



02 Towards Net-zero and Nature Positive

E.SUN is turning its commitment into action by steadily increasing its green assets. This includes supporting renewable energy projects, phasing out of coal-related companies, expanding green financing and investment, and implementing internal carbon pricing. Continuing to increase green assets, aligning with TNFD nature-related disclosures, we remain dedicated to achieving net-zero emissions by 2050.

[2.1 Climate & Nature Governance Structure](#) [2.2 Climate & Nature Risks and Opportunities](#) [2.3 Opportunity Identification and Management](#)
[2.4 Risk Identification](#) [2.5 Sustainable Operating Environment](#) [2.6 E.SUN's Emissions Structure](#)
[2.7 Nature and Biodiversity Preservation](#)

Leigh Wen
《Awakening of Insects》

50.56 %

Reduction in Scope 1 & 2 emissions compared to baseline

Leadership Level

CDP Climate, Forests, and Water categories

1 st

FI Low-Carbon Transition Plan

Cover Story

Low-Carbon Transition Program

Using Finance as a Bridge to Support Industrial Decarbonization

For E.SUN, climate change is not only an environmental issue, but also a profound transformation that affects the economy, industries, and society. Striking a balance between decarbonization and economic growth, and supporting companies to advance steadily along their transition journeys, have been key issues that E.SUN has been reflecting on in recent years.

In 2019, E.SUN became the first financial institution in Taiwan to announce that it would cease project financing for coal-fired power plants. In 2021, we further committed to Achieving Net Zero Emissions by 2050 and became the first financial institution in Taiwan to have its science-based emission reduction targets (SBTs) validated. Since then, E.SUN has announced a phased divestment from coal and unconventional oil and gas companies, completed the development of its financed emissions accounting system, and established an internal cross-functional decarbonization and transition working group to continuously strengthen our climate governance and net-zero management capabilities.

Developing a Low-Carbon Transition Program Aligned with International and Regional Standards

As the scale of financing and investment activities continues to grow, E.SUN's greenhouse gas (GHG) emissions have continued to increase, with more than 99% attributable to Scope 3 financed emissions. This highlights that the core decarbonization challenge for the financial sector does not lie only in its own operations, but in how it can influence and mobilize the broader industrial value chain to transition together.

At the same time, E.SUN recognizes that industrial structures in Asia differ from those in Europe and the United States, and that many high-emitting sectors remain critical pillars of

economic development. If financial institutions adopt "excluding high emitters" as their only strategy, it may fail to address the root of the problem and could even create additional shocks for industries and society. E.SUN therefore began to rethink the question: "The role of finance should not be limited to selecting low-emission clients; it should also be to accompany and support companies in their transition."

Guided by this thinking, E.SUN collaborated with external consultants and, after nearly a year of development, officially launched the Low-Carbon Transition Program in 2025. Through our financial expertise and structured transition mechanisms, the program aims to support enterprises in progressing steadily along credible net-zero pathways.

Unlike traditional approaches that focus mainly on managing total emissions, the Low-Carbon Transition Program emphasizes the concept of "transition maturity." Drawing on international transition finance standards and practical experience in Asia, E.SUN has developed a seven-level transition maturity classification framework. Tier 1 and Tier 2 represent alignment with the most stringent international standards, including the EU sustainability taxonomy and recognized international net-zero pathways. Tier 3 and Tier 4 represent alignment with transition standards in Taiwan and in the jurisdictions where our clients operate.

Through this framework, E.SUN is moving from a focus on absolute emissions and emissions intensity to a focus on clients' transition maturity. Our goal is clear: to support Tier 3 and Tier 4 clients in continuously upgrading and ultimately achieving international best practice at Tier 1 and Tier 2, while also helping Tier 5 and Tier 6 clients advance toward Tier 4. More importantly, by assessing transition maturity

within each tier, E.SUN is able to provide tailored transition solutions that meet the specific needs of individual clients.

Unleashing the Influence of Finance to Support Industrial Transition and Upgrading

E.SUN believes that what truly matters is not only a company's current emissions level, but whether it is willing to change and take action. Even for high-emitting sectors, as long as there is a clear transition strategy and credible actions in place, financial institutions, after prudent assessment, can provide appropriate support and assist them in upgrading over time. Through this mechanism, E.SUN seeks to direct capital toward companies that are "willing to transition and actively transitioning," thereby building a portfolio of high-quality assets aligned with net-zero pathways and demonstrating that decarbonization and growth need not be a zero-sum choice.

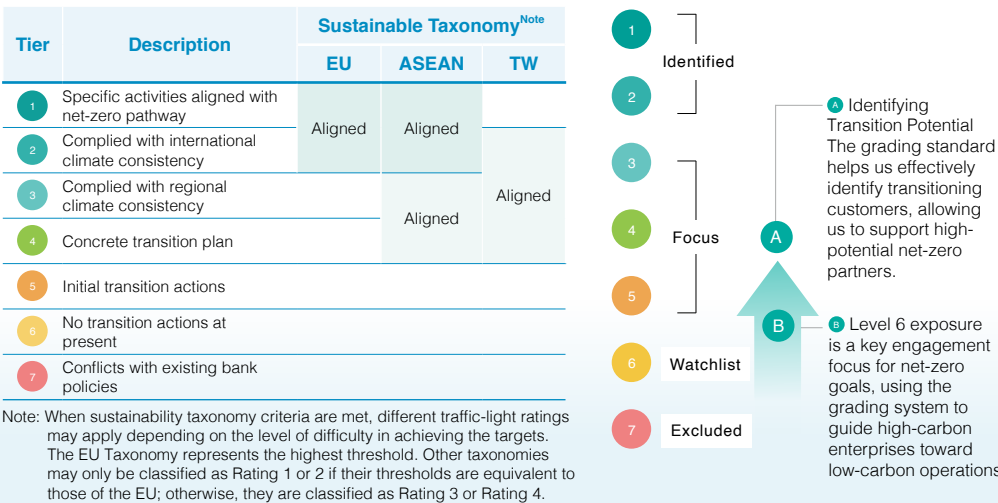
This transition mindset is reflected in E.SUN's concrete actions. Since 2021, E.SUN has been promoting the ESG Sustainability Initiative, evolving from raising corporate awareness of climate change to establishing a Sustainability Transition Platform in collaboration with net-zero experts. Through this platform, we help companies conduct carbon inventories, strengthen supply chain management, prepare sustainability reports, and develop transition roadmaps. Over the past

five years, nearly 500 corporate partners have participated in E.SUN's sustainability initiatives, gradually forming a collaborative network for industrial sustainability transition in Taiwan.

Moving Toward a Future of Environmental Sustainability and Economic Growth

E.SUN is convinced that the net-zero transition is not merely an environmental competition, but a long-term endeavor that underpins future industrial resilience and shared prosperity in society. The value of the financial sector lies in its ability to leverage professional expertise and resources to accompany enterprises on their journey toward a better future. Looking ahead, E.SUN will continue to benchmark against global net-zero developments, deepen our capabilities in transition finance and climate risk management, and integrate technology, talent, and financial innovation to build a more complete low-carbon transition ecosystem.

E.SUN aspires to evolve from a provider of capital into a key driver of transition, becoming a steadfast partner in the sustainable transformation of Taiwan's industries. We are committed to supporting more companies in their pursuit of net-zero goals and to working together to realize a future that combines economic growth, environmental sustainability, and shared prosperity.



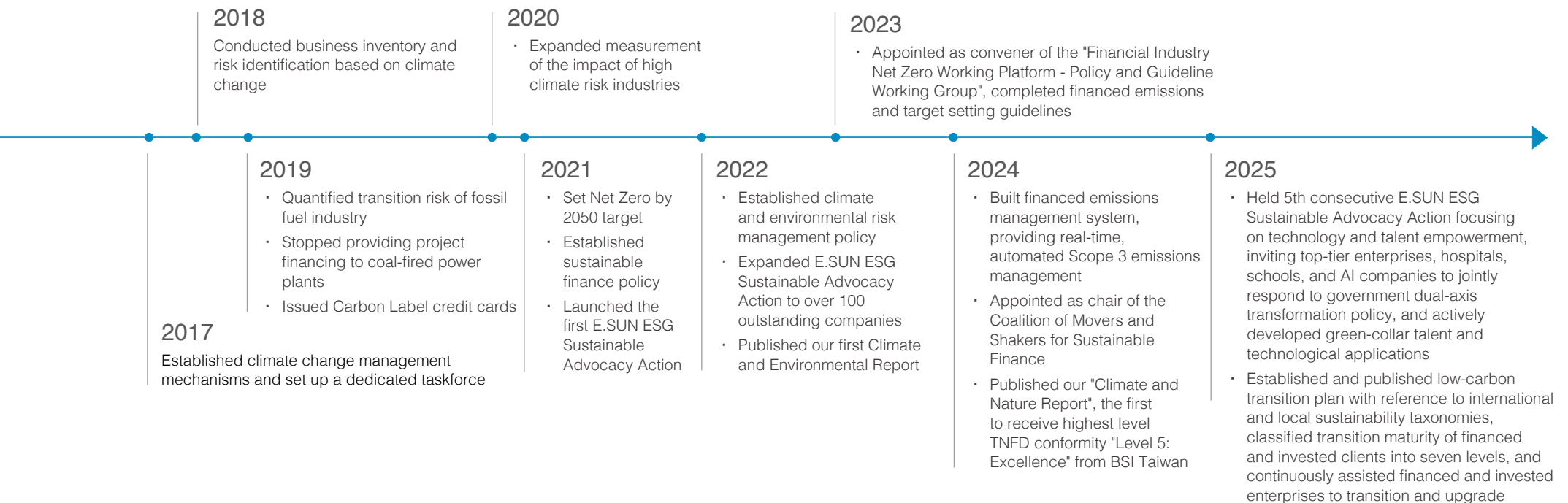
E.SUN Transition Pathway

■ Our Vision for Climate and Nature

E.SUN adheres to the TNFD disclosure framework, which encompasses four major areas: Governance, Strategy, Risk and Impact Management, and Metrics and Targets. We have established a vision of achieving nature-positive growth by 2030 and the goal of reaching net zero by 2050. Through scientific methodologies and robust risk management, we are making steady progress toward net-zero emissions and fostering harmonious coexistence with nature. E.SUN has made a promise of becoming a world-class corporate citizen since its founding. We are determined to become the best-performing and most respected company.



Climate and Environment Actions



■ International Climate and Nature Advocacy

International initiatives and engagement	E.SUN's Actions	International initiatives and engagement	E.SUN's Actions
The Equator Principles	E.SUN adopted the Equator Principles in 2015 for project finance risk classification, carefully assessing whether projects fulfill environmental and social responsibilities and setting monitoring and improvement plans. Each financing case is reviewed for key issues like climate risks, pollution, and biodiversity.	PCAF	In 2020, E.SUN FHC performed greenhouse gas (GHG) accounting for major investments using the PCAF standard, based on investee reports and CDP data, and joined PCAF officially in 2022.
TCFD	E.SUN FHC is Taiwan's first company to sign the Task Force on Climate-related Financial Disclosures (TCFD). We have established a climate governance system based on governance, strategy, risk management, and metrics.	RE100	E.SUN FHC joined RE100 in July 2022 as Taiwan's first financial institution approved as a "low electricity-consuming enterprise." We aim to use 100% renewable energy at all sites domestically and abroad by 2040.
SBTi	In 2021, E.SUN FHC set carbon reduction targets and by February 2022 became Taiwan's first and Asia's second financial institution validated by the Science Based Targets initiative (SBTi). This guides us toward limiting global warming to 1.5°C by 2050.	TNFD	In 2022, E.SUN FHC joined the Taskforce on Nature-related Financial Disclosures (TNFD) and published our first report combining TCFD and TNFD frameworks. The report was praised by TNFD and highlighted as a financial sector example. In 2024, E.SUN FHC joined TNFD Early Adopters and released Taiwan's first Climate and Nature Report to pass BSI's TNFD review, featured on the TNFD website.

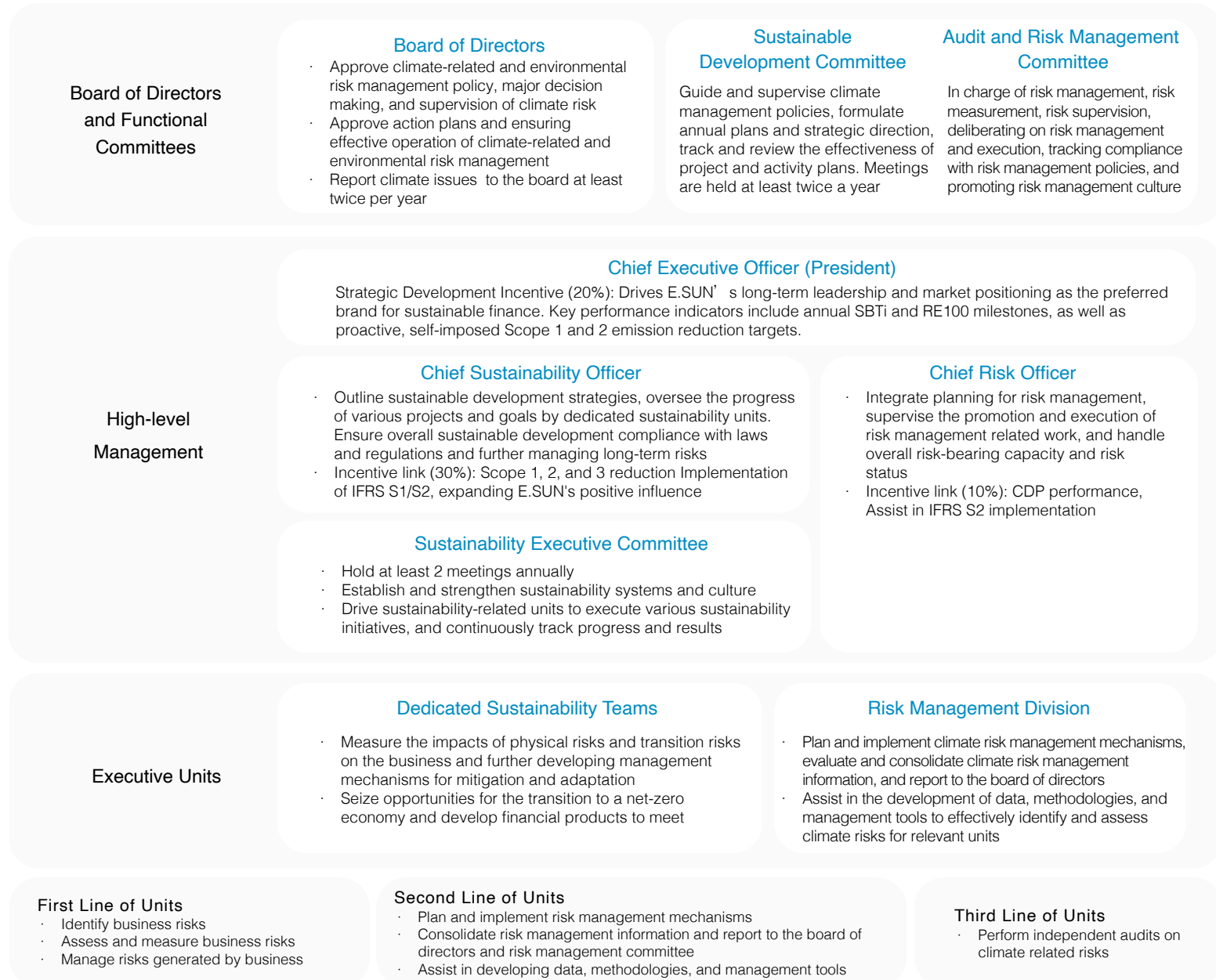
■ Contributions & Expenditures for Climate Change & Biodiversity

