

Taiwan Life Insurance Co., Ltd.

Responsible Investment Policy

I. Foreword

Taiwan Life Insurance Co., Ltd. (hereinafter referred to as the Company) voluntarily adheres to the United Nations' Principles for Responsible Investment (PRI) and Sustainable Development Goals (SDGs) in an effort to contribute to global sustainable development. The Company hereby establishes this system to serve as a model and benchmark for responsible investment. To provide Environmental, Social and Corporate Governance (ESG) standards for the Company to incorporate into its evaluation of investment related operations, the Company has created the "Responsible Investment Policy" (hereinafter referred to as the Policy) in accordance with the six major principles of PRI and CTBC Financial Holding Co., Ltd. created (hereinafter referred to as CTBC Holding) Sustainable Finance Policy.

The Company believes that care for ecological balance and renewable energy is the social responsibility of all corporations. In addition to promoting corporate certification of international environmental standards, the Company also actively supports energy transformation and localization of green industries via responsible investment. By increasing investment in renewable energy and green finance advocacy, the Company hopes to contribute to environmental conservation efforts and the creation of a sustainable homeland.

In terms of caring for the community, the Company follows the social participation practices of its parent company, CTBC Holding. In addition to the continuous expansion of company business operations, it strives for overall growth alongside society and the land on which we live.

In addition to strengthening corporate governance, regulation compliance, risk control, and cybersecurity protection, the Company integrates technology to create a secure and sound operational environment, and establish an open and transparent system of governance. Furthermore, the Company implements responsible investment through negotiations with investment targets, and provides assistance with their corporate governance as necessary, to bring about a better commercial landscape for the greater society.

II. Objectives

The Company upholds the "We are family" brand spirit with "protect and build" as its corporate mission to provide the best professional products and services, while working together with customers to create a brighter future.

In terms of corporate sustainability, the Company upholds the dual pillars of "Developing Social Impact" and "Achieving Low-Carbon Transition and Responsible Operations" completing step by step a sustainable blueprint for the future. The company hopes to keep promoting impact investment

in investment-related business. Through the foundation for sustainable financial operations laid by the Policy, the Company hopes to safeguard every dollar of capital investment from customers and investors, while contributing to the betterment of society.

III. Scope of policy

The Policy covers the Company's various investment asset classifications as follows:
Stocks, Bonds, , Funds, Corporate Loans and Real Estate.

Also includes evaluations of transaction counterparties and investment service brokers.

IV. Management structure

The investment department is the Company unit in charge of providing leadership and coordination between various departments regarding responsible investment issues and relevant matters.

V. Environmental sustainability

A) Relevant Statement

The Company fully understands that solutions to global environmental conservation and climate change issues are the responsibility of all business enterprises.

Therefore, as a responsible corporate citizen of the world, the Company hopes to make contributions towards global environmental protection and implementation of sustainable community development. To achieve this goal, in addition to compliance with applicable national regulations and international agreements, the Company also adheres to national governmental policies and proactively participates in investment projects involving renewable energy and green industries. Furthermore, whenever our business operation results in negative impacts or risks to the environment, the Company proactively implements appropriate measures to reduce the environmental impact and ensure our corporate contributions for the improvement of the global environment.

B) Definition of major environmental issues

1. Climate Change

Climate change is one of the key issues of environmental conservation. The Company believes that it is necessary to actively mitigate climate change and minimize its impact on the environment in order to fulfill the Company's goal of sustainable development.

Enterprises that emit high levels of carbon emissions or industries with high consumption of natural resources may also make contributions to the overall environment if its products or operations provide elements necessary for other economic activities, or if such enterprises value environmental sustainability by taking measures, such as reduction of energy consumption or carbon emissions.

Based on this, the Company will evaluate and minimize business involvement with the following

industries or companies. Instead, industries or companies making progress or contribution towards environmental sustainability will be selected.

- (1) Industries included in the attached in industries of the appendix.
- (2) Industries and companies with high carbon emissions
- (3) Industries with high levels of natural resource consumption

2. Biodiversity

The protection and support of biodiversity on Earth and the greater community is the foundation for achieving sustainable development. Through relevant operations and services, the Company supports and protects biodiversity, and takes appropriate measures regarding behavior detrimental to biodiversity to prevent negative impacts on sustainable biodiversity development.

Based on this notion, the Company will evaluate and minimize business involvement with the following industries or companies:

- (1) Industries included in the attached in industries of the appendix.
- (2) Industries or companies involved in high level of deforestation
- (3) Industries or companies that jeopardize endangered species
- (4) Industries or companies engaging in inappropriate fishing or hunting activities

VI. Care for community

A) Relevant statement

The Company understands that respect for human rights is an important factor for achieving its corporate vision. As one of the most trusted asset management companies in Taiwan, the Company is committed to fulfilling its responsibility in respect to human rights in daily business operations.

As a member of the CTBC Holding group, the Company also adheres strictly to the Group's human rights policy, as well as recognizing and supporting the United Nations Universal Declaration of Human Rights, United Nations Global Compact, United Nations Guiding Principles on Business and Human Rights, and International Labour Organization's Declaration of Fundamental Principles and Rights at Work. The company abides by the basic spirit and principle of human rights protection set forth in various international human rights conventions, in hopes of realizing The Company's responsibility and mission towards social welfare and human rights protection.

B) Definition of major human rights issues

1. Guarantees for human rights in the workplace

CTBC Holding group is committed to the creation of a harassment-free work environment that values diversity, transparency, and equality in which the violation of human rights is strictly prohibited.

