

Cathay Financial Holdings and Subsidiaries'

Financial Inclusion Policy

Formulated on May 15, 2024

Responsible Unit: Corporate Sustainability Office

Article 1 (Objective and Basis)

The formulation of the Financial Inclusion Policy for Cathay Financial Holdings Co., Ltd. ("Cathay FHC") and its subsidiaries refers to the UN's Principles for Investors in Inclusive Finance (PIIF) and Sustainable Development Goals (SDGs), and the World Bank's strategy on financial inclusion. The objective is to prioritize inclusive finance and fulfill the social responsibility of financial institutions by enhancing the accessibility of Cathay's financial products and services, thereby enabling the targeted groups to fully utilize Cathay's products and services.

Article 2 (Scope of application)

This Policy applies to CFH and its subsidiaries, including: Cathay Life Insurance (Cathay Life), Cathay United Bank (CUB), Cathay Century Insurance (Cathay Century), Cathay Securities Corporation (Cathay Securities), Cathay Securities Investment Trust (Cathay SITE).

Article 3 (Definitions)

Terms used in this policy are defined below:

1. Targeted Groups: Refers to underserved natural persons and legal entities with no access to or who have not fully benefited from financial products or services.
2. Underserved: Refers to those who have experience using financial products and services, but have not fully benefited from them. This includes, but is not limited to:
 - Elderly people
 - Individuals with health conditions or impairments
 - Poor and/or low-income individuals: Individuals or families classified as

middle-low- or low-income by the government, or individuals in rural or hard-to-reach areas

- Women (women individually and women-owned enterprises)
- Microbusinesses
- Other (e.g. farmers, indigenous groups, new immigrants, minors, students, informal workers, unschooled, and/or forcibly displaced populations)

Article 4 (Management Authority)

The Corporate Sustainability Committee, overseen by the board of directors, serves as the highest oversight and decision-making body responsible for promoting and developing financial inclusion.

Article 5 (Financial Inclusion Promotion Initiatives)

The policy is overseen by the Responsible Products and Services Working Group of the Corporate Sustainability Committee, which operates under the board of directors. The working group regularly reviews international inclusive finance development and trends, proposing adjustment plans as needed. The Corporate Sustainability Office is responsible for executing the policy modification procedures. The key initiatives include:

1. Prioritize the expansion of financial access based on market research and customer feedback and continue to proactively innovate financial products and services to meet the needs and preferences of all targeted groups.
2. Prioritize the needs and preferences of the targeted groups; take targeted group attributes into the product and service design considerations; provide tailored financial products and services to meet the specific needs and preferences of the targeted groups.
3. Proactively offer non-financial supportive services to improve targeted groups' financial literacy and financial health awareness to enhance targeted groups' well-being.
4. Monitor and evaluate to ensure that the rights of targeted groups are protected in the design of products and services, sales and service, and contract fulfillment to

prevent clients from becoming over-indebted and providing appropriate solutions for those who are.

5. Prioritize the protection of customer rights by establishing easily accessible and user-friendly complaint channels, ensuring the effective operation of complaint mechanisms, handling customer complaints promptly and properly, continuously reviewing improvement measures, and creating a fair and friendly financial services environment.
6. Ensuring fair treatment of customers by expanding access to financial products and services for targeted groups. Additionally, providing education and training to enhance employees' awareness of financial inclusion, thus preventing inappropriate or disrespectful treatment of targeted groups during sales, services, and contract fulfillment.
7. Proactively engage with external organizations to expand the promotion of inclusive financial services and products through the integration and sharing of resources, thereby enhancing the overall financial inclusiveness of society and promoting the positive development of financial health for all.

Article 6 (Formulation, Revision, Enforcement, and Repeal)

The formulation, revision or repeal of the Policy shall be approved by the Board of Directors. The Policy is effective on the date of enforcement. The revision or repeal of the Policy shall take effect on the date of revision or repeal.