Topic	Description of Lobbying Activities	Total contributions for FY2025 (NT\$)
Climate Change	- Serve as the convener of the "Financial Industry Net Zero Working Platform - Policy and Guidelines Working Group" of Taiwan Financial Services Roundtable (TFSR), as well as the convener of the "Banking Industry Financing and Investment Portfolio Carbon Emission Practice Manual" project team of the Banking Association. We collaborate with both public and private sectors to discuss and develop policies and regulations for the financial industry in Taiwan, including the "Financial Industry Financial Carbon Emission (Scope 3) Calculation Guidelines", the "Financial Industry Carbon Reduction Target Setting and Strategy Planning Guidelines," and the "Reference Guide for Transition Lending Review " to ensure their alignment with the Paris Agreement. - Support and participate in climate-related forums and events organized by industry associations and NGOs to share experiences with leaders across sectors.	\$7,525,695
Biodiversity	- Support and participate in events such as the World Biodiversity Summit, collaborating closely with government, business, financial institutions, and civil society leaders worldwide to address critical issues like biodiversity loss, restoration, and investment in nature-based solutions, aiming to achieve the Global Biodiversity Framework and the Paris Agreement. - Partner with the Taiwan Wild Bird Federation to promote citizen science and biodiversity, supporting long-term monitoring of bird populations, habitat changes, and the effectiveness of conservation strategies. - Collaborate with Yushan National Park Headquarters, the Tse-Xin Organic Agriculture Foundation (TOAF), and Yin-Chuan Sustainable Farm to advance the "E.SUN Malavi Project," enhancing habitat creation and ecological conservation through nature-based solutions to boost biodiversity and improve the environment of Nan'an rice fields.	\$3,016,848

2.1 Climate & Nature Governance Structure

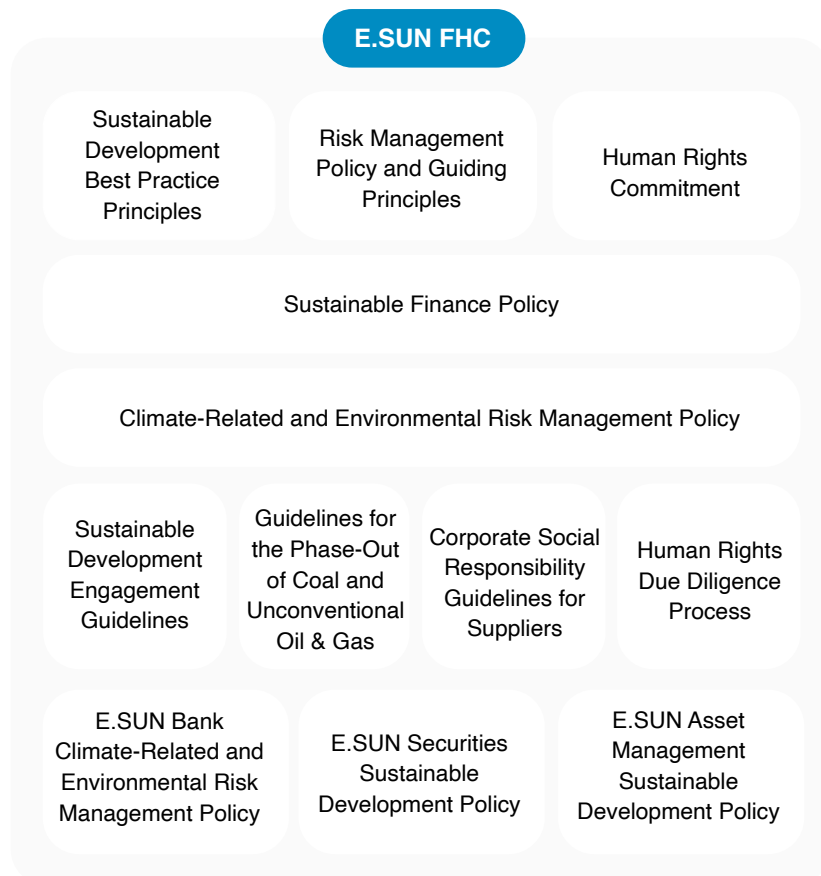
■ Governance Structure

E.SUN established a top-down management mechanism, establishing a tight-knit governance structure from the Board of Directors through high-level management to executive units. The Board evaluates and supervises policies related to climate and environmental risks, while the Sustainable Development Committee is responsible for overseeing and formulating strategic directions related to sustainability. The Audit and Risk Management Committee manages and measures the associated risks. High-level management is closely linked to sustainability performance, and executive units carry out actions and risk management to ensure that targets are achieved. Regular and ad-hoc reports are made to management to maintain transparency in strategy execution.



■ Policy and Professional Team Building

To better integrate climate and nature sustainability considerations into organizational decision-making, management, and business operations, E.SUN FHC starts from the governance level, committing to put our climate and environmental culture into practice, formulating a long-term sustainability blueprint, and embedding it into our daily operations. We emphasize nurturing talent and align our development strategies to support our climate and nature vision. E.SUN supports the Universal Declaration of Human Rights and the UN Declaration on the Rights of Indigenous Peoples. Human rights issues are incorporated into our governance policies to ensure communication and participation with Indigenous peoples, local communities, and affected stakeholders, creating a just and sustainable society for the future.



Establish a Climate & Nature Management Culture

- Established the Sustainable Development Committee with the Chairman as convener.
- Established climate and environment-related policies and procedures, and regularly report on progress¹.
- Arrange external climate and nature education training for the Board and Senior Management annually, such as the transformation of the world economy driven by environmental challenges and sustainable finance, discussions on sustainable risk trends and response strategies, trends in sustainable development and governance, and sustainable finance management certifications².

Governance Unit	No. of members with competence on nature-related issues	Total	Proportion trained
Strategy Committee	8	10	80.0%
Sustainable Development Committee	4	5	80.0%
Audit and Risk Management Committee	4	5	80.0%



Cultivate Climate & Nature Finance Talent

- Internal education and training integrate ESG-related topics by introducing climate and environment risk management courses in a hierarchical training program that covers senior managers, mid-level managers, specialists in all divisions, and new employees. Additionally, environmental consensus is fostered through online courses and monthly educational materials.
- Members of relevant project teams have accumulated international certifications such as SCR、CFA ESG、CCI、ISO 14064 -1 : 2018、ISO 14064 -2 : 2019、ISO 14064 -3 : 2019、ISO 14067 : 2018、ISO 14068 : 2023, etc.



Enhance Climate & Nature Risk Assessment Capability

- Collaborate with external consultants to establish nature-related risk assessment methodologies, evaluating dependencies and impacts through quantitative and qualitative measures, and building a nature-related scenario analysis to explore financial impacts from declines in nature.
- Establish an internal financed emissions management system, automating data processing according to PCAF methodology and providing real-time management capabilities.

Note 1: For information on climate-related government results for the Board and senior management, please see E.SUN FHC 2025 Annual Report pg.31-33.

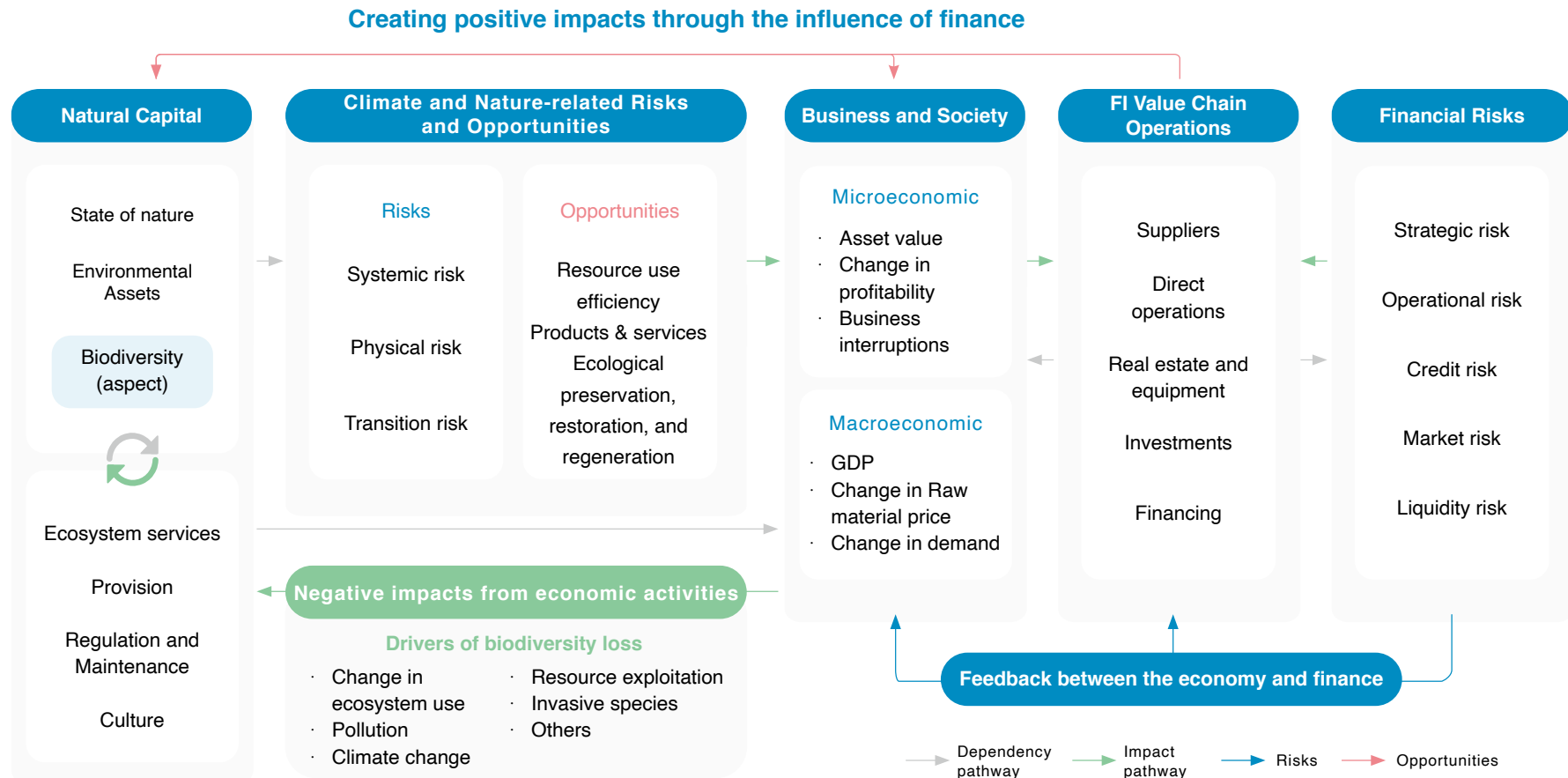
Note 2: For information on climate-related education training for the Board and high-level management, please see E.SUN FHC 2025 Annual Report pg.37-39.

Note 3: SCR*, Sustainability and Climate Risk. CFA ESG*, CFA Sustainable Investing Certificate.

2.2 Climate & Nature Risks and Opportunities

■ Dependency, Impact, Risk, and Opportunity Transmissions Pathways

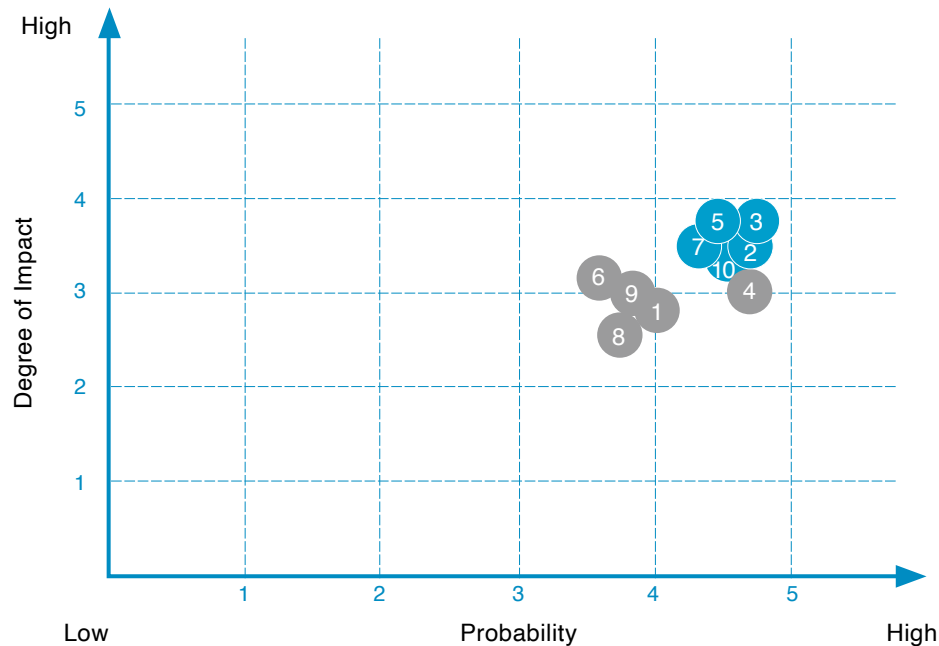
The business activities of companies depend on and impact natural capital and ecosystem services, encompassing the entire value chain from procurement to investment and financing. Financial institutions, in addition to their own commercial activities, also participate in the activities of customers and their value chains through investments and loans. Therefore, E.SUN needs to understand its customers' dependencies on and impacts regarding natural capital and ecosystem services, enabling the management of the climate and nature-related risks that arise. There exists a complex interaction between climate change and the natural environment. E.SUN aspires to approach environmental issues with a broader perspective, addressing risks while also seizing opportunities for sustainable transition and green finance.



2.3 Opportunity Identification and Management

GRI : 201-2

In addition to addressing climate and environmental risks, E.SUN actively seeks opportunities for climate transition. These climate-related opportunities encompass multiple aspects, including resource use efficiency, products and services, market expansion, and operational resilience. As a key driver of market forces, the financial industry must exert a positive influence to establish a virtuous cycle within the sustainable finance ecosystem. E.SUN is committed to collaborating with the government and enterprises to jointly promote net-zero transformation. We strive to guide private capital flows toward economic activities that benefit the environment and society, advance the development of sustainable infrastructure as well as low-carbon industries and technologies, assist customers in their net-zero transition, and enhance resilience against ESG-related risks to ensure sustainable growth potential in the face of future challenges.



