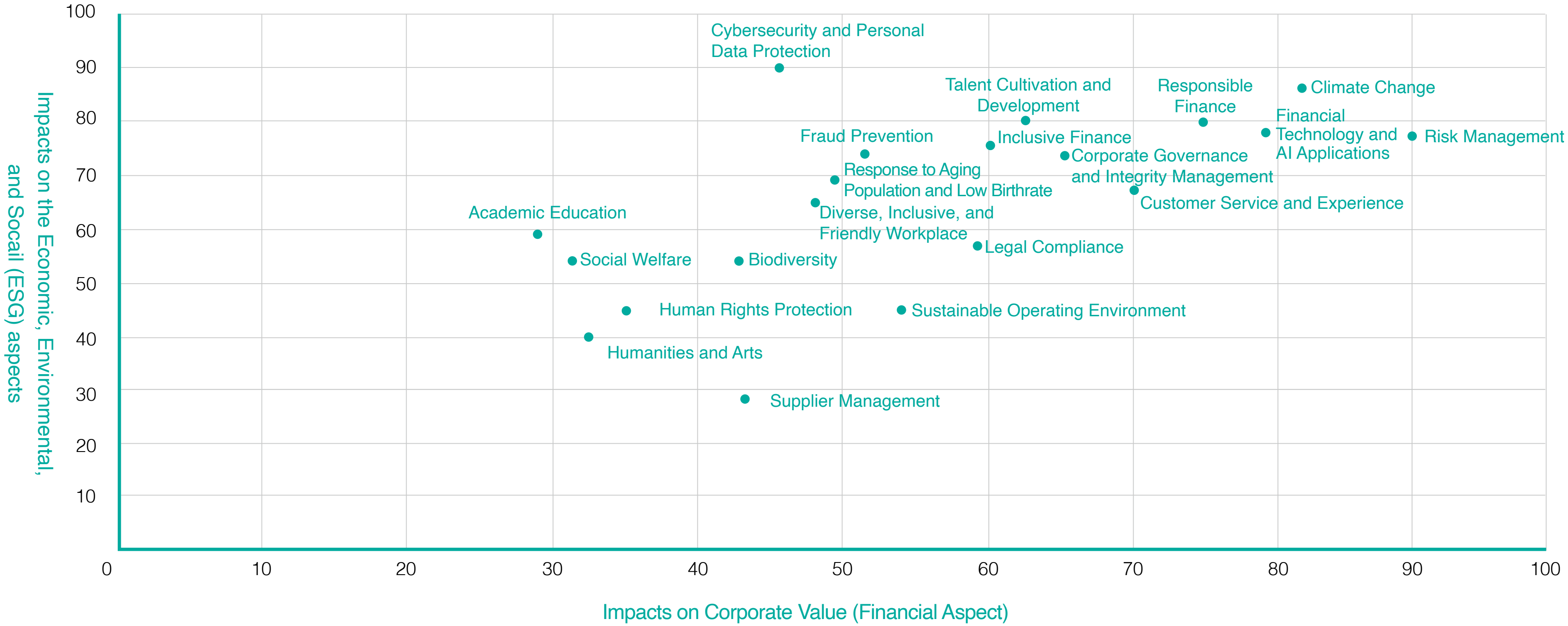
1.4.2 Materiality Assessment Process

The Sustainable Development Division evaluated 21 sustainability topics based on their impacts on the economic, environmental, and social (including human rights) aspects. A comprehensive assessment was conducted considering the actual/potential, positive/negative impact levels, and likelihood of occurrence, while also referencing the double materiality principle. The preliminary results were compiled and, after recommendations from the management team, E.SUN's material topics for 2025 were prioritized according to their impact levels. Subsequently, management mechanisms will be developed for these material topics, including setting related objectives, integrating them into the overall Enterprise Risk Management (ERM), and linking them to senior management compensation.

Impact Assessment Method

The impact levels and likelihood of occurrence of material topics on the economic, environmental, and social (including human rights) aspects are each rated on a scale from 1 to 5 by relevant departments. The Sustainable Development Division consolidates these scores and calculates the quantitative impact results for 20 material topics. After taking into comprehensive consideration the management team's recommendations, the material topic assessment results shown in the figure on the right were obtained:

