurity education courses for directors 	<ul style="list-style-type: none"> Obtained ISO 22301:2019 certification Maintain ISO27001:2013/ BS10012:2017 Validation Validity The information security maturity assessment has reached the advanced level. Hiring a director with cybersecurity professional qualifications Complete the dedicated information security education course for all members of the Board of Directors Colleagues have accumulated 44 international cybersecurity certifications, an increase of 37.5% year-on-year 	<ul style="list-style-type: none"> Maintain the validity of international management standard certifications Imported five cybersecurity defense tools, including web resource protection and vulnerability tracking management platform Outsource consultants to conduct red and blue team cybersecurity drills The number of international cybersecurity certifications obtained by colleagues increased by eleven, a 25% year-over-year increase
Talent retention and Friendly Workplace	Promoting six policies: <ol style="list-style-type: none"> Provide competitive salaries, share operational results; Smooth promotion channels; Diversified benefits; Maintain workplace safety and promote employee health; Diverse communication channels; Family-friendly measures 	Selected for Taiwan's Top 100 High-Salary Index	Selected for Taiwan's Top 100 High-Salary Index	Selected for Taiwan's Top 100 High-Salary Index	Selected for Taiwan's Top 100 High-Salary Index
		Obtain relevant certifications or awards	Strive for relevant awards.	<ul style="list-style-type: none"> Awarded Asia's Best Employer Awarded Best Corporate Employer Care Award Awarded the Happiness Enterprise Gold Award 	Strive for relevant awards.
		<ul style="list-style-type: none"> New welfare measures Organize health promotion activities Added a certification point for healthy workplaces 	<ul style="list-style-type: none"> New welfare measures Organize health promotion activities. Adding a Certification Point for Healthy Workplaces 	<ul style="list-style-type: none"> The employee health checkup interval has been changed from once every 3 years to once every 2 years. Offering physical fitness assessments Organize fun run/fun ride events All 56 workplaces across the bank have been certified as healthy workplaces. 	<ul style="list-style-type: none"> Conduct health examinations for all employees. New welfare measures Organize health promotion activities Maintain Healthy Workplace Certification
Financial Innovation	Digital transformation is centered around "pragmatic digital finance" and focuses on three levels: <ol style="list-style-type: none"> Optimizing customer experience Digitizing financial service processes Creating new business models. It aims to strengthen digital finance infrastructure, collaborate to expand scenario-based finance, build a financial ecosystem, and develop various digital services and processes. It also supports environmentally-friendly initiatives and promotes contactless digital financial services. 	Service off-counter rate	Service off-counter rate 95%	Service off-counter rate 95.2%	Service off-counter rate 95%
		Digital acquisition rate	Digital acquisition rate 50%	Digital acquisition rate 55.1%	Digital acquisition rate 55%
		Received digital innovation related awards	Striving for digital innovation awards	Won 3 digital innovation-related awards	Striving for digital innovation awards