Note: ● are items considered to be more material

Opportunities		Potential financial impact(s)	Impact Period
Resource use efficiency	1 Green and Low-Carbon Operations	Green buildings and eco-measures using low-carbon or renewable energy (e.g., wind, solar), plus water, energy, and waste reduction to lower costs	Short/ Medium/ Long
	2 Process Digitalization	Digitalized processes to boost efficiency and reduce resource use and environmental impact.	Short/ Medium
Products	3 Green Financial Products	Develop green financial products to fund eco-friendly initiatives and support clients' sustainable transitions	Short/ Medium
Services	4 Transition Services and Engagement	Climate awareness advocacy to engage stakeholders and strengthen climate finance influence	Short/ Medium
	5 Digitalized customer service	Digitalized financial services reduce paper use, increase customer satisfaction, and lower service costs.	Short
Market	6 Capital market participation	Diversified sustainable assets including green loan, sustainability-linked loans, and bonds to expand ESG investment opportunities	Short
Operation Resilience	7 Sustainability Talent Development	ESG talent development to build climate and environmental expertise and drive sustainability innovation	Short/ Medium/ Long
	8 Operation Resilience	Resilient supply chain management through sustainable procurement and climate disaster response planning	
Reputation and Brand image	9 Ecosystem Protection and Restoration	Nature-positive activities to support ecosystem restoration and regeneration	
	10 Enhance Financial Influence	ESG performance systems aligned with stakeholder expectations to promote environmental sustainability and long-term value.	

Note 1: Time period definitions: less than 1 year is considered short-term, up to 2030 is medium-term, and up to 2050 is long term.

Note 2: Assessment of opportunity materiality includes ratio of sustainability assets, decreased operational costs, and the percentage of affected employees, among other factors, that exhibit higher levels of impact and probability

Note 3: Credit products are categorized as follows: short-term (maturity of less than 1 year), medium-term (more than 1 year but less than 7 years), and long-term (more than 7 years). Mortgage loans typically have a maturity period of 30 years, while corporate banking provides suitable products based on customers' needs. The product strategy operates on a 5 to 10-year cycle, with annual management reviews and adjustments made depending on management needs.

2.3.1 Opportunity Response Strategy

E.SUN identifies material climate- and nature-related opportunities through internal and external assessments and aligns with relevant domestic and international frameworks, including the Paris Agreement, Taiwan's 2050 Net Zero Emissions Pathway, the Green and Transition Finance Action Plan, and the TCFD. Based on its capabilities. Additionally, we have set climate and nature strategies and actions across operations, business, products, and financial planning, and annual and long-term performance targets for related financial products and environmental targets for the operations. Resources are being actively allocated to support a green and low-carbon future.

Opportunities	Potential Financial Impact	Internal strategies and targets			Main Impact Area
		Current & Short term (Area ≤ 1 Year)	Medium term (up to 2030)	Long term (up to 2050)	
Process digitalization	Investment and Financing: Enhance risk assessment efficiency, reduce costs, and improve business performance. Direct Operations: Save energy and resources, reduce carbon fee expenses, optimize customer experience, and increase customer contribution.	Resource Allocation - Optimize computing resources through a cloud-edge architecture; improve monitoring and recycling, and advance carbon reduction and governance goals. - Invest in trusted AI to enhance service efficiency, quality, and competitiveness. - Build a physical risk database and apply GIS technology to strengthen risk identification and real estate collateral management	- Strengthen risk management by leveraging IT and data analytics for early warning and response, improving control efficiency. - Position E.SUN as a leading Asian AI-driven bank, expanding mature AI applications across all entities.		Products and Services, Direct Operations, Investment in R&D
Green Financial Products	Investment and Financing: Expand the green finance market, increase income from green and sustainability-linked products, strengthen corporate image, attract ESG investors, and lower capital costs.	Resource Allocation - Support credit clients with positive environmental and social impacts, including renewable energy projects and ESG-focused enterprises. - Target NT\$137.6 billion in green loan and NT\$104.8 billion in sustainability-linked loans for 2025. - Develop a financial carbon emissions management system to improve transition risk identification, investing approximately NT\$6 million - Develop a Low-Carbon Transition Plan aligned with international and local sustainable taxonomy standards, tailored to the Asian and Taiwanese context, to assess the transition maturity of investment and financing portfolios as a foundation for supporting clients' transition, with an investment of approximately NT\$13 million.	- Become the sustainability backbone for SMEs and the best partner for customers by 2030. - Green loan target: NT\$130 billion by 2030. - Sustainability-linked loans: 13% of total corporate credit by 2030.	Expand green product offerings in line with Taiwan's 2050 net-zero roadmap and strategic guidelines.	Products and Services, Supply/ Value chain, Adaptation and mitigation
Digitalized customer service	Investment and Financing: Market green financial products more precisely to boost cross-selling and fee income. Direct Operations: Lower physical service costs, improve customer loyalty, create competitive differentiation, and boost overall revenue.	Resource Allocation - Create an "E.SUN Artificial Intelligent Platform" to drive financial innovation. - Optimize digital experience and operations, accelerate technology adoption, and integrate sustainability into financial services for dual transformation.	- Digital engagement: 70% of active customers by 2030. - Securities trading: 95% electronic order placement by 2030. - Drive dual transition in sustainability and digitalization through financial influence.		Products and Services, Supply/Value chain, Direct Operations
Cultivate sustainability talent	Direct Operations: Strengthen ESG risk management, build sustainable finance expertise, reduce climate-related loss risks, attract top talent, and lower turnover and recruitment costs	Resource Allocation - Partner with the Sustainable Energy Foundation to launch the Sustainable Finance Manager Certification, strengthening ESG and climate expertise. - Provide subsidies for sustainability and climate-related certifications and cultivate internal talent. - Incorporate ESG and climate risk management courses into tiered training programs.	- Employee development: Maintain over 50 training hours annually. - Digital competency: Integrate digital courses into all roles and achieve 80% coverage in the learning program	Implement talent-focused performance management, integrating long-term strategies and training programs; develop talent through professional development and job rotation.	Direct Operations
Enhance Financial Influence	Investment and Financing: Guide capital toward sustainable industries, reduce portfolio carbon intensity, lower future carbon tax/fee exposure, and enhance brand reputation to support growth and market share. Direct Operations: Improve corporate image, attract sustainability-minded customers, increase retention, and help reduce capital costs.	Capacity Utilization - Establish a management structure, update climate-related regulations, and embed them into daily operations and business development. - Participate in regulatory and industry projects, including Taiwan Sustainable Taxonomy, banking climate risk initiatives, and stress testing. - Commit to biodiversity conservation and no deforestation, encouraging suppliers and customers to achieve the 2030 No Net Deforestation goal. - Deepen stakeholder engagement through ESG advocacy and consulting services.	Global engagement: Actively participate in government and international sustainability, climate, and nature-related initiatives to enhance response capabilities.	Benchmark against global standards (e.g., CDP, DJBIC) to drive continuous improvement and achieve net-zero emissions by 2050.	Products and Services, Supply/ Value chain, Adaptation and mitigation, Direct Operations

2.3.2 Climate & Environment related Products and Services

Personal Finance

Carbon Footprint Labeling Credit Cards

- E.SUN Bank's entire range of credit cards have received "Carbon Footprint Labeling Certificate"
- 8.63 million cards have been issued cumulatively

Innovative Inclusive Financial Services

- E.SUN promotes going paperless and reducing GHG emissions by switching to online platforms and electronic bills/ statements

Low-carbon and Energy Saving Series Loans

- Individuals who purchase energy-saving home appliances, electric vehicles, and install green energy power generation equipment, etc., are offered financial service discounts
- For mortgage collaterals that have the Green Building Mark issued by the Taiwan Architecture and Building Center, interest rates or fees are discounted. A total of 1,801 loans with a balance of approximately NT\$28 billion have received these incentives in 2025. The target for average annual growth rate of disbursed funds is 8% over 3 years

Corporate Finance

Green Loans

- Assisting in the development of green projects, such as renewable energy, energy storage, green building, and energy-saving equipment. Balance reached NT\$137.6 billion at the end of 2025
- Target balance NT\$130 billion by 2030

Sustainability Linked Loans

- Encouraging companies to establish and achieve ESG development goals by providing financial service incentives. Balance reached NT\$104.8 billion at the end of 2025
- Target to reach 13% of total corporate loans by 2030

Sustainability Advocacy

- Inviting like-minded corporate partners to focus on sustainability and jointly reduce carbon emissions, building a sustainable ecosystem through practical action
- From 2021 to 2025, the "E.SUN ESG Sustainability Initiative" was held with 496 companies joining the initiative

Sustainability Consulting Services

- Combining internal expert teams with external professional consultants to provide advisory services that assist corporate clients in ESG development
- As of 2025, engaged with a total of 331 companies on sustainability and climate-related issues, including recommending steps for carbon reduction and connecting clients with external consultants to conduct GHG inventories

Medium and Large Enterprises / Financial Institutions

Sustainable investments

- Investments in certified green bonds, social bonds, and sustainability bonds. Total balance reached NT\$121.2 billion at the end of 2025
- Target balance increases by 10% by 2026 comparing to the prior year

Sustainable Bond Issuance

- Channeling funds to environmentally and socially friendly industries
- Total issuance reached NT\$29.8 billion

Sustainable Bond Underwriting

- Supporting companies in raising funds for sustainability causes and assisting them in issuing sustainability bonds.
- In 2025, E.SUN Securities acted as a co-underwriter for 3 cases, with a total underwriting amount of NT\$1.1 billion
- In 2025, E.SUN Securities underwrote 5 transactions aligned with "sustainable economic activities," with a total underwriting amount of NT\$27 million

Hedging and Consultation Services for Sustainability-related Projects

- Supporting environmentally friendly projects by providing hedging and consultation services for sustainability-related projects, such as offshore wind power projects and solar power projects.
- 5 hedging services were provided, with a total amount of NT\$11.5 billion at the end of 2025

2.4.1 Risk Impact Assessment

E.SUN further identifies the impact of significant risks identified in Section 2.4, focusing on the degree of impact related to the main risks faced:

Business Category	Climate/ Nature Risk Category	Current Impact Description	Potential Impact Description	Main Impact Area	Primary Traditional Risk Category
Carbon taxes/fees or additional expenses related to nature	Transition	Portfolio Exposure: About 11.99% of E.SUN's corporate credit portfolio is in six major energy-intensive industries. Rising carbon costs for these clients may reduce portfolio returns.	- Carbon Cost Risk: Higher carbon taxes/fees increase operating costs for high-emission clients; delayed transition may lead to restructuring or disruptions, reducing E.SUN's portfolio returns. - Investment Value Risk: Targets that fail to cut emissions risk value decline from carbon costs and long-term competitiveness loss, lowering portfolio returns.	Products and Services	Credit/ Market
		Operational Investment: E.SUN plans to invest NT\$145 million in energy-saving and carbon reduction measures in 2025.	- Operational Upgrade: E.SUN must invest in energy-saving equipment and green energy to meet regulatory and stakeholder expectations. - Reputation Risk: Failure to fulfill low-carbon commitments may trigger negative media coverage, harming reputation, client trust, and investor confidence, leading to revenue loss or funding challenges	Direct Operations, Access to capital, Adaptation and mitigation	Operational
		Green Procurement: Green procurement totaled NT\$550 million in 2025, with cumulative spending exceeding NT\$3.45 billion	- Supplier Cost Transfer: Suppliers facing carbon costs may pass expenses to E.SUN, raising operational costs. - Supply Chain Risk: Suppliers unable to reduce emissions risk market exit or restructuring, affecting stability and costs	Direct Operations, Supply/Value chain, Adaptation and mitigation	Operational
Stricter climate and nature regulations	Transition	Financial Impact: No material financial impact is expected for 2025.	- Land Use Restrictions: Stricter environmental assessments may limit development near sensitive areas, impacting credit asset quality. - Regulatory Credit Risk: Tighter rules may restrict operations of investment targets, impairing repayment ability and increasing credit risk.	Direct Operations, Supply/Value chain	Credit/ Market
			- Compliance Costs: E.SUN must allocate more resources to meet environmental laws and standards, increasing compliance expenses. - Regulatory Violations: Non-compliance may result in fines, business suspension, and reputational damage, affecting growth.	Direct Operations, Access to capital	Operational
			- Supplier Compliance Costs: Compliant suppliers may transfer costs to E.SUN, raising expenses. - Supplier Non-Compliance: Operational disruptions from non-compliant suppliers may affect service stability.	Supply/Value chain	Operational
Natural disasters	Physical	- Collateral Risk: Natural disasters (e.g., typhoons, floods) may impair collateral value, affecting credit asset quality - Operational Disruption: Extreme weather may damage branches or equipment and cause absenteeism, impacting service delivery. - Supply Chain Risk: Disasters may disrupt supplier services, leading to operational interruptions	- Disaster Impact on Clients: Natural disasters may disrupt operations and revenue of investment targets, impairing repayment capacity. - Economic Downturn Risk: Climate-driven disasters may cause economic slowdown, reducing asset quality.	Access to capital, Supply/Value chain	Credit/ Market
			Operational Disruption: Extreme weather may close E.SUN sites, disrupting transactions and fund management, harming client relations.	Direct Operations, Products and Services	Operational
			Supplier Disaster Risk: Poor disaster response by suppliers may affect service continuity.	Supply/Value chain	Operational

Note: ESUN FHC did not have material risk impacts on Acquisitions or divestments and Investment in R&D in 2025

2.4.2 Climate and Environmental Risk Management Measures and Plans

To mitigate the potential impacts caused by climate and environmental risks and to enhance the organization's operational resilience in responding to climate and natural resource changes, a summary of key management measures and adaptation plans has been formulated based on the comprehensive assessment results of climate and environmental risks, as well as climate change and natural environment scenario analyses. The key points are summarized in the table below.

Risk Item	Scope	Risk Factors	Measures and Plans
Carbon taxes/fees or additional expenses related to nature	Low-carbon Transition	Reduce operation and portfolio related carbon emissions	Resource allocation - Follow PCAF methodology to inventory financed emissions, develop a financed emissions management system to improve transition risk identification, investing approximately NT\$6 million - Develop a Low-Carbon Transition Plan aligned with international and local sustainable taxonomy standards, tailored to the Asian and Taiwanese context, to assess the transition maturity of investment and financing portfolios as a foundation for supporting clients' transition, with an investment of approximately NT\$13 million.
	Financing	Corporate crediting	- Inventory Scope 1 and 2 carbon emissions, and plan mitigation measures (such as green buildings, electric and hybrid vehicles, and renewable energy, etc. E.SUN's related expenditures totaled NT\$181 million. - Set targets and reduce carbon emissions according to the SBTi.
	Investing	Corporate crediting Real estate collateral loans	Capacity utilization - Fulfill responsibility as asset owners or managers by considering the ESG performance of investees. - Avoid investing in companies with direct or potential environmental and social impacts, such as coal companies, and implement responsible investment. - Promote or assist companies in raising sustainability awareness and implementing ESG actions through engagement. - Support companies in transitioning and responding to climate risks by providing green financing for renewable energy projects, green buildings, and other sustainable expenditures.
Stricter climate and nature regulations	Financing	Corporate crediting / Real estate collateral loans	Capacity utilization - Refuse collateral labeled as pollution-related sites or those announced by government agencies as subject to the "Soil and Groundwater Pollution Remediation Act. - Link loan terms to performance in ESG or sustainability indices to encourage companies to invest in sustainability. - Refer to the guidance of the Banker Association's Equator Principles 4.0 for corporate credit approval process.
	Direct Operations	Compliance and reputation	Capacity utilization - Include ESG considerations in the credit approval process to prevent funds from flowing into high-carbon emitters such as coal fired power projects. - The provision of green-related financial products and services is guided by the "Guidelines for Financial Institutions to Prevent Greenwashing," which outlines design and measures to avoid greenwashing, as well as establishes internal mechanisms for effective management.
Natural disasters	Financing	Real estate collateral loans	Resource allocation - Establish a physical risk database and integrate GIS technology to enhance risk identification and management, strengthening real estate collateral lending risk controls. Capacity utilization - Conduct yearly assessments of real estate impairment risk from climate change, continuously improving databases, analytics, and physical risk scenario testing. - Include flood risk factors, such as hazard severity and area vulnerability, into real estate collateral zoning standards, setting lending limits and LTV caps to control potential loss. - Regularly review high flood-risk cases; properties in high-risk zones with high LTV ratios are flagged for reassessment of collateral value and lending limits. - Strengthen inspections and appraisals for properties in hazardous hillside areas, applying stricter credit conditions and higher approval authority requirements.
			Resource allocation - E.SUN conducts climate and environmental analysis and adaptation planning for both new and existing operations. To prevent business disruptions, flood barriers have been installed at 10 branches where potential flood depths exceed 0.5 meters. - Implement sustainable procurement standards for supplier management
	Direct Operations	Supplier management	Capacity utilization - Develop the "Emergency Response and Crisis Management Measures" based on the "Financial Institution Disaster Emergency Response Measures Manual Template" and operational overview to ensure operational continuity and organizational resilience - The "Continuous Information Service Management Regulation" takes into consideration power supply interruption and regional flooding recovery.