Materiality Matrix



Impact explanation

Material Issues		Positive (actual/potential)		Negative (actual/potential)
Climate Change	Economy	When the company has effective climate change response strategies, it can assist customers in strengthening operational resilience and may create new business opportunities and markets, such as in renewable energy, energy efficiency, and green technologies, creating new jobs and positively impacting the overall economy.	Economy	Poor climate change response may directly or indirectly cause ineffective greenhouse gas emission reduction, exacerbating climate impacts and thereby negatively affecting overall company operations and economic performance.The physical risks of climate change and transition risks may impact E.SUN's investment and business operations, further affecting the risk profile of E.SUN's asset portfolio. E.SUN's investment portfolio represents the distribution of industries invested in, indirectly affecting the local environmental ecology.
	Environment	When the company has effective climate change response strategies, it can effectively assist customers or implement its own greenhouse gas reduction efforts, thereby generating positive impacts on the environment.	Environment	Physical risks: Extreme weather events such as typhoons or floods may result in operational disruptions and asset damages for E.SUN's business locations, leading to financial losses and impacting profitability. Transition risks: Associated with carbon emission costs, if E.SUN fails to effectively manage the carbon emissions of its investment or loan portfolio, it may affect its reputation and market competitiveness. Poor climate change response may worsen environmental damage.
	People (including Human Rights)	When the company has effective climate change response strategies and helps customers reduce greenhouse gas emissions, it has the opportunity to mitigate physical risks and bring positive impacts to people and human rights threatened by climate change.	People (including Human Rights)	Poor climate change response may cause insufficient greenhouse gas reduction, intensifying climate threats and negatively impacting people and human rights.
Risk Management	Economy	When the company implements risk management, it helps optimize the use of financial resources and improve operational efficiency, identifying and mitigating potential threats from existing and emerging risks, and assisting enterprise development, generating positive impacts on the overall economy and society.	Economy	Failure to implement risk management may lead to resource misallocation, ncreasing economic uncertainty and negatively affecting overall economic development.
	Environment	When the company has a sound risk management mechanism, it can quantitatively and comprehensively assess climate and environmental risks, protecting the environment from negative impacts caused by high-polluting or sensitive industries.	Environment	Without good risk management mechanisms, financial resources may flow into environmentally harmful industries, negatively impacting the environment.
	People (including Human Rights)	When the company implements risk management, it helps avoid supporting business activities sensitive to human rights issues in the use of financial resources, thereby helping reduce negative impacts on people and human rights.	People (including Human Rights)	Failure to implement risk management may cause financial resources to support business activities sensitive to human rights, negatively affecting people and human rights.
Financial Technology and AI Applications	Economy	When a company actively develops fintech and AI applications, it can help enhance capital flow and improve the efficiency of resource allocation. From an individual perspective, this contributes to providing greater convenience in daily life for the general public. From a corporate perspective, it enables faster access to funding to support business growth. Additionally, cloud adoption enhances flexibility and scalability while shortening time-to-market. Stablecoins and tokenization technologies, in specific use cases, can optimize cross-border payment and settlement processes, reduce intermediary costs, and improve real-time clearing efficiency. They can also invigorate capital markets, promote financial innovation and industry collaboration, and ultimately contribute positively to overall economic growth.	Economy	When a company actively develops fintech and AI applications, inadequate governance (including model risk management, data governance, and third-party/vendor management) may lead to model bias or process failures. This may result in service disruptions, transaction anomalies, inaccurate decision-making, or significant financial losses, thereby undermining market confidence. In extreme scenarios, such risks may exacerbate market volatility and impact financial stability. With the anticipated introduction of dedicated regulations, financial institutions are expected to incur significantly higher compliance and anti-money laundering (AML) costs related to virtual asset transactions. In addition, improper management of stablecoin reserves may give rise to liquidity risks and adversely affect financial stability.
	Environment	When a company actively develops fintech and AI applications, it can, through digitalization of processes, paperless operations, and remote services, reduce the consumption of paper, transportation, and physical operational resources. Coupled with the adoption of green computing and optimized use of cloud resources, it can further enhance energy efficiency and reduce environmental impact, thereby generating positive environmental outcomes. In addition, the application of digital assets such as stablecoins, with their on-chain transparency, can strengthen the tracking and management of carbon credits and green supply chains. Looking ahead, the tokenization of green assets may facilitate the flow of green capital and lower participation barriers.	Environment	When a company actively develops fintech and AI applications, model training and inference may increase computational demands. In the absence of green computing strategies, effective cloud resource management, and lifecycle planning for equipment, this may lead to higher energy consumption and carbon emissions, thereby generating negative environmental impacts.
	People (including Human Rights)	When a company expands financial inclusion through fintech and AI applications, it can help both the general public and financially vulnerable groups gain access to basic financial services. Combined with user-friendly interfaces and financial education, this helps reduce information asymmetry and strengthen the protection of user rights, thereby generating a positive impact on people and human rights. ◦	People (including Human Rights)	When a company fails to effectively manage its fintech and AI applications, it may result in biases or misinformation, potentially leading to discrimination or workplace misconduct. Moreover, advancements in AI technologies may reduce certain job opportunities, potentially leading to job displacement and adversely impacting people and human rights.In addition, in the event of cybersecurity vulnerabilities or cyberattacks, compensating losses related to virtual assets can be highly challenging.

