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### **Yuanta FHC Wins Global 1st Place in DJSI Diversified Financials Again. Sustainability Mover & Shaker Achieves Double-Listing on DJSI World & Emerging Markets for 5 Consecutive Years.**

The Dow Jones Sustainability Index (DJSI), the world's highest honor for ESG (environmental, social, and governance) practices, was released on December 8, Taipei time. Yuanta Financial Holding Company (FHC) has been selected as a constituent of the double lists of DJSI World and DJSI Emerging Markets for five consecutive years, standing out from over 13,000 participating companies. Furthermore, Yuanta FHC has once again been ranked number one (No. 1) globally out of more than 600 companies in the S&P Global Corporate Sustainability Assessment (CSA) in the group of Diversified Financial Services and Capital Markets.

Yuanta FHC has integrated ESG into the DNA of corporate culture and business strategy, striving to achieve the vision of “actively promoting a better future for future generations” by introducing systematic, scientific, and internationally consistent standardized processes, and establishing the Yuanta Group's sustainable business management and service model. As a member of the Coalition of Movers and Shakers on Sustainable Finance, Yuanta FHC promotes the net-zero transformation of Taiwan and industries, and utilizes the power of capital, commodities, and engagement of financial institutions as a domestic sustainability engine to cultivate more “green-collar” sustainability talents in the market, and injects living water for sustainable development. Yuanta FHC also drives the upstream and downstream customers, the supply chain, and the society to further join together with the international community and add resilience.

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With the rapid changes in climate change, geopolitics, and global risks, Yuanta FHC has incorporated climate change risks into the existing risk management process and follows the Climate-related Financial Disclosures (TCFD) framework to identify the relevant issues in terms of both risks and opportunities. Yuanta FHC has also taken the lead in adopting the spirit of the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures and proactively disclosed the annual climate management mechanism and effectiveness, fully demonstrating the Yuanta Group's deep-rooted risk awareness in the organizational culture. As a result, Yuanta FHC has made CDP's highest Climate Change A List for three years in a row, and has been ranked as Leadership Level A for five years. This is the best achievement in Taiwan's financial industry.

In recent years, the global economic situation has been facing geopolitical impact such as the war between Ukraine and Russia and the tug-of-war between China and the U.S. Adhering to the core concept of prudent risk management, Yuanta FHC has continued to have zero exposure to risk in Russia, Turkey, Brazil, and South Africa. As a trusted brand accompanying the growth of our customers, Yuanta FHC also utilizes the positive influence of capital and resources to promote the sustainable development of our customers. Yuanta Bank, a subsidiary of Yuanta FHC, signed a sustainability-linked loan agreement with ASUS to support customers to incorporate the concept of circular economy into product design and create more environmentally friendly products. Yuanta Funds is the first company in Taiwan to take the initiative to engage with constituent stocks, selecting 00850 constituent companies for engagement and implementing sustainability index tracking management.

In addition to focusing on climate change issues and responding to Taiwan's 2050 net-zero carbon emission target, Yuanta FHC also emphasizes the international trend of ESG human rights and assesses the level of sustainability risk of suppliers through

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the self-assessment mechanism, providing advanced recommendations and linking the Yuanta Group's midstream and downstream forces in order to put sustainability concepts into practice. Together with the goal of strengthening ESG resilience, we are also committed to the cultivation of sustainable human resources, training colleagues with ESG-related knowledge, regulatory awareness, and data analysis skills, which can be applied to the provision of various services to customers in investment, financing, financial management, and liquidity, in order to realize the concept of sustainability from the bottom up.

What makes DJSI the world's most credible sustainability evaluation authority is that it does not use a registration/nomination system, but actively invites qualified companies to enter the evaluation. Moreover, CSA not only collects companies' public performance, but also asks them to fill out a questionnaire with more than 100 questions to evaluate their sustainability from three major ESG dimensions each year, and then selects the top ten percent (10%) of the companies with the highest scores, which is both in-depth and wide-ranging. Yuanta FHC's five subsidiaries have developed in a balanced manner and are more diversified than companies in a single industry. We are a member of the group of Diversified Financial Services and Capital Markets, along with U.S. firms such as Standard & Poor's (S&P) and the Swiss UBS, and still have won the No. 1 position as a global industry leader in the face of strong competition.

Yuanta FHC is not only a global benchmark enterprise for sustainability, but also a sustainability leader in Taiwan. Yuanta FHC has been self-motivated and quietly working in the process of promoting ESG, and has always deployed in advance of the formulation of relevant sustainability standards in Taiwan. As the direction of DJSI's questionnaire is adjusted each year and CSA continues to incorporate emerging international sustainability standards, it is important to keep abreast of international trends in order to stay on track year after year. Yuanta FHC has repeatedly led the

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industry in introducing and complying with a number of standards and criteria, such as the standards of the Sustainability Accounting Standards Board (SASB), and will continue to cultivate the field of sustainability in a multifaceted manner, vigorously connecting with domestic and international policies, shouldering the responsibility of being the engine of sustainability in Taiwan, and sharing successful experiences.



Photo: Yuanta FHC has integrated ESG into the DNA of corporate culture and business strategy, and has once again been awarded the No. 1 position globally in the group of Diversified Financial Services and Capital Markets of DJSI.



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