2.4.3 Climate Scenario Analysis

Scenario analysis identifies and assesses potential future impacts, including climate-related risks, through quantitative and qualitative methods like stress testing and sensitivity analysis. These insights inform governance and risk management. Climate and environmental changes affect not only physical and transition risks but also ecosystem resilience. This process enhances risk management and disclosure transparency, enabling better evaluation of climate and nature-related risks and opportunities.

■ Assessment Structure and Scenario Settings

Upstream: Suppliers

Source of Risk	Transition risks (Carbon tax / Carbon fee)		Physical risks (Flooding and Heavy rain)
	Short term	Medium-long term	Long term
Assessment period	within the next year	• 2030 • 2050	• 2030 • 2050
Scenario Setting	Domestic carbon fee imposed under the Climate Change Response Act	• IEA- Net Zero 2050 • NGFS-Net Zero 2050	• IPCC SSP1-2.6 • IPCC SSP2-4.5 • IPCC SSP5-8.5
Response strategies	The assessment indicates that physical risks have a relatively low impact on the upstream supply chain. E.SUN will continue engaging with upstream suppliers through site visits and supplier meetings, and will establish secondary procurement sources when necessary to mitigate the impacts of climate change.		

Midstream: Direct Operations

Source of Risk	Physical risks (Flooding and Heavy rain)	
	Long term	
Assessment period	• 2030 • 2050 • the end of the century	
Scenario Setting	• IPCC SSP1-2.6 • IPCC SSP2-4.5 • IPCC SSP5-8.5	
Response strategies	In response to extreme climate changes, E.SUN uses internal systems to alert all staff to remain vigilant against risks such as typhoon-induced flooding, power outages, and falling objects.	

Downstream: Domestic and international corporate credit, domestic and international bonds, equity investments, and personal loans

Source of Risk	Transition risks (Carbon tax / Carbon fee)		Physical risks (Flooding, Heavy rain, Drought, Landslides, Heat waves)	
	Short term	Long term	Short term	Long term
Assessment period	within the next year	• 2030 • 2050	within the next year	• 2030 • 2050
Scenario Setting	Assuming Taiwan imposes carbon fees across all sectors (NT\$1,000/tCO ₂ e)		Assuming a 2°C temperature rise, and historical Typhoon Morakot event reoccurs with increased intensity.	• IPCC SSP1-1.9 • IPCC SSP1-2.6 • IPCC SSP2-4.5
Response strategies	A financial carbon emission management system has been established to enhance the identification of transition risks in investment and financing portfolios. Efforts are made to increase the proportion and revenue of green finance assets, thereby strengthening portfolio resilience. Through engagement, we raise customers' climate and environmental awareness, assisting their transition and reducing risks.		A physical risk database has been developed and integrated with Geographic Information System (GIS) technology to improve physical risk identification and management, strengthening the management of physical risks related to real estate collateral loans	

Note: Scenario analysis is based on specific methodologies and assumptions, with parameters estimated under different risk scenarios over extended time horizons. Accordingly, the expected losses are subject to uncertainty and do not represent actual future outcomes. The results should be interpreted and used with due consideration of these limitations.

Value Chain Scenario Analysis

1. Supplier Climate Scenario Anylsis

To quantitatively assess the impact of supplier climate risks on E.SUN, we analyzed both transition and physical risks. The transition risk assessment shows that if suppliers fully pass carbon costs to E.SUN, the increase in procurement costs is highest under the NGFS Net Zero 2050 scenario, with carbon costs accounting for about 1.74% of procurement expenditure. The physical risk assessment indicates that domestic suppliers face low to low-medium risk levels across all scenarios in 2030. E.SUN will continue to promote awareness and communication through engagement and training, encouraging suppliers to establish early response strategies to reduce operational costs and drive mutual sustainable development.

Analysis Process

	Climate Scenarios	Impact Pathway	Potential Financial Impacts
Transition Risk	- Short-term Scenario (Carbon Fee) - NGFS Net Zero 2050 - IEA Net Zero 2050	Suppliers transfer additional carbon costs	Increased procurement costs
Physical Risk	- IPCC SSP1-2.6 - IPCC SSP2-4.5 - IPCC SSP5-8.5	- Extreme rain probability increase - Flood depth increase	Suppliers flood risk increase

Analysis Results

Domestic suppliers transition risk analysis results

Unit: NT\$ thousand

Scenario Setting	Short term	NGFS Net Zero		IEA Net Zero	
		2030	2050	2030	2050
Other Manufacturing	595	11,993	30,961	8,738	15,604
Services (finance, service, real estate)	1,449	29,190	75,355	21,268	37,979
Construction	66	1,336	3,450	974	1,739
Total	2,111	42,519	109,766	30,980	55,322
Carbon cost ratio of total procurement expenditure	0.03%	0.67%	1.74%	0.49%	0.88%

Domestic suppliers physical risk analysis results

Unit: NT\$ thousand

Scenario Setting	SSP1-2.6		SSP2-4.5		SSP5-8.5	
	2030	2050	2030	2050	2030	2050
High risk	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medium-high risk	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medium risk	0.00%	1.27%	0.00%	0.00%	0.00%	0.00%
Medium-low risk	78.48%	93.67%	46.84%	92.41%	83.54%	94.94%
Low risk	21.52%	5.06%	53.16%	7.59%	16.46%	5.06%

2. Direct Operations Climate Scenario Analysis

Based on the severity, vulnerability, and exposure of physical risks, and referencing the IPCC Sixth Assessment Report (AR6) scenarios SSP1-2.6, SSP2-4.5, and SSP5- 8.5, E.SUN assessed the flood hazard risk levels of its own operating sites at the target years 2030, 2050, and the end of the century. The analysis shows that under all scenarios for 2030 and 2050, there are no high-risk sites. However, under the end of the century SSP5-8.5 scenario, 2.89% of operating sites are classified at a higher flood risk level.

Analysis Process

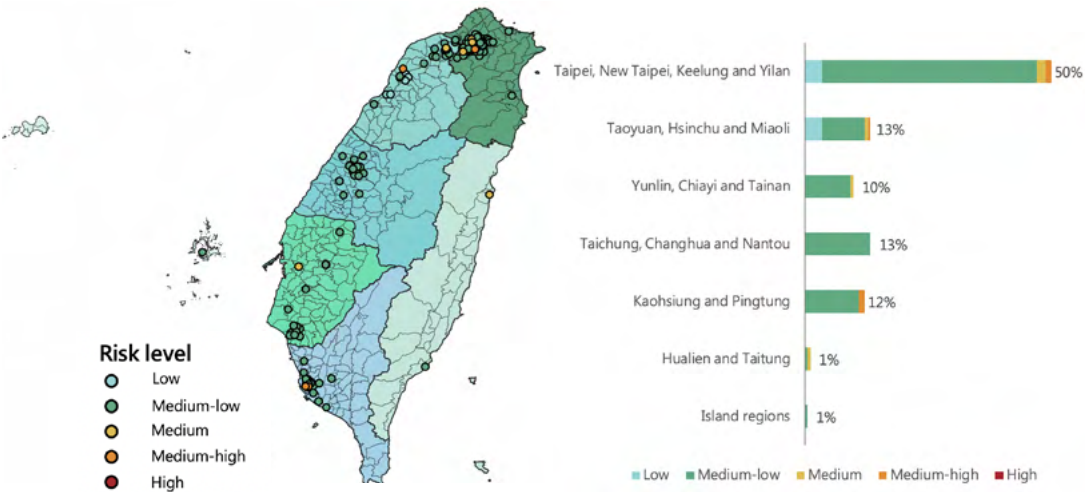
	Climate Scenarios	Impact Pathway	Potential Financial Impacts
Transition Risk	- IPCC SSP1-2.6 - IPCC SSP2-4.5 - IPCC SSP5-8.5	- Extreme rain probability increase - Flood depth increase	Flood depth increase Impacts on operational stability, customer service and revenue

Analysis Results

Units : Percentage of locations (%)

Scenario Setting	SSP1-2.6			SSP2-4.5			SSP5-8.5		
	2030	2050	The end of century	2030	2050	The end of century	2030	2050	The end of century
High risk	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.89%
Medium-high risk	0.00%	1.73%	0.00%	0.00%	1.16%	0.00%	0.00%	2.31%	5.78%
Medium risk	4.05%	5.78%	4.05%	4.05%	2.89%	4.05%	4.05%	2.89%	7.51%
Medium-low risk	66.47%	77.46%	36.99%	50.87%	72.83%	70.52%	68.79%	86.13%	83.82%
Low risk	29.48%	15.03%	58.96%	45.09%	23.12%	25.43%	27.17%	8.67%	0.00%

Flood Risk Levels of Domestic Operations



3. Investment and Financing Portfolio Scenario Analysis

Analysis Methods

Risk Source	- Transition Risk (Carbon tax/fee) - Physical Risk (flooding, heavy rain, drought, landslide, heatwave)
Affected Targets	- Corporate credit - Bonds and equity investments - Personal credit
Scenario Analysis Models	- Long-term scenarios (Orderly Net-Zero, Disorderly Transition, Passive Transition) - Short-term scenarios (Physical risk scenario, Transition risk scenario, Combined loss scenario)
Assessment Items	- Impact on borrowers' revenue - Borrowers' credit ratings - Collateral coverage of secured loans
Risk Component Evaluation	- Probability of Default (PD) of borrowers - Loss Given Default (LGD) of borrowers

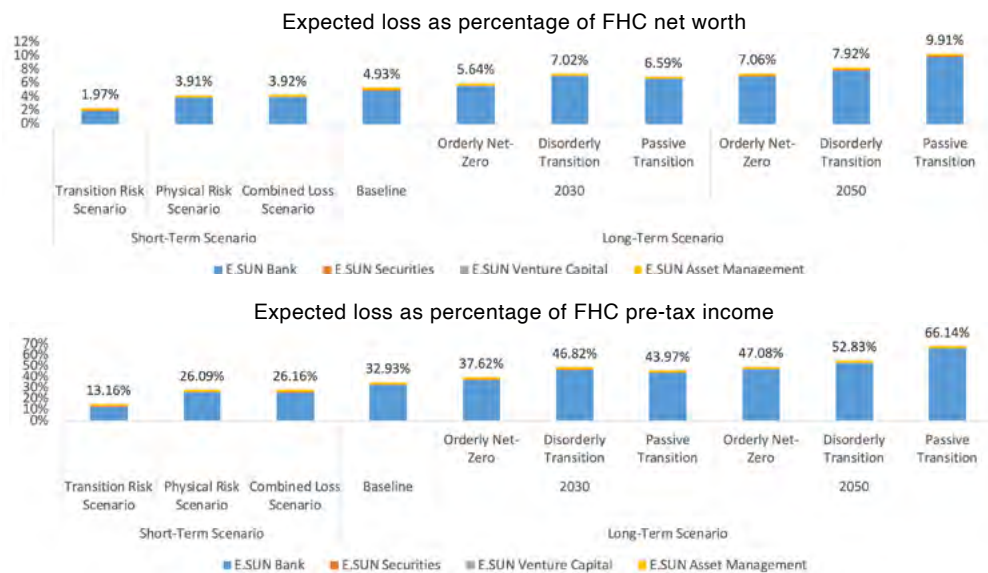
Note 1: Due to differences in the methodologies applied to long-term and short-term scenarios, the analysis results should not be directly compared.

Note 2: Description of long-term scenarios: (1) Orderly Net Zero Scenario: This scenario corresponds to the NGFS "Net Zero 2050" scenario and the IPCC "SSP1-1.9" scenario. It is used to assess the bank's potential risks under a pathway in which the world transitions progressively toward achieving net-zero emissions by 2050. (2) Disorderly Transition Scenario: This scenario corresponds to the NGFS "Delayed Transition" scenario and the IPCC "SSP1-2.6" scenario. It is used to assess the bank's potential risks under a pathway in which the transition begins late but still aims to limit global warming to below 2°C by the end of the century. (3) Passive Transition Scenario: This scenario corresponds to the NGFS "Fragmented World" scenario and the IPCC "SSP2-4.5" scenario. It is used to assess the bank's potential risks under a pathway in which the transition begins late and fails to achieve emissions reduction targets, resulting in more severe warming conditions.

Analysis Results

The analysis shows that the largest expected loss occurs under the 2050 Passive Transition scenario, with total expected losses for E.SUN FHC amounting to NT\$27.07 billion. This includes NT\$26.90 billion for E.SUN Bank, NT\$130 million for E.SUN Venture Capital, NT\$41.54 million for E.SUN Securities, and NT\$0.12 million for E.SUN Asset Management.

Overall, under this scenario, E.SUN FHC's expected losses represent 9.91% of the baseline net worth and 66.14% of baseline pre-tax income in 2025. Detailed results for each scenario are presented below.



(1) High energy consumption and high carbon emission industries analysis

The Ministry of Economic Affairs identifies six major energy-intensive and high carbon-emission industries—semiconductors, electronics, steel, cement, textiles, and paper—based on the Energy Administration Act and the Directorate-General of Budget, Accounting and Statistics classification. With global targets for Net Zero by 2050 and various carbon reduction policies, these industries face significant operational and revenue impacts, increasing default risks. Analysis results of credit exposures of domestic and international enterprises are summarized in the table below. 11.99% of E.SUN FHC's portfolio is in these sectors, with electronics accounting for 9.01%. Under different scenarios, the highest expected loss relative to E.SUN FHC's 2025 baseline net worth is 0.70% in the 2050 Passive Transition scenario.