Material Issues		Positive (actual/potential)		Negative (actual/potential)
Responsible Finance	Economy	Align with international sustainable finance standards by fully integrating ESG considerations into investment and financing processes. Through capital allocation, support low-carbon technology research and development and the growth of green industries, driving coordinated development across upstream and downstream industrial chains. By providing transition finance instruments, green lending, and sustainability-linked loans, assist customers in developing green products and expanding new business opportunities. At the same time, this approach attracts ESG-focused investors, expands funding channels, reduces financing costs, and strengthens both corporate and overall economic resilience.	Economy	Short-term implementation of ESG regulations may increase overall operational and management costs. Investment and financing restrictions on traditional high-yield but high ESG-risk industries may cause higher volatility in business volume and revenues. Frequent regulatory changes require internal policies to be constantly adjusted, increasing operational uncertainties. Inconsistent ESG evaluation standards across countries may affect cross-border investment and financing, impacting international competitiveness.
	Environment	Integrating, through the implementation of responsible lending and responsible investment, rigorous environmental risk assessment and management mechanisms into its lending and investment processes, strictly avoids capital flows to industries that pose significant risks or negative impacts to ecosystems and climate change. At the same time, it actively promotes responsible financial services to support client companies in setting concrete sustainability goals, investing in green energy and environmentally friendly projects, and generating positive environmental feedback loops.	Environment	Rapid changes in environmental technologies and standards may create assessment gaps, leading to capital being allocated to projects with less-than-expected environmental benefits. If process management is not properly implemented, funds may flow to borrowers with inadequate environmental risk management, potentially resulting in significant environmental damage.
	People (including Human Rights)	Implementing responsible finance policies and integrating social risk assessments into its credit review process to ensure that funds do not flow to industries involving labor exploitation, human rights violations, or activities that negatively affect social stability, thereby safeguarding reasonable working conditions and labor rights. In addition, through social financing and other financial services, E.SUN Bank supports socially responsible projects, reduces harm to vulnerable groups, and enhances their quality of life and social protection.	People (including Human Rights)	Inadequate assessment of operational or human rights impacts of investment/financing targets on local communities may indirectly involve community rights violations or improper labor conditions, triggering social disputes and reputational risks.
Talent Cultivation and Development	Economy	When a company establishes sound talent cultivation and development policies or systems, it enhances employee professionalism and productivity. High-quality talent serves to boost the enterprise's competitive advantage. As the business continues to grow and expand, it will create more job opportunities, contributing to the overall development of the industry and fostering a positive economic cycle.	Economy	When a company lacks sound talent cultivation and development policies or systems, it may struggle to retain talent, leading to brain drain or insufficient professional capabilities. This can prevent the company from operating effectively, growing, and executing strategies, which in turn creates negative economic impacts for shareholders, customers, and society as a whole.
	Environment	When a company implements effective talent cultivation and development policies or systems that incorporate topics such as climate change, resource management, ecological protection, and energy-saving mindsets into its education and training, it empowers employees to adopt more sustainable practices in their daily work, thereby exerting a positive impact on the environment.	Environment	When a company fails to implement effective talent cultivation and development policies or systems, it may result in the transfer of impractical knowledge and skills. This can cause a lack of proper understanding and execution of sustainability among employees, ultimately exerting a negative impact on the overall environment.
	People (including Human Rights)	When a company possesses robust talent cultivation and development policies or systems, it helps ensure that employees receive appropriate support and training. This safeguards employees' rights, provides favorable working conditions, and enhances employee alignment and loyalty, ultimately delivering a positive impact on people and human rights.	People (including Human Rights)	When a company does not possess robust talent cultivation and development policies or systems, it may lead to inequality and discrimination within the workplace, compromise the rights and interests of stakeholders, and result in a negative impact on people and human rights.
Corporate Governance and Integrity Management	Economy	A sound governance structure demonstrates the accountability of governing bodies, effectively prevents managerial abuse of power, and protects the rights of shareholders and other stakeholders. This, in turn, strengthens investor confidence, attracts more capital and investment, and thereby promotes economic growth. Robust policy-making processes and transparent information disclosure reduce information asymmetry, improve decision quality, and optimize resource allocation, enhancing overall economic efficiency.	Economy	Inadequate corporate governance erodes market trust, undermines investor confidence, and adversely affects capital inflows and innovation. Management's short term behavior may damage the company's long term development, thereby harming the competitive landscape.
	Environment	Corporate governance that emphasizes environmental responsibility promotes the integration of sustainability considerations into corporate strategy. Through sound governance, companies can improve resource-use efficiency and reduce adverse impacts on the natural environment when formulating environmental policies and pursuing a green transition, thereby supporting environmental protection and ecological balance.	Environment	Insufficient corporate governance can lead to inadequate environmental management, the absence of effective environmental policies and measures, and resultant environmental degradation. This may manifest as irresponsible resource consumption and neglect of sustainable development, producing persistent negative impacts on natural resources and ecosystems.
	People (including Human Rights)	Good corporate governance encourages companies to respect and protect human rights across their operations, particularly in supply-chain management, labor conditions, and diversity and inclusion. Through transparent governance structures and codes of conduct, companies foster social responsibility, safeguard the basic rights of employees and affected communities, and enhance overall social welfare.	People (including Human Rights)	Companies with poor corporate governance may fail to adequately oversee labor conditions in their operations and supply chains, which can lead to labor exploitation, human rights violations, and shortcomings in safeguarding diversity and inclusion.

Material Issues	Positive (actual/potential)		Negative (actual/potential)	
Customer Service and Experience	Economy	Good customer experience increases willingness to use financial services.	Economy	Failure to implement customer experience management and fair treatment lowers customer satisfaction and harms brand image, ultimately driving down market profitability and dampening overall economic vitality.
	People (including Human Rights)	Implementing fair treatment deepens customer trust in financial institutions,foster stronger customer relationships and promote word-of-mouth advocacy ,driving economic growth.	People (including Human Rights)	Neglecting customer experience management and fair treatment leaves customer rights issues unresolved. Failing to protect financially vulnerable groups, in particular, sparks consumer backlash, erodes trust, and damages brand credibility.
Cybersecurity and Personal Data Protection	Economy	Implementing information security and personal data protection reduces potential risks, enhances customer trust, supports financial market development, and positively impacts the economy.	Economy	Failure to effectively manage information security protection may expose enterprises to losses arising from cybersecurity incidents, causing declining market confidence and customer attrition. In addition, organizations may face compliance-related fines and sanctions, thereby negatively affecting operations, revenue generation and economic environment.
	Environment	Strengthened security and data protection allow companies to confidently advance digitization and automation, increasing efficiency and reducing demand for paper and other physical resources, indirectly benefiting the environment.	Environment	Insufficient management of information security increases the likelihood of cyberattacks (e.g., DDoS), which may lead to higher system loads, increased computational resource usage, and greater energy consumption, negatively impacting the environment.
	People (including Human Rights)	Emphasizing data security and privacy protection reflects respect for personal privacy and human rights, improves social trust in companies, promotes social harmony, and positively impacts people and human rights.	People (including Human Rights)	Inadequate data protection measures pose serious threats to personal privacy and data security, potentially leading to misuse or unauthorized access to personal information, triggering a crisis of trust and negatively impacting people and human rights.
Inclusive Finance	Economy	Inclusive finance fosters entrepreneurship and innovation, enabling individuals and SMEs to start and expand businesses, thus creating more jobs and driving overall economic growth.	Economy	If financial inclusion participants lack adequate financial knowledge, they may face financial difficulties, shaking economic stability.
	Environment	Supporting sustainable projects via inclusive finance, such as green technologies and environmentally friendly companies, enhances social recognition of ecological protection, advancing environmental protection and sustainability goals.	Environment	Improper promotion may direct funds into environmentally unfriendly industries, harming sustainability goals.
	People (including Human Rights)	Inclusive finance enhances social financial inclusion, guaranteeing basic economic rights and opportunities for all individuals, improving the living standards of vulnerable groups, helping reduce wealth gaps, and promoting social justice.	People (including Human Rights)	Lacking proper regulation and ethical standards, inclusive finance institutions may cause usury, deprivation of basic economic rights, social injustice, and harm to vulnerable groups.
Fraud Prevention	Economy	Accurate and timely fraud interception and blocking can effectively safeguard customers' assets while preventing fraud syndicates from using E.SUN Bank's financial services.	Economy	Account controls implemented during fraud blocking may prevent customers from accessing funds in a timely manner, causing inconvenience to customers.
	People (including Human Rights)	Implementing fraud interception and blocking measures helps protect the rights and interests of all groups in society and strengthens trust with customers.	People (including Human Rights)	In the fraud prevention process, rigorous transaction reviews may delay legitimate transactions due to verification procedures, impairing consumers' convenience and autonomy.
Response to Aging Population and Low Birthrate	Economy	Driving business innovation to address the needs of an aging population, creating new employment opportunities and supporting economic growth.	Economy	Failure to effectively address the challenges of aging and low birth rates may lead to labor shortages and declining productivity, place excessive financial strain on social security systems, and potentially trigger economic instability—resulting in negative impacts on the overall economy.
	Environment	In addressing low birth rates and an aging society, financial institutions can increase support for environmentally beneficial social welfare projects and infrastructure, enhancing essential public services while reducing environmental impact—such as smart cities and green transportation systems.	Environment	An aging society, coupled with a shrinking workforce, may drive greater reliance on innovative technologies such as automation and robotics, potentially increasing energy consumption and electronic waste, thereby exerting negative impacts on the environment.
	People (including Human Rights)	Addressing aging and low birth rates can improve seniors' quality of life, strengthen the protection of their rights, and, through corporate social responsibility initiatives, enhance their social participation and satisfaction—creating positive impacts on human rights.	People (including Human Rights)	Failure to address the needs of an aging population and low birth rates may lead to social isolation and unequal treatment of older adults, depriving them of their rights and resulting in negative impacts on people and human rights.