Based on this, the Company will evaluate and minimize business involvement with the following industries or companies:

- (1) Industries included in the attached in industries of the appendix
- (2) Companies with high risk of involvement in child labor or forced labor
- (3) Companies involved in any type of discrimination or differential treatment

2. Occupational health and safety

In addition to complying with various labor laws and regulations, the Company also recognizes the importance and necessity of occupational health and safety for the development of various industries. Consequently, the Company attaches great importance in its own occupational health and safety, and actively encourages external business partners to follow suit.

Based on this notion, the Company will evaluate and minimize business involvement with the following industries or companies:

- (1) Industries included in the attached in industries of the appendix
- (2) Companies with high risk of irregular overtime work
- (3) Companies with high risk of major occupational hazards

VII. Effective corporate governance

A) Relevant statement

The Company firmly believes that effective corporate governance is an indispensable factor for a successful enterprise. Therefore, in addition to its own strict corporate governance performance requirements, the Company also encourages external business partners to conduct periodic reviews of its industry or major issues related to its own corporate governance, to work together and create effective corporate governance values.

B) Definition of major corporate governance issues

1. Management integrity

The Company is committed to maintaining social equality and justice towards maximizing the interests of stakeholders, and firmly opposes any activities in violation of the CTBC Holding Group's principle of management with integrity, including corruption, bribery, illegal political contributions, improper charitable donations or sponsorships, or any other improper or illegal behavior.

Based on this notion, the Company will evaluate and minimize business involvement with the following industries or companies:

- (1) Industries included in the attached in industries of the appendix
- (2) Companies with high risk of business integrity violations
- (3) Companies with high risk of conflicts of interest

2. Suitability of the management level

To maintain good social interaction levels and open communication channels, the Company expects the management level of external business partners to provide effective leadership and establish mutual trust, maximizing business interests for both parties.

Based on this notion, the Company will evaluate and minimize business involvement with the following industries or companies:

- (1) Industries included in the attached in industries of the appendix
- (2) Companies with management level personnel having been convicted in major criminal cases
- (3) Companies with management level personnel with publicly disclosed integrity issues

VIII. Implementation and revisions

The Policy is approved by the Board of Directors and implemented after announcement, and the same procedure applies to revisions.

The Company president has been authorized to approve the relevant rules, regulations, tables or attachments of the Policy, which shall be implemented after approval and public announcement. The same procedure applies to revisions.

Appendix : Exclusion list and ESG-sensitive sectors

The company does not invest in objects involved in criminal and terrorist activities.

In accordance with major international ESG indicators and six PRI principles, the Company has created a list of industries with disputes most relevant to the Company.

levant operations may proceed.

A. Exclusion list

The industries on the list below are banned for contact.

The Company's exclusion list is as follows:

Category	Policy	Definition	Explanation
Armament Industry	Contact is banned	<ul style="list-style-type: none"> ■ Companies that manufacture or sell controversial weapons. Controversial weapons refer to anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium, nuclear weapons and white phosphorus. ■ Companies that produce or sell guns, small arms, and ammunition in the commercial market. ■ Conditions of Exceptional Acceptance: Companies that solely serve national defense or government, are exempted from the restriction of Armament Industry in the ESG exclusion list. 	In violation of the Company's Responsible Investment Policy on environmental friendliness and respect for human rights.
Pornographic industry	Contact is banned	<ul style="list-style-type: none"> ■ Definition of Pornography Industry: refer to the laws and regulations of the local government where the investing / Corporate Financing unit is located. 	In violation of the Company's Responsible Investment Policy on respect for human rights
Thermal Coal Extraction	Rigorous evaluation is required	<ul style="list-style-type: none"> ■ Companies that main business are transactions on thermal coal extraction. ■ Companies that involve in transactions 	In violation of the Company's Responsible Investment Policy on environmental

		<p>on thermal coal extraction.</p> <ul style="list-style-type: none"> ■ More than 25% of a company's revenue comes from coal mining. 	friendliness
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Note: New investment in thermal coal extraction industry is prohibited after this version of the Policy is announced.

B. ESG-sensitive sector

The case requires a review by the Company's internal ESG evaluation process to examine the company in question and its sustainability. After receiving approval from the authorized supervisor, the relevant operations may proceed. The Company's ESG-sensitive sector industries list is as follows:

Category	Policy	Definition	Explanation
Tobacco	Rigorous evaluation is required	<ul style="list-style-type: none"> ■ All companies classified as tobacco producers. ■ This category does not include related distributors and retailers. ■ All companies that derive 10% or more of its annual revenue from manufacturing and supplying of tobacco related products. 	In violation of the Company's Responsible Investment Policy on environmental friendliness and respect for human rights
Oil sands	Rigorous evaluation is required	<ul style="list-style-type: none"> ■ The companies involved in oil sand exploitation projects. ■ This exclusion list does not include companies with internal sales or ownership of oil sands reserve without related income. ■ Companies that derive 10% or more of its annual revenue 	In violation of the Company's Responsible Investment Policy on environmental friendliness

Category	Policy	Definition	Explanation
		from the sales or exploitation of oil sands.	
Thermal Coal Power Generation	Rigorous evaluation is required	<ul style="list-style-type: none"> ■ SPV/SPE that main business are transactions on thermal coal power generation. ■ Thermal coal power generation related finance project. ■ More than 25% of the power generated comes from coal-fired sources. 	In violation of the Company's Responsible Investment Policy on environmental friendliness

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