Six Major Energy-consuming Industries

Unit: Percentage (%)

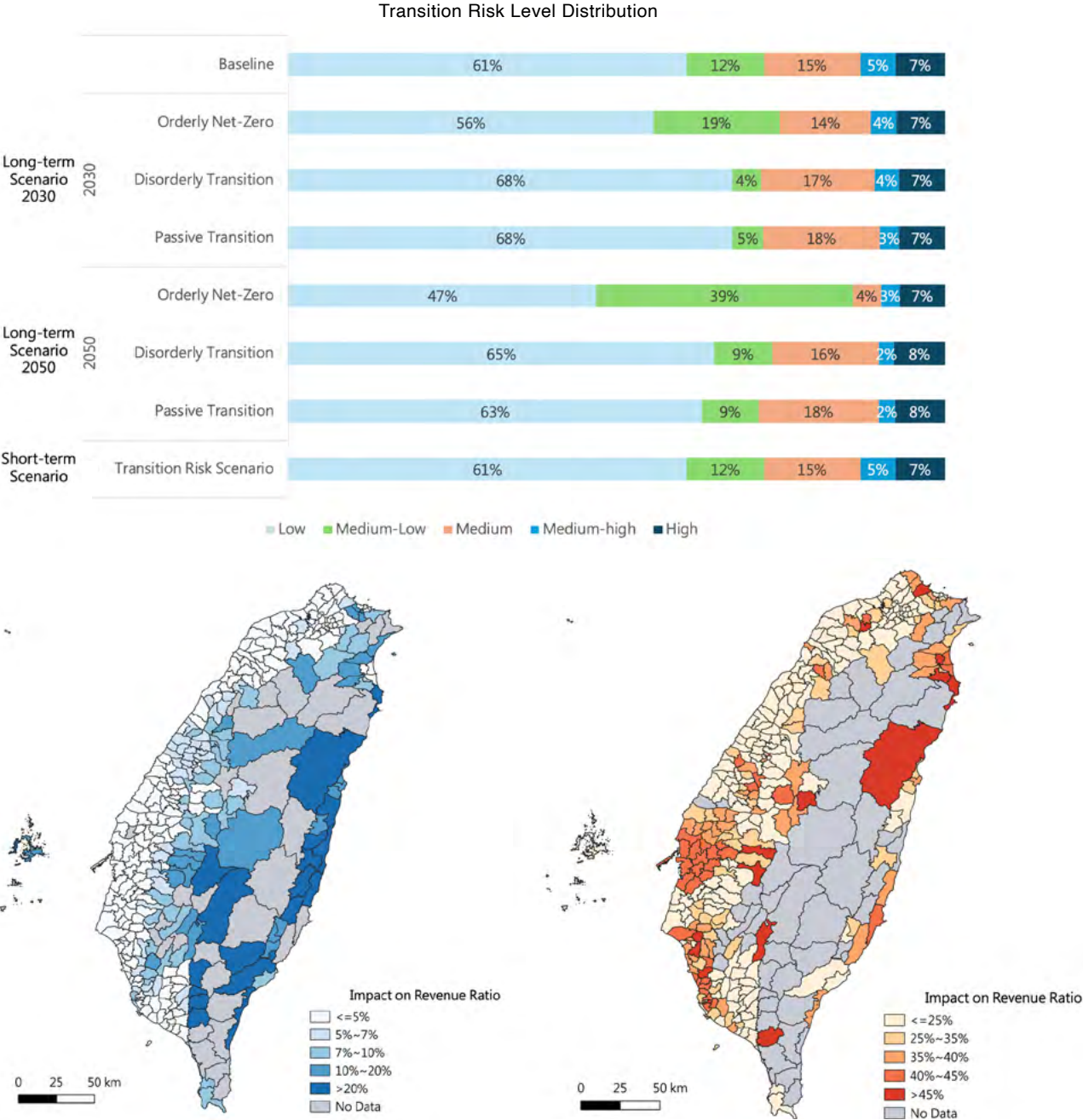
Industries	Exposure percentage	Expected loss as percentage of FHC net worth									
		Base-line	Long-term scenarios-2030			Long-term scenarios-2050			Short-term scenarios		
			Orderly Net-Zero	Disorderly Transition	Passive Transition	Orderly Net-Zero	Disorderly Transition	Passive Transition	Transition risk scenario	Physical risk scenario	Combined loss scenario
Petrochemicals	0.72%	0.02%	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.02%	0.02%	0.02%
Electronics	9.01%	0.29%	0.35%	0.38%	0.36%	0.38%	0.41%	0.44%	0.20%	0.21%	0.21%
Steel	0.65%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.02%	0.02%
Cement	0.10%	0.00%	0.03%	0.01%	0.00%	0.00%	0.04%	0.09%	0.00%	0.00%	0.00%
Textiles	0.62%	0.01%	0.01%	0.01%	0.01%	0.01%	0.02%	0.02%	0.01%	0.01%	0.01%
Paper making	0.89%	0.02%	0.03%	0.03%	0.03%	0.03%	0.05%	0.11%	0.01%	0.02%	0.02%
Total	11.99%	0.35%	0.46%	0.46%	0.45%	0.46%	0.56%	0.70%	0.25%	0.27%	0.27%

(2) Transition Risk Financial Impact Analysis

Transition risk is mainly influenced by the carbon emission intensity of investment and financing targets, their industry sectors, and the decarbonization policies of their respective countries. E.SUN assessed the financial impacts of transition risks on domestic investment and financing portfolios. The analysis indicates that, under both short- and long-term scenarios, more than 70% of exposures fall within low to medium-low risk categories. The 2050 Orderly Net-Zero scenario shows the highest share, with 86% of exposures in low to medium-low risk levels, mainly reflecting the assumption of proactive corporate decarbonization efforts under this scenario. The most significant risk driven by regulation is in our corporate banking lending and bond and equity investments, the expected loss (EL) under the 2050 Passive transition scenario is about NT\$13.752 billions. To mitigate regulatory risk, the financial cost of the actions is around NT\$ 153.517 million in 2025. Among the various actions undertaken, quantifiable costs were identified for carbon credits, renewable energy, ISO management systems, and green buildings.

(3) Physical Risk Financial Impact Analysis

Physical risk mainly evaluates whether the operating locations of investee companies and the locations of collateral are in high climate-risk areas, analyzing the potential impacts of extreme weather events on operational continuity and asset value. The analysis results are shown below, with darker colors indicating higher risk levels and larger exposure ratios. Under the highest expected loss 2050 Passive Transition scenario, physical risks have a more pronounced impact on corporate revenues in the Hualien–Taitung region within domestic lending portfolios, with losses reaching up to 36.4%. For real estate collateral, the assessment of physical risks on collateral depreciation shows the southwestern and eastern regions are more significantly affected. The most significant physical risk is mortgage real estate collateral for consumer banking loans. The expected loss (EL) under the 2050 Passive transition scenario is about NT\$3.384 billions. To address physical climate-related risks, the financial cost of the actions is around NT\$ 26.209 million in 2025. Among the various actions undertaken, quantifiable cost was identified for backup data centers.



2.4.4 Risk Management Procedure

1. Identify

- Regularly monitor relevant laws, guidelines, and publications to enhance the integrity of identifying climate-related risks that may impact business and operations.
- Establish the materiality of climate and environmental risks and opportunities through the indicators recommended by TCFD and TNFD, relevant laws, guidelines, literature, and internal experts.
- Incorporate climate change-related risks and opportunities into the management and decision-making processes for investment and underwriting, and enhance identification of enterprises with high climate and nature risks in lending.

4. Report and Response

- Present climate and environmental risk reports to the board of directors at least every six months and conduct regular risk reporting for senior management to assess the exposure and management of climate and natural environment-related risks.
- If climate and environmental risk impacts threaten overall operations or business conditions, take appropriate management actions immediately and report to the board of directors.
- Follow regulatory authorities' climate change-related guidelines for information disclosure.
- Introduce IFRS S2 standards, and report progress to the board regularly.
- Respond to identified risks, establish or adjust internal policies, business strategies, and set climate-related metrics and targets to reach E.SUN's climate vision.



2. Measure

- Inventory greenhouse gas emissions of investments and financing activities.
- Assess the proportion and potential impacts of climate and nature-sensitive assets.
- Regularly conduct scenario analysis and stress tests on physical risks, transition risks and systemic risks to inform strategy development and risk management.

3. Monitor

- Establish indicators that connect climate and nature factors and monitor.
- Implement Science-Based Targets (SBT).
- Adopt risk-based and differentiated management measures based on the results of climate and nature related risk assessments.

2.4.5 Climate Sensitive Assets

E.SUN refers to relevant domestic and international risk management guidelines, such as UNEP-FI and SASB, and identifying industries that are more susceptible to climate change impacts. As of the end of 2025, the proportion of climate-sensitive industries and exposures is shown in the table below, with climate-sensitive industries accounting for 5.92%. E.SUN is committed to ambitious sustainability goals, including a complete phase-out of coal by 2040 and achieving net-zero emissions by 2050.

Climate-sensitive Assets

Classification		Percentage of Investment and Financing
Energy and Utilities	Fossil Fuels	0.46%
	Power Facilities and Utilities	1.23%
Transportation Industry	Transportation	1.62%
Materials and Construction	Petrochemical/Chemicals	1.64%
	Metal Manufacturing/ Smelting	0.39%
	Cement and Glass	0.12%
Agriculture, Food, and Forestry Products	Agriculture, Forestry, Fishing, and Animal Husbandry	0.13%
	Paper making	0.33%
Climate-sensitive assets		5.92%
Non-climate-sensitive assets		94.08%
Total		100.00%

Note: Climate-sensitive asset positions include that of E.SUN Bank, Securities, Venture Capital and Asset Management.

2.4.6 Differentiated Management

Management E.SUN prioritizes material locations and industries with high environmental sensitivity or natural dependence, adopting differentiated management strategies, as summarized in the table below. E.SUN actively manages the carbon emissions of financial assets, increases green assets, and reduces gray assets within its portfolios. E.SUN will continue to improve its differentiated management based on spatial characteristics.

Management Measures	Description
Avoid	- According to "E.SUN Financial Holding Co., Ltd. Sustainable Finance Policy," companies involved in illegal logging, harming endangered wildlife, developing coal mines, or setting up new coal-fired power projects should be avoided. - According to "Guidelines for the Phase-Out of Coal and Unconventional Oil & Gas of E.SUN Financial Holding Company," enhance management and set plans to phase-out of high GHG emitting coal companies and unconventional oil & gas companies. - Real estate collateral listed in the "Soil and Groundwater Pollution Remediation Act" should be avoided.
Enhanced Management	- Companies involved in tobacco, gambling, mining, and leather and fur-related activities should be carefully evaluated and regularly monitored. - E.SUN has signed the Equator Principles, and according to Equator Principles 4.0, climate change has been designated as a necessary item for project financing assessments. - For project financing tied to power, oil and gas, petrochemicals, and infrastructure projects above a certain scale, implement risk classification management under the Equator Principles, carefully assessing whether project development processes are fulfilling social responsibilities and properly establishing monitoring and improvement plans for environmental and social impacts. Analyze climate-related physical and transition risks, environmental pollution, biodiversity, and other material issues for each project financing case. - Develop specific differentiated measures in enhanced due diligence process to address industry-specific climate and environmental risks, including carbon emissions, climate risks, biodiversity, toxic substance management, and water resources. - Incorporate the hazard and vulnerability of climate risk factors into real estate collateral zoning standards to manage credit business climate risks within jurisdiction divisions. - Strengthen the review process for cases in areas with high landslide risk. - Establish mechanisms to encourage customers with environmental pollution penalties to address their issues.
Actively Support	- Support social innovation and local economic revitalization industries by providing customized financial services, financial counseling, and marketing resources, thereby enhancing the drive towards SDGs in Taiwan. - Increase investment and financing in forward-looking economic activities aligned with the key strategies outlined in the National Development and Reform Commission's 2050 net-zero emission pathway. This includes sectors such as renewable energy, hydrogen energy, power systems and energy storage, energy conservation, carbon capture utilization and storage, vehicle electrification and decarbonization, resource recycling and zero waste, and natural carbon sinks.

2.5 Sustainable Operating Environment

GRI : 302-1、302-3、303-1、303-3、305-1、305-2、305-3、305-4、306-3

2.5.1 Self-Operation Management

Facing the increasingly urgent challenge of climate change, governments and corporations worldwide are establishing and strengthening climate adaptation and mitigation strategies. E.SUN FHC actively advances multiple sustainability initiatives, including decarbonization, water conservation, and waste reduction. Internally, we implement energy-saving policies and promote environmental education to cultivate a corporate culture of energy efficiency and emission reduction; externally, we have established clear medium- and long-term environmental targets, advancing toward measurable, transparent, and accountable sustainable development.

■ Sustainable Operating Environment Targets

Based on the 2020 baseline, we aims to reduce its Scope 1 and 2 greenhouse gas (GHG) emissions by 42% by 2030.

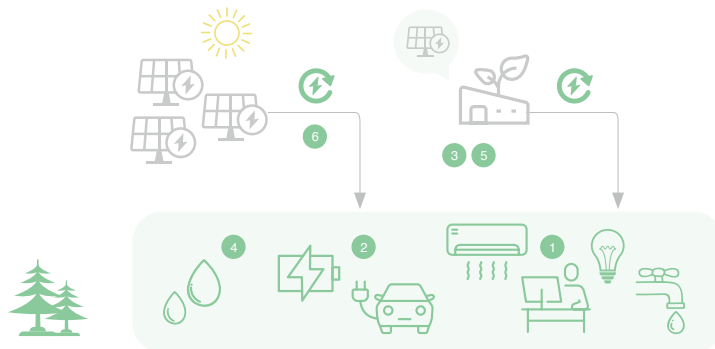
Based on the 2020 baseline, we aims to reduce its Scope 3 — Fuel- and Energy-Related Activities greenhouse gas (GHG) emissions by 42% by 2030.

Based on the 2020 baseline, we aims to achieve 100% renewable energy usage across its domestic locations by 2030.

Based on the 2020 baseline, we aims to reduce its water consumption intensity (water use per unit of revenue) by 30% by 2030.

Based on the 2016 baseline, we aims to reduce the volume of general waste (per unit of revenue) by 78% by 2030.

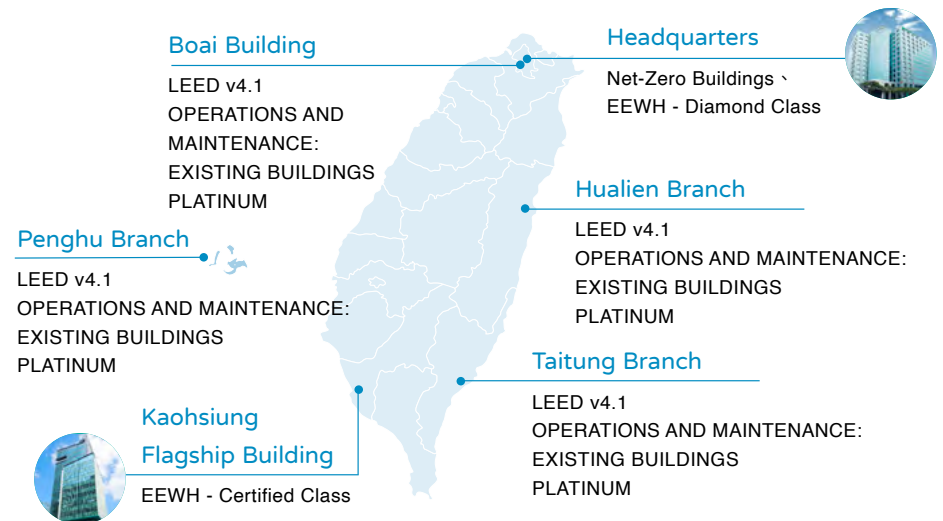
Green
Operations
Framework
Diagram



- 1 **Use energy-efficient equipment:** Air conditioning and lighting equipment with the Energy Label, and water fixtures with the Water-Saving Label, to enhance the efficiency of energy and resource use.
- 2 **Replace outdated official vehicles:** Replace official vehicles with electric vehicles, install charging stations, and promote green transportation.
- 3 **Solar rooftop systems:** Establish rooftop solar power systems for self-consumption and increase the share of renewable energy.
- 4 **Rainwater Harvesting Systems:** Collect and filter rainwater for recycled landscape irrigation to maximize water efficiency.
- 5 **Green Building Design:** Develop an office environment aligned with green building standards to provide employees with a healthy and comfortable workplace.
- 6 **Execute Power Purchase Agreements (PPAs):** Maximize the wheeling of renewable energy to foster a low-carbon operations footprint.