1.4.3 Management Objectives for material issues

Climate Change

Strategy 1

Establish evaluation mechanisms and appropriate risk anagement measures to address potential risks caused by climate change, while strengthening management and response capabilities.

Management Team / compensation linked to material issue

- Chief Sustainability Officer / 30%
- Chief Risk Officer / 10%

Key Performance Indicator (KPI)

- Implementation of IFRS S1/S2.
- CDP performance.
- Achievement status of carbon reduction targets.
- Establishment of financial carbon footprint management system for investment and financing.

	Target	Achievement Status
2025	· Scope 1, 2, and 3 emissions comply with SBT pathways. · Enhance the Low-Carbon Transition Plan · Adopt IFRS S2 and pilot sustainability disclosures in the annual report. · Maintain CDP climate change area at the leadership level. · Complete the implementation of the financial carbon inventory across E.SUN FHC and its subsidiaries.	· Scope 1, 2, and 3 carbon emissions show no significant deviation from the SBT (Science Based Targets) pathway. · Publish Low-Carbon Transition Plan and establish a transition maturity classification framework. · Report implementation progress to the Board on a quarterly basis; the sustainability-related financial disclosures section of the 2025 Annual Report was approved by the Board and released in March 2026. · Maintain CDP climate change, forests, and water areas at the leadership level. · Complete the implementation of the financial carbon inventory across E.SUN FHC and its subsidiaries.
2026 Target	· Enhance the methodology and scope completeness of climate risk stress testing. · Complete the development of the Low-Carbon Transition system and related management frameworks.	
2030 Target	· Achievd milestone carbon reduction targets for SBTi Scope 1, 2, and 3 emissions. · Complete carbon footprint inventories of all financial emission positions in accordance with the PCAF methodology.	

Strategy 2

Establish an environmental and energy-saving culture and implement related measures to reduce operating costs.

Management Team / compensation linked to material issue

- Head of Management Division, E.SUN Bank / 30%

Key Performance Indicator (KPI)

- Control operational environmental indicators, including carbon emissions, water usage, and waste management.

	Target	Achievement Status
2025	· Following the SBT pathway, Scope 1 and 2 carbon emissions are reduced by 21% based on the 2020 baseline year. · Water consumption per unit of revenue is reduced by 15% based on the 2020 baseline year. · Waste generation per unit of revenue is reduced by 50.1% based on the 2016 baseline year.	· Following the SBT pathway, Scope 1 and 2 carbon emissions are reduced by 50.56% based on the 2020 baseline year. · Water consumption per unit of revenue is reduced by 46.84% based on the 2020 baseline year. · Waste generation per unit of revenue is reduced by 55.0% based on the 2016 baseline year.
2026 Target	· Following the SBT pathway, Scope 1 and 2 carbon emissions are reduced by 25.2% based on the 2020 baseline year. · Water consumption per unit of revenue is reduced by 18% based on the 2020 baseline year. · Waste generation per unit of revenue is reduced by 55.7% based on the 2016 baseline year.	
2030 Target	· Following the SBT pathway, Scope 1 and 2 carbon emissions are reduced by 42% based on the 2020 baseline year. · Water consumption per unit of revenue is reduced by 30% based on the 2020 baseline year. · Waste generation per unit of revenue is reduced by 78% based on the 2016 baseline year.	

Strategy 3

Enhance operational resilience by increasing the proportion of renewable energy usage through methods such as power purchase agreements, self built solar power, and the purchase of renewable energy certificates.

Management Team / compensation linked to material issue

- Head of Management Division, E.SUN Bank / 30%

Key Performance Indicator (KPI)

- The proportion of renewable energy usage.

	Target	Achievement Status
2025	Achieve a 40% renewable energy usage ratio at domestic sites.	The proportion of renewable energy usage at domestic sites reached 60.96%.
2026 Target	The proportion of renewable energy usage at domestic sites reached 55%.	
2030 Target	Achieve 100% renewable energy usage ratio at domestic sites.	

Risk Management

Strategy	Management Team / compensation linked to material issue
Utilize information technology and scientific data analytics tools to strengthen early warning and response capabilities in risk management, thereby enhancing the efficiency of risk control.	· Chief Risk Officer / 60%

Key Performance Indicator (KPI)

- Management mechanisms for the impact of interest rate risk changes on assets and liabilities.
- Enhancement of operational risk management tools.
- Utilize intelligent technologies to improve anti-money laundering effectiveness.

