

Dear Fellow Shareholders,

Once again, I feel proud of the excellent performance of all staff and the Taiwan Cooperative Financial Holdings Co., Ltd. (TCFHC). Looking back on 2022, in addition to the interference of the pandemic, the political, economic and financial situation has also undergone great changes. In spite of the turmoil, we still achieved outstanding performance and continuously expanded our international markets to help customers grow stronger. In addition, TCFHC has also been gradually improved the corporate governance system and in 2022, ranked among the top 5% of listed OTC companies of the “Ninth Corporate Governance Evaluation” which was jointly organized by the Taiwan Stock Exchange and Taipei Exchange (TWSE and TPEX). This is the third time that TCFHC has won this honor.

I am very pleased to report to you that our team will continue to diversify our financial services. In addition to the two major profit engines of banking and life insurance, our main services also include five sectors of securities, bills, investment trust, asset management and venture capital. As a financial group, we well leverage market advantages and channel resources to expand new businesses and maximize our assets value with integrated marketing strategies. According to the latest data from the Financial Supervisory Commission, the pre-tax net profits of the three financial industries (banking, insurance and securities) decreased by nearly 50% annually in 2022. Nonetheless, our consolidated net profits after tax in 2022 was NT\$20.817 billion, ranking first among all state-owned financial holdings. Our total assets in 2022 was NT\$4,476.2 billion, EPS was NT\$1.45, and the after-tax ROE and ROA were 8.98% and 0.47% respectively. Under the financial market volatility, we still expanded our operating foundation and created a stable performance. Therefore, our board of directors decided to distribute cash dividend of NT\$0.5 and stock dividend of NT\$0.5 per share.

Facing the post-pandemic challenges, accelerating digital transformation has become the basis for sustainable operations. We work hard from top to bottom to promote innovation

in financial technology. Our subsidiary, Taiwan Cooperative Bank (TCB), has been ranked among the top 100 domestic patent applicants for five consecutive years. In 2022, TCB headed the list of patent applications among all domestic banks. Besides, we continue to promote sustainable management and make our board the highest decision-making unit for climate risk management. Both TCFHC and TCB have formulated the "Guidelines on Climate-Related Risk Management" and clearly specified the organizational structure and responsibilities of climate risk management. In March 2022, we became the first financial holding company in Taiwan to adopt the Equator Principles, and in July 2022 we promised to set mid-term emission reduction targets in line with the criteria of the Science Based Targets initiative (SBTi). We proposed to present our target to the SBTi for official validation in 2023. In addition, we actively adopted ISO international standards to strengthen sustainability and resilience. Our achievements in implementing ESG have been well recognized. We won the 2022 Sustainability Resilience Excellence Award by the British Standards Institute (BSI), and our maturity model for the Climate-related Financial Disclosure (TCFD) is rated by the BSI as "Level 5: Excellence", the highest rating possible. We also won the "2022 National Sustainable Development Award" by the National Council for Sustainable Development of the Executive Yuan. Our performance in promoting sustainable development is highly affirmed. In the future, we will continue to utilize the power of financial institutions in guiding enterprises to attach importance to sustainable issues, and in supporting the long-term steady growth of enterprises to achieve the goal of sustainable development. Moreover, we also established ESG policies that are closely related to our core businesses. For example, we continue to support the development of the domestic green energy industries with better financing conditions. TCB also appropriates money to vulnerable groups through the issuance of charity credit cards to fulfill its corporate social responsibility.

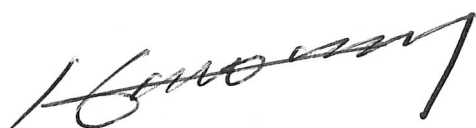
TCFHC will re-elect directors of the board at this year's shareholder meeting. We hope that you may support the candidates recommended by our major shareholder, the Ministry of Finance (MOF). Because the MOF share the same philosophy as you on corporate governance and operations, which is to encourage prudent management, proactive action,

immediate response and innovative thinking. Undoubtedly, 2023 will still be a turbulent year, and our key to the sustainable and stable growth lies in adopting prudent management and sustainable development strategies. We believe that these candidates, with their extensive experiences, will guide our future businesses and assist our customers and partners to cope with the increasing financial and debt risks.

In order to strengthen our corporate governance, the board decided to increase the number of our independent directors from 4 to 5 in 2023, accounting for 1/3 of the board members. The 11 candidates nominated by the MOF, with their extensive knowledge and experiences in the banking and management (please refer to the attached table), will surely meet our future needs and improve the quality of our board. Therefore, we strongly support them to participate in the election of directors.

We look forward to your trust and support, and hope that you will cast your vote for the 11 candidates nominated by the MOF. If you have any questions, please contact us via TEL: (02)2173-8888 or email: pr@tcfhc.com.tw.

Sincerely yours,



Paul C.D. Lei
Chairman of the Board of Directors
Taiwan Cooperative Financial Holdings Co., Ltd.

Nominated Directors – Skill Matrix

Nominated by shareholder, Ministry of Finance, R.O.C.

Name	Gender	Qualifications	Incumbent	Financial	Accounting	Management	Banking	Law	Infor Technology	Corporate Governance	Supervisory
Lin, Chien-Hao	M	Department of Law, National Taiwan University, ROC	N	V		V	V	V		V	
Chen, Mei-Tsu	F	EMBA in Finance, College of Management, National Taiwan University	Y	V		V	V				
Den, Yen-dar	M	Master in Finance, Temple University, U.S.A.; Master in Statistics, University of West Florida, U.S.A	Y	V		V	V			V	
Chiang, Jui-Tang	M	Bachelor of Law, National Taiwan University	Y			V	V	V		V	
Lee, Chung - Yung	M	Institute of Administrative Management National Chengchi University	N			V	V			V	
Hsu, Kuo-lang	M	Master of Finance, Ling Tung University	Y	V			V			V	
Liu, Ke-Yi	F	Ph.D. in School of Management, Xiamen University	N	V	V	V	V			V	V
Lin, Hsuan-Chu	M	Ph.D., Department of Finance & Economics, Rutgers, the State University of New Jersey, USA	Y	V	V		V		V	V	V
Hsieh, Yin-Ching (Shay, Arthur)	M	Department of Law, National Taiwan University, ROC	Y			V		V	V	V	V
Chang, Ming-Chu	F	Department of Law, National Chengchi University	Y			V		V		V	V
Lin, Han-Chi	M	Department of Statistics, Feng Chia University	Y	V		V	V			V	V