Green building (EEWH & LEED)

We pledge to transition all domestic self-owned buildings into green buildings by 2027. As of 2025, 30 sites have been completed, achieving an 86% completion rate.



Solar power systems

Achieved **100%** solar panel installation across all domestic buildings by 2025

■ Carbon reduction measures

GRI : 302-1、302-3、305-1、305-2、305-3、305-4

Implement Scope 1 & Scope 2 internal carbon pricing

In an era of accelerating growth and maturation in global carbon markets, E.SUN began planning and implementing an internal carbon pricing mechanism for Scope 1 and Scope 2 emissions in 2023. We initially established a carbon price and incorporated the carbon fee concept into energy-saving benefit assessments, and we conduct greenhouse gas inventories to analyze emissions and associated carbon-cost information by unit. In 2024, we promoted internal carbon pricing across all domestic banking locations, integrating carbon costs into routine operations so that business units recognize emissions as a cost, thereby guiding departments to establish and implement carbon-emissions management measures.

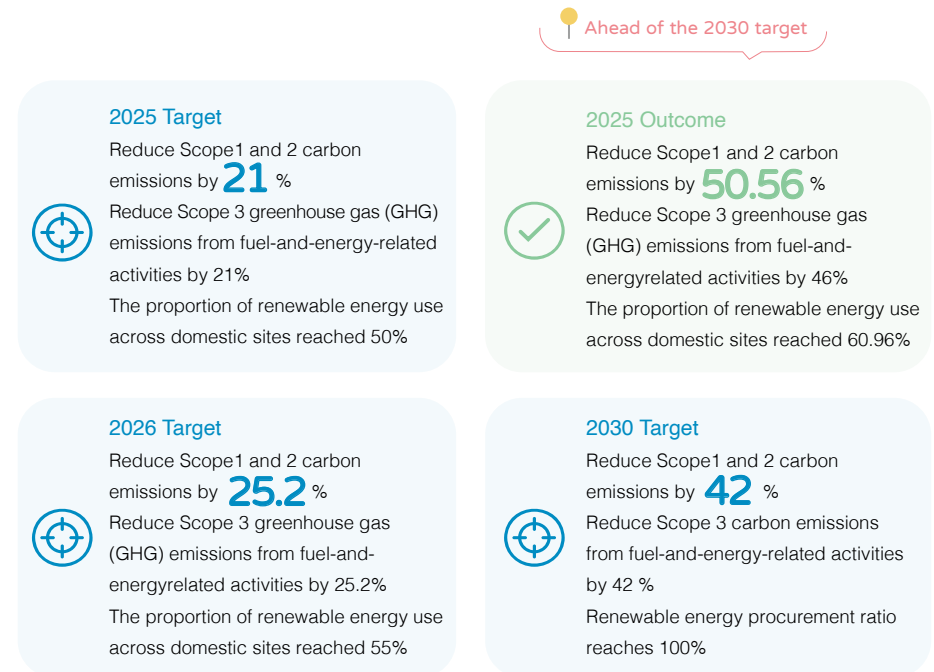
Purpose

Application



Promoting the Use of Renewable Energy

E.SUN FHC is committed to sourcing 100% renewable energy at all domestic and international locations by 2040. To advance this objective, E.SUN Bank completed the installation of solar panels on all domestically owned buildings in 2025; concurrently, subsidiary E.SUN securities began procuring renewable electricity from January 2025. In 2025, our overall share of renewable energy usage reached 55.97%, demonstrating our continued determination toward Achieving net zero emissions by 2050.



Note 1: In 2020, the greenhouse gas (GHG) emissions for Scope 1 & 2 amounted to 24,698 metric tons, serving as the baseline.

Note 2: For detailed information on E.SUN's greenhouse gas emissions, please refer to Appendix 12 - Greenhouse Gas Emissions Summary Table.

■ Water Usage Reduction GRI : 303-1 、 303-3

E.SUN FHC and its subsidiaries source all operational water from the public water utility, and this water is used exclusively for domestic purposes. The water intake has not caused any adverse impacts on water resources. All discharged effluent is domestic sewage, and its treatment complies with the Water Pollution Control Act and other applicable regulations.

Expand the scope of ISO 46001:2019 certification implementation

E.SUN Bank implemented the ISO 46001:2019 Water Efficiency Management System in 2021. Under this assessment framework, we conduct in-depth reviews of water-saving measures at our locations. Based on water consumption, we have set a target to achieve a 25% implementation rate by 2025; the scope covers operational sites and office buildings. We will continue to expand the management boundary and pursue multiple water- and wastewater-reduction initiatives. Through ongoing promotion of proper water-use practices and by fostering sound personal habits among every staff in E.SUN, we aim to minimize avoidable daily waste. We have established a baseline to monitor abnormal consumption and encourage each branch to propose creative measures and showcase results.

E.SUN Bank has installed rainwater harvesting systems at its primary office buildings — Hope Campus, Human Resources Development Center, and the Second Headquarters (Buildings A and B). Runoff is first encouraged to infiltrate the site through permeable paving to increase soil water retention; remaining rainwater and surface runoff are collected via perimeter collection pipes. Collected water is treated through sedimentation and filtration systems and reused for landscape irrigation. In 2025, we recovered and utilized a total of 9.46 megaliters of rainwater. To ensure efficient use of water resources, rain sensors have been installed to detect precipitation and automatically suspend irrigation during rainfall. In addition, we are replacing aging water fixtures with water-efficient models bearing water-saving certification marks to establish a more environmentally friendly water-use environment.



2025 Target

Reduce water usage per unit revenue by **15 %**



2025 Outcome

Reduce water usage per unit revenue by **46.84 %**



2026 Target

Reduce water usage per unit revenue by **18 %**



2030 Target

Reduce water usage per unit revenue by **30 %**

Note: In 2020, water usage per unit revenue was NT\$ 4.71 tons/million, and this is used as the baseline.

■ Waste reduction GRI : 306-3

Protecting the Earth is the shared responsibility of every global citizen. The resources we use in our daily lives mostly come from nature, and we should use them wisely and give back to society. However, many materials are difficult to break down or recycle naturally and eventually become waste. Whether buried or incinerated, the problem is not truly solved—only postponed or shifted elsewhere. We hope that by changing everyday behaviors and using individual influence, together with the wider community we can move toward a sustainable, zero-waste future.

Implement waste separation and introduce a new recycling category: paper containers.

To alleviate the burden on our planet, we continue to promote and ensure strict adherence to waste sorting among every staff in E.SUN. Starting from Q4 2025, E. SUN Bank has expanded its recycling program across all office buildings to include 'paper-based containers.' This initiative aims to reduce general waste and enhance the effectiveness of our resource recovery efforts, ensuring that reusable materials are utilized to their fullest potential. In 2025, a total of 3,100 kg of paper-based containers were recycled, marking a meaningful step toward our goal of a zero-waste society.

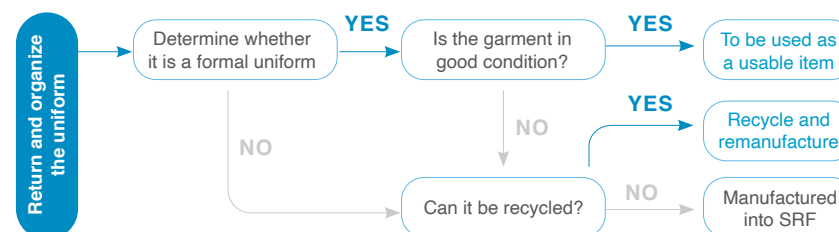


Textile Circularity: Recycling employee uniforms into refuse-derived fuel (RDF) to drive a circular economy.

In alignment with the global 'zero-waste' trend, E.SUN is committed to promoting textile reuse through innovation and circular economy principles. During the manufacturing process, we strive to reduce water consumption and the use of chemical agents, thereby minimizing our environmental footprint. Regarding waste reduction, we have adopted a "resource sharing" approach: uniforms that are ill-fitting, replaced, or returned by departing colleagues are collected and sorted. Those in good condition are made available for application by colleagues or utilized as shared uniforms. Currently, common-use uniform stations are established at our Headquarters, Hope Campus, Technology Building, and Bo'ai buildings, providing temporary access for colleagues who have yet to receive their official uniforms.

In 2022, to address employees' need to wear uniforms for extended periods, we completely replaced the uniform styles. The old uniforms were collected, sorted, and cleaned, then entrusted to a professional recycling-fuel plant where fabric scraps and cotton fillers were made into fuel briquettes to replace coal and other industrial boiler fuels. By 2025, we had recycled 3.7 metric tons of old uniforms and achieved the goal of converting 100% of them into fuel briquettes.

Going forward, we will also align with the Environmental Protection Administration's Resource Circulation Agency "Guidelines for Circular Procurement of Clothing and Textiles for Governmental and Public/Private Units," and actively cooperate with suppliers: after collection, garments will be sorted by material and diverted either for "re-pelletizing, re-spinning, and remanufacturing" or for "conversion into Solid Recovered Fuel (SRF)", in order to increase resource recovery rates and promote full circularity for textiles.

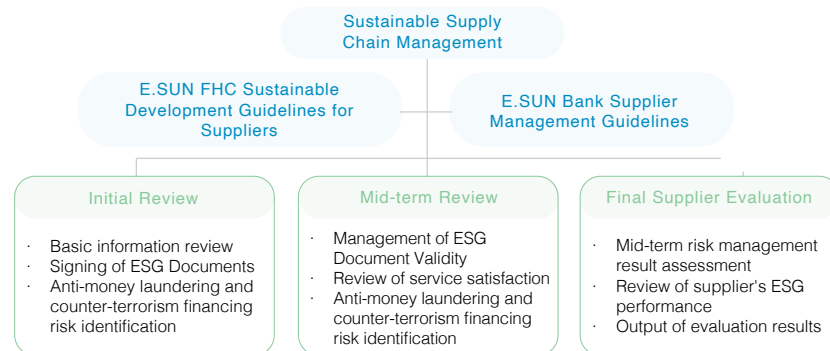


**2025 Target**Reduced revenue-based waste intensity by **50.1** %**2025 Outcome**Reduced revenue-based waste intensity by **55** %**2026 Target**Reduced revenue-based waste intensity by **55.7** %**2030 Target**Reduced revenue-based waste intensity by **78** %

Note: In 2016, waste per unit revenue was 13.39 kilograms per NT\$ million, and this is used as the baseline.

2.5.2 Suppliers Management

GRI : 204-1、205-2、308-1、403-7、408-1、409-1、414-1



E.SUN carefully selects suppliers that meet standards and requires suppliers with cumulative transaction amounts exceeding a certain threshold to complete the "Sustainable Development Self-Assessment Form for Suppliers" and sign the "Statement of Commitment to Human Rights and Environmental Sustainability". The evaluation will clearly outline E.SUN's requirements and expectations of suppliers in areas such as corporate operations, Code of Conduct, Labor Management, Prohibition of Child Labor, Prohibition of Forced or Compulsory Labor, No Infringement on Basic Labor Rights, Fundamental Human Rights, Occupational Health and Safety (OHS) Risks. Additionally, to monitor sustainable risks among suppliers, we will implement a review mechanism at each stage of the transaction process. The relevant outcomes are shown in the table below:

Item	Unit: Number of supplier		
	2025	2024	2023
Number of suppliers attended supplier conference	46	46	47
Number of suppliers discussed in supplier evaluation meetings	284	73	11
Number of suppliers that signed the Supplier Corporate Social	285	396	248

■ Sustainable Procurement

In order to establish a supply chain that safeguards the environment, human rights, and safety while promoting sustainable development, E.SUN continues to implement the ISO 20400:2017 Sustainable Procurement Standards. This involves adhering to both common procurement guidelines and specific regulations, as well as conducting regular assessments of suppliers based on various qualitative and quantitative performance indicators. We have also developed related action plans. These initiatives are aimed at creating a sustainable influence, which is evaluated through external audits to ensure compliance with standard requirements.

■ Responsible Procurement

Prioritizing local suppliers aligns with the Sustainable Development Goals (SDGs) and emphasizes the commitment to local vendors in all procurement activities. In 2025, the procurement ratio from local suppliers reached 97%. To achieve SDG 12, "Responsible Consumption and Production," E.SUN actively participates in government-led initiatives promoting green lifestyles and consumption, adhering to principles of green consumption. We continue to engage in the "Green Procurement Implementation Plan for Private Enterprises and Organizations" promoted by the Ministry of the Environment, having been recognized for 16 consecutive years with the "Outstanding Benchmark for Green Procurement" award. In 2025, the reported amount for green procurement was approximately 0.55 billion, with a cumulative total procurement amount exceeding 34.5 billion. We aim to influence supply through procurement demands, facilitate the formation of a green supply chain, and leverage our impact to create sustainable development opportunities alongside our supplier partners. In response to government policies promoting circular economy and the procurement of socially innovative products and services, we have incorporated the principles of circular procurement into our purchasing regulations, assessing product lifecycle opportunities. We received the first level prize of The Buying Power - Social Innovation Products and Services Procurement Award, with a cumulative transaction amount of nearly 11.7 billion.

■ Sustainable Supply Chain Engagement

In 2025, we continued to hold supplier conferences to leverage our influence, invited professional consultants to explore the implementation and significance of various sustainability practices from a supplier's perspective. Furthermore, we introduced our electronic signature mechanism to pave the way for paperless contracting in the future, aiming to inspire suppliers to proactively collaborate with us in driving sustainable development.



2.6 Carbon Emissions Structure

The primary source of emissions in the financial sector is investment and financing activities. E.SUN quantifies its financed emissions in accordance with the PCAF Global GHG Accounting and Reporting Standard for the Financial Industry (Second Edition) and has established a financial carbon accounting system to systematically monitor monthly financed emissions in real time, reducing manual errors and improving operational efficiency.

The Company has also implemented governance policies for emissions accounting to ensure consistent methodologies, clear roles and responsibilities, and effective process management. Methodologies and data are documented to enhance consistency and traceability, and results are subject to third-party assurance (see Appendix 19). Through systematized carbon data management, E.SUN continuously tracks carbon-related asset indicators to support decision-making for future decarbonization and transition strategies.