	Target	Achievement Status
2025	· Enhance interest rate and liquidity risk management mechanisms across the entire bank, including overseas branches. · Align with Basel III revised capital standards and introduce EP and RORWA metrics to strengthen capital–risk linkage and improve efficiency. · Establish key issue monitoring functions and leverage stress testing to enhance assessment of material risk impacts, achieving 100% effectiveness in priority risk management areas. · Develop and implement a shared AML customer due diligence platform for the Singapore branch. · Adopt AI technologies to strengthen risk management capabilities and efficiency.	· Optimize asset-liability management to strengthen interest rate and liquidity risk controls; recalibrate interest rate gap and stress testing limits in response to market trends; enhance overseas branch reporting and refine limit frameworks to improve global risk management granularity. · Complete adoption of Basel III revised capital standards and utilize relevant metrics to improve capital efficiency. · In addition to annual stress tests, ad-hoc stress tests were promptly conducted in response to U.S. reciprocal tariffs, assisting the Board of directors in assessing potential material risk impacts. · Implement key issue monitoring functions in the ORM system and enhance stress testing under the new operational risk standards to improve priority risk management effectiveness. · Launch the shared AML customer due diligence platform for the Singapore branch by the end of 2025. · Establish an AI taskforce to enhance expertise and efficiency through training and practical implementation.
2026 Target	· Enhance real-time monitoring of securities limits to strengthen resilience against market volatility. · Improve liquidity risk early warning capabilities to reinforce business continuity resilience. · Continue to enhance capital efficiency by applying RWA limits and RORWA metrics to strengthen capital adequacy and resilience. · Refine stress testing frameworks by establishing material variance thresholds and incorporating climate risk to enhance assessment scope. · Establish an operational risk event and write-off database, leveraging AI to improve overall management effectiveness.	
2030 Target	· Improved market risk control system and risk sensitivity analysis efficiency by 50%. · Enhanced cross-module management effectiveness by 80%. · Achieved 60% systemization of domestic and international due diligence operations.	

Responsible Finance

Strategy 1	Management Team / compensation linked to material issue
Support lending to borrowers who have positive environmental and social impacts, including providing green loans and assisting enterprises in setting clear ESG development targets through sustainability-linked loans, thereby accelerating corporate transformation.	· Executive Officer of Corporate Finance /10%

Key Performance Indicator (KPI)

1. Green loan balance

2025	**Target** NT$ 124 billion	**Achievement Status** NT$ 137.6 billion
2030 Target	NT$ 130 billion	

2. Sustainability-linked loan balance

2025	**Target** NT$ 80 billion	**Achievement Status** NT$ 104.8 billion
2026 Target	NT$ 113 billion	
2030 Target	Occupying 13% of the total authorized balance of corporate finance loans	

Strategy 2	Management Team / compensation linked to material issue
Implement sustainable investment by increasing holdings in sustainable bonds (sustainable bonds refer to recognized green bonds, social bonds, and sustainability bonds).	· Chief Financial Officer / 15%

Key Performance Indicator (KPI)

Sustainable bond investment balance

2025	**Target** NT$ 48 billion	**Achievement Status** NT$ 121.2 billion
2026 Target	10% growth over 2025 year-end balance	
2030 Target	NT$ 55 billion	

Financial Technology and AI Applications

Strategy 1	Management Team / compensation linked to material issue
Optimize digital experience and operations, accelerate comprehensive technology adoption, integrate technology and sustainability into financial services, and continuously advance dual-axis transformation.	· Chief Digital Officer, E.SUN bank / 20% · Head of Digital Finance Division, E.SUN Securities / 10%

Key Performance Indicator (KPI)

1. Percentage of active customers on digital channels of bank (of overall active customers)

2025	Target 64%	Achievement Status 66.6%
2026 Target	67.2%	
2030 Target	70%*	

2. Digital applications as a proportion of total of bank

2025	Target 74%	Achievement Status 72.47%[Note1]
2026 Target	74.10%	
2030 Target	77%	

Note 1:
1. The scope of digital application services includes deposits, credit cards, personal loans, and funds;
2. In 2025, the number of newly opened digital deposit accounts in Taiwan reached a five-year low. Amid market saturation and intensified anti-fraud measures, stricter identity verification was implemented to safeguard customer rights, resulting in a lower proportion of digital onboarding compared to 2024. In 2026, efforts are planned to expand the customer base by addressing essential customer needs and different life stages, while optimizing user experience to increase the proportion of digital onboarding.

3. Proportion of Online Securities Account Openings

2025	Target 82%	Achievement Status 80% [Note 2]
2026 Target	82%	
2030 Target	82%	

Note 2:
Affected by market conditions, the proportion of online account openings declined. Continuous optimization of pain points in the online onboarding process has helped the ratio rebound to 84% in Q4.

4. Proportion of Electronic Securities Orders

2025	Target 91%	Achievement Status 94.29%
2026 Target	91%	
2030 Target	91%	

Strategy 2	Management Team / compensation linked to material issue
Develop and utilize trustworthy artificial intelligence (AI), investing in technological innovation to enhance service efficiency, quality, and competitiveness.	· Chief Technology Officer / 75%

Key Performance Indicator (KPI)

Driving the comprehensive integration of intelligent technology and financial services.

	Target	Achievement Status
2025	· Driving the implementation of Generative AI (GAI) applications. · Advancing AI and data-driven business models. · Deploying enterprise-grade AI virtual assistant functionalities. · Establishing artificial intelligence management and governance frameworks.	· We have successfully integrated GAI capabilities through internal and external applications—such as automated Credit 5Ps generation for corporate banking and the "E.SUN i-chat". This has standardized professional quality, optimized operational efficiency, and advanced our dual-axis digital and sustainability transformation goals. · We have integrated AI across diverse business scenarios. For example, in 2025, AI models were embedded into our retail lending and risk management workflows, leveraging data to enhance the accessibility of inclusive finance while strengthening anti-fraud defenses. · In 2025, AI-powered assistants were introduced across multiple scenarios, including wealth management advisory and customer service. These tools optimize information retrieval and response quality, elevating the digital customer experience. Concurrently, this human-machine collaboration model has released operational capacity for our colleagues, demonstrating the tangible impact of digital transformation on human capital. · In 2025, we established the Artificial Intelligence Management Committee (AIMC) and launched the "Responsible AI" project. By incorporating ethics and risk assessments into the entire AI lifecycle management, we have built a transparent and reliable governance mechanism, fulfilling our long-term commitment to responsible finance.
2026 Target	· Refining and upgrading the lending workflows for retail banking. · Constructing a comprehensive customer relationship model map for retail banking. · Supporting agile development projects focused on digital and AI transformation within retail banking. · Optimizing the digital lending journeys for SMEs. · Establishing a corporate market business insights platform. · Advancing and refining the artificial intelligence management and governance framework.	
2030 Target	Positioning E.SUN FHC as a benchmark bank in Asia through AI excellence: ensuring broader and more mature AI applications across all parent company operations, subsidiaries, and overseas branches.	

Corporate Governance and Integrity Management

Strategy 1	Management Team / compensation linked to material issue
Continuously strengthen the functions of the Board of Directors, enhance leadership and management capabilities of the executive team, and prioritize the protection of shareholders' rights and the accuracy and transparency of information.	· Corporate Governance Officer / 100%

Key Performance Indicator (KPI)

- Strengthening Board functions.
- Ensuring information transparency.
- Promoting shareholder participation.

	Target	Achievement Status
2025	· In accordance with regulatory policies, share business performance results with employees to promote sustainable development; internal regulations have been updated to include provisions on the allocation ratio of remuneration for middle and junior level employees. · To align with the International Financial Reporting Standards (IFRS) sustainability disclosure requirements, a phased schedule for sustainability information disclosure has been pre-planned. · Conducted preparatory work in advance for the planning and diversification of the next board of directors' composition.	· Approved amendments to the Articles of Incorporation to add provisions on the allocation ratio of employee remuneration to non-executive employees, thereby sharing business results with employees to advance sustainable development. · Completed and published the " E.SUN Financial Holding Company, Ltd. 2025 Sustainability-Related Financial Information" and proactively adopted the IFRS Sustainability Disclosure Standards to demonstrate high transparency and strengthen climate resilience planning. · In line with the Company's industry characteristics and future development strategy, appoint independent directors who possess the requisite expertise and who endorse E.SUN's corporate culture, management philosophy, and expert led governance model; regularly evaluate and report on the Board's composition and plans for board re election.
2026 Target	· Conduct board reelection and provide induction training to newly appointed directors. · Engage an external, independent professional institution to conduct a corporate governance assessment and a board performance evaluation. · In line with regulatory policies aimed at strengthening independent directors' roles in supervision, professional advisory, and governance balance for financial holding companies and banks, the internal rules have been updated to add provisions on independent directors' rights, responsibilities, and procedures for assistance and investigation.	
2030 Target	· Based on the company's phased sustainable development strategies, consolidate and formulate advanced plans to further enhance corporate governance. · Continuously optimize corporate governance culture in accordance with regulatory policies, and review the corporate governance framework by referencing domestic and international best principles and practices; progressively revise relevant regulations and adjust disclosure information.	

Strategy 2	Management Team / compensation linked to material issue
Internalize the value of integrity and honesty into the corporate culture to foster trustful relationships with customers.	· Chief Compliance Officer / 20%

Key Performance Indicator (KPI)

- Implementation of training and testing.
- Risk assessment mechanism for dishonest business practices.

	Target	Achievement Status
2025	· Continuously implement education, training, and awareness initiatives. · Maintain a 100% employee participation rate. · Establish preventive control mechanisms based on the results of dishonest behavior risk assessments. · Convene the Accountability Committee annually to review the operation of the accountability system.	· Promote integrity management education through courses in various training sessions. · Provide all board members with promotional materials on "Integrity Management and Handling of Material Internal Information." · Implement online education and testing on integrity management with 100% employee participation. · The 2025 assessment of integrity behavior risk indicated that the overall residual risk for the subsidiary E.SUN Bank was low, remaining well within the established risk appetite limits. · The Accountability Committee of the subsidiary, E.SUN Bank, convened twice in 2025, and also reviewed and revised related guidelines and organizational regulations.
2026 Target	· Continuously implement education, training, and awareness initiatives. · Maintain a 100% employee participation rate. · Establish preventive control mechanisms based on the results of dishonest behavior risk assessments. · Convene the Accountability Committee annually to review the operation of the accountability system.	
2030 Target	· Continuously implement education, training, and awareness initiatives. · Maintain a 100% employee participation rate. · Continuously optimize the risk assessment mechanism for integrity management behaviors.	

Talent Cultivation and Development

Strategy	Management Team / compensation linked to material issue
By adopting talent-oriented performance management that integrates long-term strategies and training programs, we cultivate the talent needed for the organization through diverse approaches such as professional development and job rotation.	· FHC / Bank Human Resources Division Head / 30% · Securities Human Resources Department Head / 30% · SICE & SITE Human Resources Department Head / 25%

Key Performance Indicator (KPI)

- Average training hours per employee.
- Number of employees certified in digital capabilities.

	Target	Achievement Status
2025	· The average training hours per employee remain above 50 hours. · Incorporate digital-related courses into professional training programs across all job families, and continuously promote the E.SUN Digital Capability Learning Initiative to achieve a 50% digital-related learning coverage rate for the current year.	· Average training hours per employee: 60.29 hours. · Assist professional training across all job families by utilizing digital learning materials to facilitate blended learning, while continuously promoting the E.SUN Digital Capability Learning Initiative to increase the employee learning coverage rate for relevant capabilities to 50.1%.
2026 Target	· The average training hours per employee remain above 50 hours. · Incorporate digital-related courses into professional training programs across all job families, and continuously promote the E.SUN Digital Capability Learning Initiative to achieve a 55% digital-related learning coverage rate for the current year.	
2030 Target	· The average training hours per employee remain above 50 hours. · Incorporate digital-related courses into professional training programs across all job families, and continuously promote the E.SUN Digital Capability Learning Initiative to achieve an 80% digital-related learning coverage rate for the current year.	