GHG Emissions Timeline

	2021	2022	2023	2024	2025
Scope 1	1,857	1,844	2,161	2,403	1,893
Scope 2	22,105	20,294	17,959	10,291	10,317
Scope 3: Financed Emissions	3,672,612	4,945,550	5,355,042	5,508,602	6,187,996
Scope 3: Others	49,475	56,015	46,436	37,495	15,846
Total (t-CO₂e)	3,746,049	5,023,703	5,421,598	5,558,791	6,216,052

Note 1: Scope 2 emissions are calculated using the market-based method

Note 2: For detailed emissions breakdown please see Appendix 12 and 13

Scope 3 Portfolio Emissions Inventory

E.SUN FHC

Unit: t-CO₂e

	2022	2023	2024	2025
Financed Emissions (t-CO ₂ e)	4,945,550	5,355,042	5,508,602	6,187,996
Carbon Footprint (t-CO ₂ e/\$M)	2.10	2.14	1.99	1.99
Weighted Average Carbon Intensity (t-CO ₂ e/NT\$1M)	4.77	5.09	5.03	4.96
Inventory Coverage (%)	76.53%	77.62%	78.61%	80.13%

Subsidiaries

Unit: t-CO₂e

	Bank	Securities	Venture Capital	Asset Management
Financed Emissions (t-CO ₂ e)	6,180,213	3,759	4,024	0.18
Carbon Footprint (t-CO ₂ e/\$M)	1.99	1.20	0.81	0.02
Weighted Average Carbon Intensity (t-CO ₂ e/\$M)	4.97	2.44	2.67	0.32

Note 1: Carbon Footprint = GHG emissions from investment and financing companies / inventoried balance of investment and financing companies

Note 2: The Weighted Average Carbon Intensity is calculated based on the carbon emissions per unit of revenue from the financed and invested entities, accounting for the proportion of E.SUN's financing and investment.

Note 3: Inventory Coverage = inventoried balance of investment and financing companies / sum of FVPL, FVOCI, AC, loans, and discounted items.

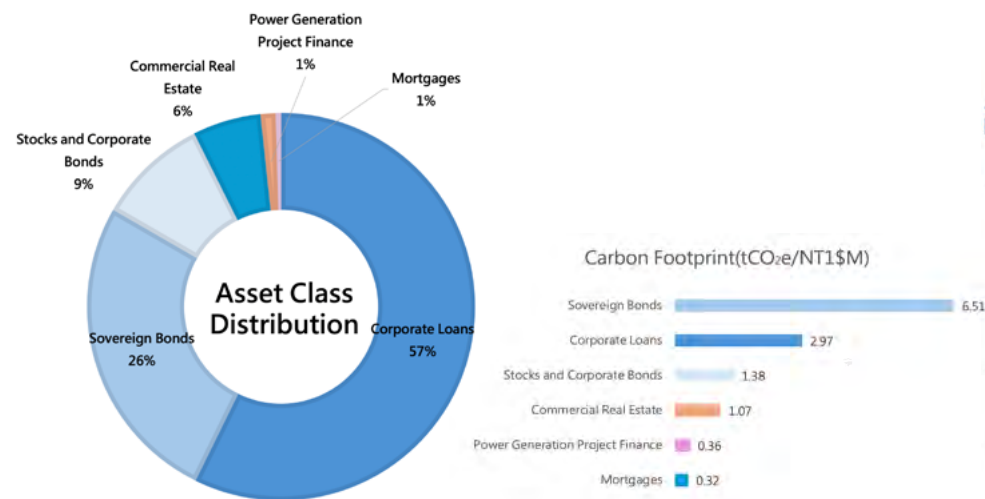
Note 4: Inventory coverage refers to the proportion of investment and financing activities that have been assessed in accordance with the PCAF methodology, relative to the total investment and financing portfolio.

Note 5: Inventory coverage refers to the proportion of investment and financing activities that have been assessed in accordance with the PCAF methodology, relative to the total investment and financing portfolio. For 2025, E.SUN FHC's proportion of relevant investment and financing activities aligned with the PCAF methodology is 100%.

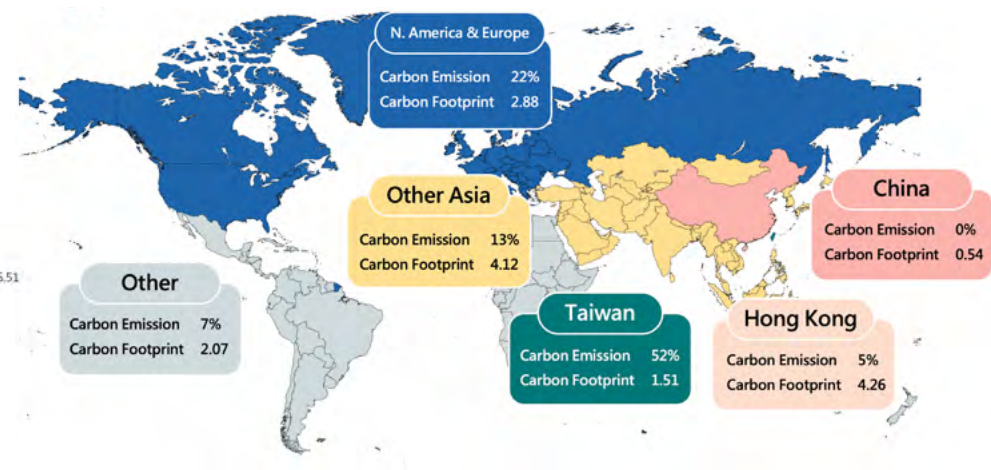
2.6.1 Financed Emissions Analysis

E.SUN analyzes the greenhouse gas emissions of its investment and financing portfolio by asset class, region, and industry, as illustrated below. By asset class, corporate loans are the primary source, accounting for 57% of total emissions, while sovereign debt investments exhibit the highest carbon footprint. Emissions are predominantly concentrated in domestic markets. By industry, manufacturing and transportation are the largest contributors to emissions, while the cement and glass sectors have relatively higher carbon footprints, reflecting their carbon-intensive nature. Based on these findings, E.SUN sets decarbonization targets by asset class in line with the Science Based Targets (SBT) and implements risk control mechanisms and client engagement measures for high-emitting industries to support portfolio decarbonization and transition.

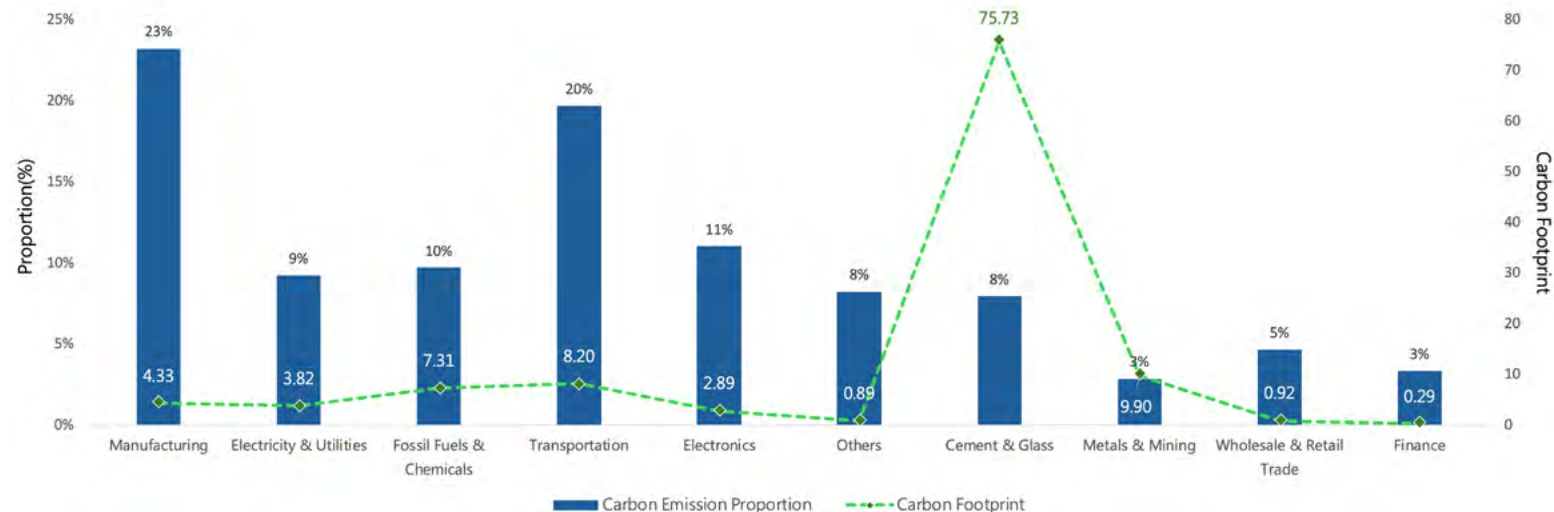
Asset Class Distribution



Geographical Distribution



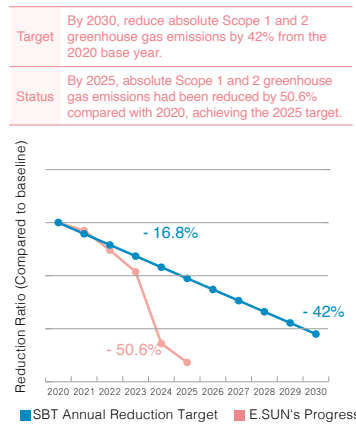
Industry Distribution



2.6.2 Science Based Targets (SBT) 2025 Progress

E.SUN FHC announced the goal of achieving net-zero emissions by 2050 in 2021, and passed external validation in 2022 to officially set its Science Based Targets (SBTs). The base year for the Scope 1 and 2 targets is 2020 with 100% coverage, while the base year for the SBTs of the Scope 3 investment and financing portfolio is 2019, covering 11% of the total investment and financing portfolio. E.SUN has formulated decarbonization strategies, promotes transition actions in a disciplined manner, and regularly reviews the progress toward achieving its SBTs. The progress toward the 2025 SBT targets is as follows:

Direct Operation (Scope 1&2)



Transition Actions

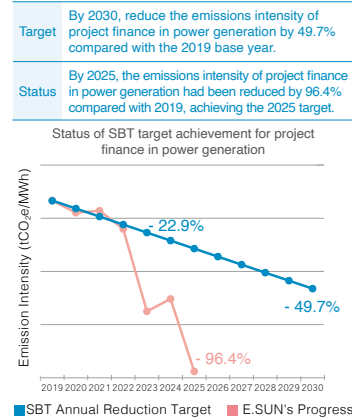
- Joined SBTi in 2021 and set 1.5°C-aligned decarbonization targets for Scope 1 and 2.
- Officially introduced an internal carbon pricing system for Scope 1 and 2 in 2024.
- Complete installation of solar PV systems on 100% of self-owned domestic buildings by 2025.

Transition Targets

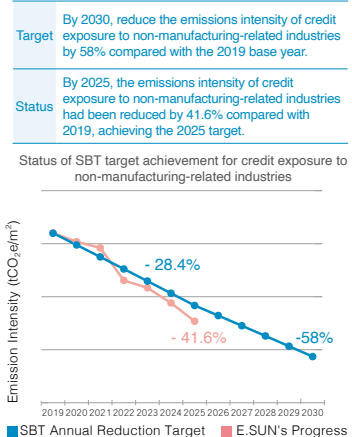
- By 2027, obtain green building certification for 100% of self-owned buildings, and continue to replace outdated, energy-intensive lighting and air-conditioning equipment with energy-efficient products.
- Achieve 100% use of renewable energy in Taiwan by 2030, and 100% use of renewable energy globally by 2040, and support government energy policies by purchasing renewable energy certificates.

Investment and financing portfolio (Scope 3)

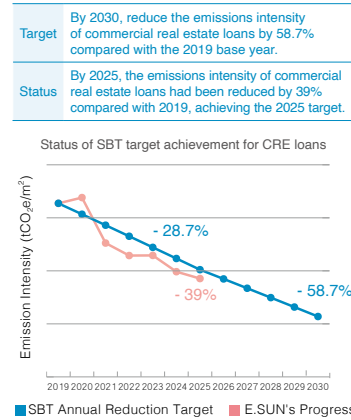
1. Project Finance in Power Generation



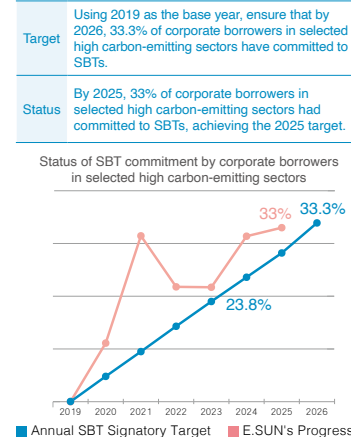
4. Credit exposure to non-manufacturing-related industries



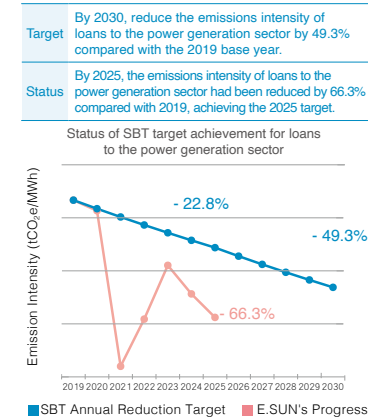
2. Commercial Real Estate (CRE) Loans



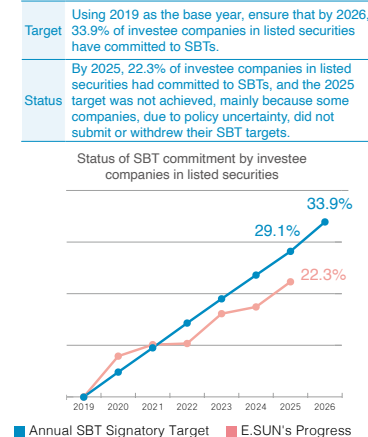
5. Credit exposure to selected high carbon-emitting sectors



3. Loans to the power generation sector



6. Investments in listed securities



Transition Actions

- Since July 2019, E.SUN has committed to no longer supporting project finance for coal-fired power generation, and has had no such financing since 2021.
- In 2022, E.SUN announced that it would gradually phase out coal-related and unconventional oil & gas extraction-related business activities. We would no longer undertake new coal-fired power generation, coal mining, or related infrastructure projects; exposure to OECD-based corporates will be reduced to net zero by 2030, and exposure to non-OECD corporates will be fully exited by 2040. Since the end of 2023, we have 0 outstanding of unconventional oil & gas-related investments and financing.

Unit: TWD million

Portfolio Exposure	2023	2024	2025
Coal-related	15,505	13,374	12,259
Unconventional Oil & Gas-related	0	0	0

- Since 2022, E.SUN has implemented an internal carbon pricing mechanism in its credit business. By referencing internationally credible carbon prices, E.SUN converts the emissions of its borrowers into a more intuitive concept of carbon cost, which serves as a reference for business development.
- E.SUN continues to support the development of the renewable energy industry, and through advocacy, sustainable financial services and a diverse range of sustainable finance products such as green financing and ESG linked loans, empowers and assists enterprises in their low-carbon transition.

2.7 Nature and Biodiversity Preservation

2.7.1 In Harmony with Nature

E.SUN supports global biodiversity conservation and is committed to Nature Positive growth by 2030 and Net Zero emissions by 2050. As a financial services provider, our biodiversity impact mainly comes through client investments and loans; our operations do not involve access and benefit-sharing regulations. Recognizing ecology's key role in climate mitigation, we embed environmental protection in our policies and governance to contribute responsibly to the planet.

■ Policies to halt and reverse biodiversity loss

Biodiversity-related policies and commitments	Description / Scope
E.SUN FHC Biodiversity & No Deforestation Commitment	E.SUN values biodiversity and forest conservation, committing to ecological restoration and achieving No Net Loss through our operations and investments.
E.SUN FHC Sustainable Development Best Practice Principles	E.SUN promotes sustainability by adhering to environmental laws, improving energy use, utilizing renewables, and assessing climate risks throughout our operations. Our environmental management system and education efforts aim to minimize impacts on nature and biodiversity.
E.SUN FHC Climate-Related and Environmental Risk Management Policy	E.SUN emphasizes protecting natural environments and biodiversity by implementing risk management to address climate change effects on ecosystems, reducing systemic risks, and ensuring sustainable development.

■ Identification of biodiversity impacts

E.SUN applies the TNFD-LEAP framework and references international guidelines such as PBAF and ENCORE, integrating domestic natural data to systematically assess dependencies, impacts, risks, and opportunities related to nature within our supply chain and operations. We identify whether our activities and economic engagements are near ecologically sensitive areas or involve products and services with actual or potential negative impacts on biodiversity. Due to data availability and quality limitations, our analysis currently focuses on our main area of operation within Taiwan.

Locate	Interface with Nature Collect geographic and industry data of E.SUN's suppliers, operations, and investee companies. Define priority areas and conduct spatial overlay analysis.
Evaluate	Dependencies and Impacts - Gather data from international public databases, company disclosures, and open platforms. - Analyze indicators using geospatial metrics (e.g., Key Biodiversity Areas¹、Land Resource Areas² and Freshwater Resource Areas³) and industry operational characteristics. - Identify dependencies and impacts using localized data to determine if companies operate in ecologically sensitive areas in Taiwan.
Assess	Material Risks and Opportunities - Assess significant risks and opportunities through scenario analysis and stress testing. - Develop long-term transition plans based on findings.
Prepare	Response and Reporting - Internally: Enhance information disclosure, improve training, and strengthen assessment capabilities. - Externally: Raise awareness among customers and society through products, advocacy, and engagement.

Note 1: Key Biodiversity Areas is defined using national ecological focus areas, significant wildlife habitats, and biodiversity hotspots.
Note 2: Land Resource Areas are defined as including designated soil and water conservation areas, national parks, landslide-prone and sensitive zones, and other relevant regions.
Note 3: Freshwater Resource Areas is defined as the regions covered by the national primary regulated groundwater areas, reservoir catchment areas, and river zone maps.
Note 4: For a more detailed LEAP analysis of E.SUN's value chain, please see our "2025 Climate and Nature Report".

■ Overview of E.SUN's Natural Environment Initiatives

E.SUN is committed to supporting the global Convention on Biological Diversity and advancing sustainable ecological development in alignment with the United Nations Sustainable Development Goals (SDG 13: Climate Action; SDG 14: Life Below Water; SDG 15: Life on Land). Our natural environment and biodiversity strategy is centered on three core pillars: species conservation, habitat preservation, and environmental sustainability. Taking initiative from within, we proactively respond to both international and domestic environmental sustainability advocacies. In 2022, we voluntarily joined the Taskforce on Nature-related Financial Disclosures (TNFD) and, in 2023, joined the TNFD Early Adopters. In November 2024, E.SUN released Taiwan's first "Climate and Nature Report" to achieve the highest rating of "Level 5: Excellence" from the British Standards Institute (BSI) for TNFD conformity.



Key Achievements in 2025:

"Formosan Black Bear Conservation Project"

95 events held over **14 consecutive years** in partnership with Taipei Zoo.



"Beautiful Taiwan, Smile E.SUN" Environmental and Beach Cleanup Activities

In central Taiwan, events were held at Daan Coastal Park in Taichung with **over 370 participants**.

"Polar Bear Environmental Education Project"

47 events held with **over 5,419 participants** since project began.

"E.SUN-NTU ESG Centenary Project"

Cultivated and planted **50,000** Taiwan endemic native cypresses.

"Adopting trails in Yushan National Park"

For **17 consecutive years**, we have dedicated efforts to maintaining approximately 260 kilometers of hiking trail facilities and ensuring environmental cleanliness.

"Beautiful Taiwan, Smile E.SUN" Environmental and Beach Cleanup Activities

In southern Taiwan, events were held at Guanshi Platform in Tainan and Qijin Seaside Park in Kaohsiung, with over **750 participants**.



"Sea Turtle Conservation Project"

Nursed **110 turtles** to health and released **16 turtles** back to the wild in total since project began.

"Plant a tree, Plant a life"

A cumulative total of over **70,000 native Taiwanese tree** seedlings have been planted.

"Beautiful Taiwan, Smile E.SUN" Environmental and Beach Cleanup Activities

In northern Taiwan, events were held at Zhongjiao Bay and Emerald Bay in New Taipei City, as well as Zhuwei Fishing Harbor in Taoyuan City, with over **2,800 participants**.

"E.SUN Malavi Rice"

Assisting in organic transformation and local revitalization while safeguarding biodiversity, we have converted **19.7 hectares** of farmland and cumulatively procured **460,000 kilograms** of rice.



"Beautiful Taiwan, Smile E.SUN" Environmental and Beach Cleanup Activities

In eastern Taiwan, events were held at Taitung Seaside Park, Hualien North Bin Coast, and Yongzhen Beach in Zhuangwei with over **120 participants**.

■ Northern Taiwan
■ Central Taiwan
■ Eastern Taiwan
■ Southern Taiwan

■ Nature and Biodiversity Mitigation Hierarchy

E.SUN's strategy for the natural environment and biodiversity development focuses on four main pillars: Species Conservation, Habitat Preservation, Environmental Sustainability, and Employee Participation. We also reference the AR3T1 corporate nature action framework proposed by SBTN to align our activities accordingly. Together with like-minded partners, we strive to contribute to the beautiful nature of Taiwan.

Positive Impacts on Nature	Avoid	Reduce	Restore	Regenerate
Sea Turtle Conservation & Education Project			√	
Polar Bear Environmental Education Project	√	√		
Formosan Black Bear Conservation Project	√		√	
E.SUN-NTU ESG Centenary Project	√	√	√	
Plant a tree, Plant a life Tree Planting Project			√	
E.SUN Malavi Project	√	√	√	
Millet Cultivation Revival Plan	√		√	
Beautiful Taiwan, Smiling E.SUN Environment Cleanup	√		√	
Adopting trails in Yushan National Park	√		√	
Earth Hour / 130 Days Lights Out	√	√		

Note 1: The AR3T framework, proposed by SBTN, aims to achieve transformation through four levels: Avoid, Reduce, Restore, and Regenerate

2.7.2 Species Conservation

■ Sea Turtle Conservation Project

Collaborated with National Museum of Marine Biology and Aquarium (NMMBA) for 7th consecutive year on "Sea Turtle Conservation Project" to promote concept of marine resource sustainability. Established sea turtle rescue and medical supply station since 2020, providing medical supplies and care food expenses to ensure injured turtles receive comprehensive care. Attracted over 3,520 participants in total, treating 110 sea turtles with 16 successfully rehabilitated and released back into the wild, gaining wide recognition and affirmation from all sectors.



Lead the students to visit the Sea Turtle Rescue and Medical Center and introduce the manmade objects found in the bodies of sea turtles.



Participants had the opportunity to closely observe the care and rehabilitation of injured sea turtles within the facilities of the rescue center.



During the sea turtle rescue course, veterinarians provided participants with detailed instructions on how to respond appropriately when encountering stranded or injured sea turtles.



Conducted a sea turtle release event at the conservation beach in Houbihu.

■ Polar Bear Environmental Education Project

Every year on February 27th, which is International Polar Bear Day, E.SUN collaborates with the National Museum of Natural Science to launch a series of polar bear conservation activities. Over the past 6 years, we have organized a total of 47 events, with nearly 5,419 people participating. The activities include the "Mission to Save Polar Bears" seminar, the interactive "Polar Bears and friends fun challenge", and guided tours of the National Museum of Natural Science. Through these events, we aim to encourage public reflection, foster environmental awareness, and promote proactive actions to mitigate global warming.



We invited Bai Hsin-Yi, a natural ecology program producer and host, to serve as the speaker for the "Mission to Save Polar Bears" seminar, where she shared her experiences filming polar bears in the Arctic.



We invited teachers and students from E.SUN Seed School at Qiaorong Elementary School in Taichung City to visit the National Museum of Natural Science. Through observing polar bear specimens, the program aimed to guide students in understanding the environmental impacts of climate change.

■ Formosan Black Bear Conservation Project

Formosan black bear is Taiwan's sole native bear species and symbol of biodiversity. Partnered with Taipei Zoo since 2012, holding 95 conservation activities. Issued first domestic "E.SUN Formosan black bear affinity card" since 2014, allocating 0.2% of each purchase to animal conservation fund for bear preservation and environmental education. Established first animal conservation specialty branch, "Black Bear Branch," at Hualien Branch to promote wildlife protection and ecological diversity.



The lobby of E.SUN Bank's Hualien Branch features the Black Bear Learning Corner, providing customers with access to conservation knowledge while they conduct their financial transactions.

2.7.3 Habitat Conservation

■ "E.SUN-NTU ESG Centenary Project"

In collaboration with NTU, we will plant native conifers such as the Taiwan Red Cypress, Formosan Hinoki, Cryptomeria-like Taiwania, Taiwan Incense Cedar, and Formosan China-fir in the Yushan mountain range. 100,000 trees are expected to be planted within 10 years beginning in 2022, totaling 50 hectares in area. The forest is expected to absorb 242,000 tons of CO₂ over the course of a century. After selective thinning, 25,000 trees will be kept to grow over a century, laying the foundation for soil and water conservation, with carbon sequestration and circular economy benefits. In 2025, planted 10,891 saplings of native tree species.



■ "Plant a tree, Plant a life" E.SUN plant trees project

E.SUN has been jointly promoting the "Plant a tree, Plant a life" for 7 consecutive years in collaboration with the Ministry of Agriculture. In 2025, we adopted 4.77 hectares of national and coastal forests and planted 10,735 native tree saplings, such as ring-cupped oak, Formosan sweetgum, subcostate crape myrtle, whole-leaf hawthorn, and tree heliotrope, etc.



■ E.SUN Malawi Rice

E.SUN has been supporting the "E.SUN Malawi Rice project" for 12 consecutive years along with Yushan National Park Services, Yinchuan Sustainable Farm and Tse-Xin Organic Agriculture Foundation, encouraging local farmers to adopt organic agriculture for sustainable food production and protect to biodiversity, which saw the endangered native fish species "Kikuchii's Minnow" return to the paddies. E.SUN has transformed 19.7 hectares of farmland into certified organic fields and has acquired 460,000 kg of Malawi Rice in total.

■ Millet Revitalization Project

Initiated 3-year "Millet Revitalization Project" since 2022 with National Taiwan University, restoring 28 local millet varieties brought back from US germplasm bank to Xinyi Township, Nantou. Developed cultivation demonstration zones, illustrated storybooks, and promotion activities. Partnered with schools and Indigenous cultural experts to integrate ritual traditions, ancient stories, and farming techniques into school curricula, conveying significance of seed preservation, education, and cultural heritage.



■ "Beautiful Taiwan, Smile E.SUN "Environmental and Beach Cleanup Activities

For 16 consecutive years, we have organized the "Beautiful Taiwan, Smile E.SUN" environmental cleanup and beach cleanup activities. In response to World Cleanup Day in 2025, over 7,800 E.SUN volunteers and their families participated across 145 business locations and 14 coastal areas throughout Taiwan. Through these concrete actions, we actively contribute to plastic and waste reduction and safeguard our beautiful homeland.

■ Adopt trails in Yushan National Park and participate in ecological conservation research projects

We have adopted and maintained 260 km of trails in Yushan National Park trail for 17 consecutive years. We use this opportunity to promote conservation and environmental education, and encourage E.SUN employees to participate and work together to protect the environment.

■ Taiwan New Year Bird Count

For 3 consecutive years, we have participated in the "Taiwan New Year Bird Count," jointly organized by the Chinese Wild Bird Federation, Taipei Wild Bird Association, Kaohsiung Wild Bird Association, and the Biodiversity Research Institute of the Ministry of Agriculture. This event serves as a critical data source for monitoring changes in Taiwan's winter migratory bird populations, to which we are committed to contributing for ecological documentation.

2.7.4 Environmental Sustainability

GRI G4 Financial Services Sector: FS4

■ Earth Hour

For 14 consecutive years, we have participated in Earth Hour, the world's largest international carbon reduction campaign. Voluntarily extending the lights-off duration, from March 21 to 23, we turned off all exterior lighting for three consecutive nights.

■ 130 Days Lights Out

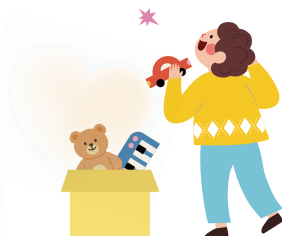
For the past 9 years, we've turned off our lights during peak energy hours in summer. From June 4 to October 12, 2025, all 140 branches across Taiwan shut down their signage lights, exterior wall lights, and television displays for the entire day. Over the past 9 years, a total of 624,386 kWh has been saved, equivalent to reducing 308 metric tons of carbon emissions.



■ Resource Circulation and Charity Auction

For 14 years in a row, we have held the "Resource Circulation Charity Auction," which amassed 8,000 donated second-hand and brand new items in 2025. This year, over 5,200 colleagues participated, raising NT\$10 million in proceeds that were all donated to the "E.SUN Care for Schoolchildren Program." The program supports economically disadvantaged families and children facing sudden setbacks by alleviating the financial burden of education by assisting in the purchase of stationery, books, and participation in activities, ensuring that all children can learn happily and participate in both school and extracurricular activities.

行動讓愛更靠近



■ 13-Book Lovers: Magazine circulation day

In order to realize E.SUN's environmental protection spirit, the "13-Book Lovers: Magazine circulation day activity" has been held at E.SUN Headquarter buildings. In order to effectively achieve the goal of resource sharing, we collected magazines that various departments had subscribed to (or had received as donations), along with employees' own books, magazines, CDs, and DVDs, which were made freely available to all employees. We collected a total of 3,198 items in 2025, and circulated 1,472 items, for a circulation rate of 45.02%.

■ "E.SUN Environment and Energy Saving Education Day"

Employees collectively clean office environment on monthly 13th Cleaning Day to implement 4Rs: Reduce, Recycle, Reuse, and Refuse. Environmental volunteers from each unit promote ESG knowledge on same day, with ESG materials regularly published on e-Learning platform.

Month	2025 ESG Education Topics
January	Sustainable Tourism
February	2025 Sustainable Development Outlook
March	Taiwan's Carbon Fee System and Internal Carbon Pricing
April	Diverse and Inclusive Friendly Workplace
May	International Day for Biological Diversity: Exploring zero deforestation and harmony with nature
June	World Environment Day and the Global Plastics Treaty
July	Farm to Table Sustainable Food Value Chain
August	International Day of the World's Indigenous Peoples
September	IFRS Sustainability Disclosure Standards
October	Green Finance: The Key to SME Sustainability
November	Sustainable Consumption: Raising Carbon Awareness, Amplifying Sustainable Impact
December	COP30