Customer Service and Experience

Strategy	Management Team / compensation linked to material issue
Focusing on customer experience, establish a culture of fair treatment to ensure service quality.	· Chief Compliance Officer / 20% · Head of Customer Service Division, E.SUN Bank / 80% · Heads of Sustainability Development Department and General Planning Department, E.SUN Securities / 30%

Key Performance Indicator (KPI)

1. NPS (Net Promoter Score)

	Target	Achievement Status
2025	· Maintain a physical channel NPS of 60 or higher. · Maintain a digital channel NPS of 55 or higher. · Maintain a customer service channel NPS of 50 or higher.	· Physical channel: 76 · Digital channel: 69.8 · Customer service channel: 65.9
2026 Target	Maintain an overall score of 65 or above.	
2030 Target	Maintain an overall score of 65 or above.	

2. Customer satisfaction

	Target	Achievement Status
2025	Satisfaction rates for E.SUN Bank · Physical channels: above 90% · Digital channels: 90% · Customer service channels: 85% Satisfaction rate for E.SUN Securities · Customer service channel: above 90%	Satisfaction rates for E.SUN Bank · Physical channel: 94.6% · Digital channel: 94.4% · Customer service channel: 89.7% Satisfaction rates for E.SUN Securities · Customer service channel: 100%
2026 Target	· Satisfaction rates for E.SUN Bank's physical and digital channels are maintained above 90%; customer service channel is maintained above 85%. · Satisfaction rate for E.SUN Securities customer service channel is maintained above 90%.	
2030 Target	· Satisfaction rates for E.SUN Bank's physical and digital channels are maintained above 90%; customer service channel is maintained above 85%. · Satisfaction rate for E.SUN Securities customer service channel is maintained above 90%.	

3. Implement the principle of fair treatment for customers

	Target	Achievement Status
2025	Recognized with the Fair Customer Treatment Award.	· E.SUN Bank was recognized as 26%-50% performer in the Financial Supervisory Commission's 2025 Fair Treatment of Customers Assessment. · E.SUN Securities was recognized as a top 25% performer in the Financial Supervisory Commission's 2025 Fair Treatment of Customers Assessment.
2026 Target	Recognized with the Fair Customer Treatment Award.	
2030 Target	Recognized with the Fair Customer Treatment Award.	

Cybersecurity and Personal Data Protection

Strategy 1	Management Team / compensation linked to material issue
Establish comprehensive governance framework, continuously obtain internationally recognized certifications to implement information security, personal data protection, and business continuity, aligning with international standards.	· Chief Information Security Officer (CISO) / 100%

Key Performance Indicator (KPI)

· Continuously obtain international standards.
· Improve and enhance E.SUN's personal data protection system.

	Target	Achievement Status
2025	· Expand the scope of ISO 27001 Information Security Management System certification. · Enhance the personal data operations organizational development plan and assess personal data capabilities of overseas branches.	· In 2025, E.SUN Bank completed the expanded certification of ISO 27001:2022 Information Security Management System (ISMS) across three additional units. · In 2025, E.SUN FHC and its subsidiaries completed a comprehensive review and consolidation of personal data management regulations, establishing a unified governance framework to ensure consistent principles and coordinated operations.
2026 Target	· Implement information security management practices and continuously maintain the validity of ISO 27001:2022 certification. · Complete the assessment of international personal data protection frameworks, and propose adoption plans aligned with global standards to ensure compliance with the latest regulatory requirements. · Fully optimize personal data inventory management, improving inventory efficiency and enhancing risk assessment capabilities to ensure comprehensive data protection governance.	
2030 Target	· E.SUN Bank and E.SUN Securities continue to maintain ISO 27001:2022 Information Security Management System (ISMS) certification. · Establish a consistent personal data management framework across E.SUN FHC and its subsidiaries, and continuously enhance supplier risk management mechanisms.	

Strategy 2	Management Team / compensation linked to material issue
Build a complete cybersecurity protection framework to improve high availability of information services, demonstrate cybersecurity resilience, and enhance the maturity of cybersecurity governance.	· Chief Information Security Officer (CISO) / 100%

Key Performance Indicator (KPI)

· Number of successful cybersecurity breach incidents.
· Deepen and broaden the zero trust architecture.

	Target	Achievement Status
2025	· Zero successful cybersecurity breach incidents. · Deepen and broaden the zero trust architecture.	· Achieved zero successful cybersecurity breach incidents throughout 2025. · Completed technical validation of Security Orchestration, Automation, and Response (SOAR) solutions and developed short-, medium-, and long-term implementation roadmaps; Implemented Secure Access Service Edge (SASE) solutions for vendor-based security operations scenarios.
2026 Target	· Establish a deep learning-based anomaly detection model architecture. · Develop an AI-driven cybersecurity monitoring and detection mechanism. · Formulate an enterprise red team development roadmap. · Implement Security Orchestration, Automation, and Response (SOAR) capabilities.	
2030 Target	· The number of cybersecurity incidents caused by successful hacker intrusions remains at zero. · Continuously enhance and mature the Zero Trust architecture.	

Inclusive Finance

Strategy	Management Team / compensation linked to material issue
Promote inclusive finance policies to ensure that individuals and businesses from diverse backgrounds can access suitable and diverse financial services based on openness, equality, and diversity. In the process, foster social employment and economic development, eliminate inequality, and advance financial inclusion.	· Executive Officer of Retail Banking / 20% · Director of Securities Digital Finance Division / 10% · Chief Marketing Officer of Asset Management / 10%

Key Performance Indicator (KPI)

1. Resolve financing challenges faced by small enterprises with revenues below NT$50 million, and assist individuals and businesses with positive social and local community impact in their development.

	Target	Achievement Status
2025	· 5,500 new loan accounts for small businesses. · 1,730 new loan accounts for startups, local revitalization projects, social enterprises, and youth entrepreneurship seed funds.	· 7,256 new loan accounts for small businesses. · 2,907 new loan accounts for startups, local revitalization projects, social enterprises, and youth entrepreneurship seed funds.
2026 Target	· 5,600 new loan accounts for small enterprises. · 1,745 new loan accounts for startups, local revitalization projects, social enterprises, and youth entrepreneurship seed funding.	
2030 Target	· 6,000 new loan accounts for small businesses. · 1,800 new loan accounts for startups, local revitalization projects, social enterprises, and youth entrepreneurship seed funds.	

2. Provide innovative and user-friendly financial services to vulnerable groups, people with disabilities, and elderly customers through digital and accessible financial solutions.

	Target	Achievement Status
2025	· Installed 50 additional voice-enabled ATMs for visually impaired users, reaching a total of 455 such ATMs, accounting for 33% of all ATMs. · Continuously enhancing the number of branches offering friendly services, with 121 branches rated Grade A or B, accounting for 86% of all branches. · Optimized self-service information on the official website to facilitate customers' access to financial services.	· Installed 59 additional voice-enabled ATMs for the visually impaired, bringing the total to 464 such ATMs, accounting for 33% of all ATMs. · Continuously enhancing the number of branches offering friendly services, with 122 branches rated Grade A or B, accounting for 87% of all branches. · The entire official website has obtained the Accessibility Grade AAA certification; under "Friendly Services," sign language and Taiwanese/English appointment options for account opening have been added; additionally, customers can apply for personal loans online.
2026 Target	· Installed 46 additional voice-enabled ATMs for the visually impaired, bringing the total to 510 such ATMs, accounting for 37% of all ATMs. · Continuously enhancing the number of branches offering friendly services, with 123 branches rated Grade A or B, accounting for 88% of all branches. · Optimize self-service information on the official website to facilitate customers' access to financial services.	
2030 Target	· Voice-enabled ATMs account for 70% of all ATMs nationwide. · Branches rated Accessibility Grade A and B account for 90% of all branches nationwide. · Continuously optimize digital channels to provide accessible financial services.	

3. Offer tailored products for diverse segments to build financial habits. Note

2025	Target NA	Achievement Status NA
2026 Target	· ETF IPO online subscription accounts for 80% of total subscriptions. · Launch inclusive financial products and services, offering diverse investment options while upholding the principle of fair customer treatment.	
2030 Target	· ETF IPO online subscription accounts for 80% of total subscriptions. · Launch inclusive financial products and services, offering diverse investment options while upholding the principle of fair customer treatment.	

Note: Proactively adopted the 2026 material issue KPIs ahead of schedule; the original 2025 target was achieved, with a total of 57,006 retail investors participating in regular stock investment plans or micro-savings programs.

Fraud Prevention

Strategy	Management Team / compensation linked to material issue
Integrate notifications from regulatory authorities, intelligence from peer institutions and external sources, internal transaction monitoring, and customer feedback to identify emerging fraud typologies and potential vulnerabilities.	· Executive Officer of Retail Banking / 20%

Key Performance Indicator (KPI)

1. Financial-Friendly and Fraud Prevention Seminars

	Target	Achievement Status
2025	· Hold 20 seminars, with 1,200 customer participants.	· Held 24 seminars, with 1,275 customer participants.
2026 Target	· Hold 20 seminars, with 1,200 customer participants.	
2030 Target	· Hold 20 seminars, with 1,200 customer participants.	

2. Watch-Listed Account Management

	Target	Achievement Status
2025	· Either Watch-Listed Account Observation Indicator 1 or Indicator 2 [Note] is below 100%.	· Indicator 1: 91.09%; Indicator 2: 113.25%.
2026 Target	· Either Watch-Listed Account Observation Indicator 1 or Indicator 2 [Note] is below 100%.	
2030 Target	· Either Watch-Listed Account Observation Indicator 1 or Indicator 2 [Note] is below 100%.	

Note: Indicator 1: "Ratio of watch-listed accounts / Ratio of deposit accounts"; Indicator 2: "Monthly growth rate of new watch-listed accounts" / "Financial institutions average monthly growth rate of new watch-listed accounts."

Response to Aging Population and Low Birthrate

Strategy	Management Team / compensation linked to material issue
· Integrate public and private sector resources through collaboration with hospitals, financial institutions, and government agencies to deliver holistic, customer-centric solutions that protect assets and prevent fraud. · Enhance employee experience by implementing tailored support initiatives for a multigenerational workforce.	· Executive Officer of Retail Banking / 20% · Bank Human Resources Division Head / 10%

Key Performance Indicator (KPI)

1. Dementia-Friendly Certified Branches.

	Target	Achievement Status
2025	· Completed dementia-friendly organization certification for 138 branches.	· 138 branches certified as dementia-friendly organizations.
2026 Target	· Completed dementia-friendly organization certification for 140 branches.	
2030 Target	· Strengthen fraud prevention awareness and expand senior-friendly financial services.	

2. Trust Services Awareness Seminar

	Target	Achievement Status
2025	· Hold 5 trust awareness events in local communities.	· Held 5 trust awareness events in local communities.
2026 Target	· Delivered 15 community-based trust awareness events; partnered with healthcare institutions to introduce a "financial prescription" program for seniors, piloted at 3 branches.	
2030 Target	· Aligned with regulatory and industry association priorities, continuously advance awareness and outreach initiatives.	

3.Enhance talent retention rates and strengthen the execution rate of work fitness management programs for middle-aged and elderly employees.

	Target	Achievement Status
2025	· Maintain talent retention rate at 90% or above. · Achieve a 100% execution rate for the work fitness program (including questionnaire distribution, analysis, and on-site physician services). · Achieve a 100% intervention completion rate for case management of employees with health abnormalities.	· Talent retention rate reached 91.29%. · Achieved a 100% execution rate for the work fitness program (completed questionnaire distribution, analysis, and on-site physician services). · Achieved a 100% intervention completion rate for cases with health abnormalities.
2026 Target	· Maintain talent retention rate at 90% or above. · Achieve a 100% execution rate for the work fitness program (including questionnaire distribution, analysis, and on-site physician services). · Achieve a 100% intervention completion rate for case management of employees with health abnormalities.	
2030 Target	· Maintain talent retention rate at 90% or above. · Achieve a 100% execution rate for the work fitness program (including questionnaire distribution, analysis, and on-site physician services). · Achieve a 100% intervention completion rate for case management of employees with health abnormalities.	