

Yuanta Financial Holding Company and Subsidiaries
Environment and Energy and Climate Change Management Policy

Approved by the Board of Directors on May 20, 2022 (42nd meeting of the 8th board)

Article 1

In order to practice sustainable development, in response to international energy shortage and climate change issues, and to incorporate environmental sustainability into the company management and operations, the Company establishes this Policy.

Article 2

The core value of the Company's corporate culture is to establish the best corporate governance model, to pursue "Total Shareholder Return (TSR)," and to implement ESG (environmental, social, and corporate governance) sustainable development. The Company and its subsidiaries shall strive to promote environmental and energy management, practice efficient use of energy, reduce greenhouse gas (GHG) emissions, fulfill environmental protection, and achieve the following commitments:

- 1) The Company and its subsidiaries shall comply with government regulations and requirements on environmental protection and energy, and at the same time provide education and training on sustainable development to relevant personnel and raise awareness of sustainable development among participating partners and suppliers.
- 2) The Company and its subsidiaries shall adopt domestic and international standards or guidelines to develop climate change response strategies and various environmental and energy targets and programs, and actively respond to the trend of net zero carbon emissions. The Company and its subsidiaries shall regularly review the achievement of various targets and strive to reduce energy consumption and appropriately increase the reuse of resources to continuously improve the environmental and energy management performance.
- 3) The Company and its subsidiaries shall establish a corporate green culture and value the use of various energy sources, promote green procurement that is recyclable, low-pollution and resource-saving in the spirit of "effective cost" and "best efficiency," actively reduce the impact of climate change on the operations, fulfill the environmental protection responsibilities and practice sustainable development.

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- 4) The Company and its subsidiaries shall commit to ensuring the provision of information and necessary resources to continuously improve energy performance and reduce GHG emissions, and if the Company builds its own building for business use, it shall strive to obtain a green building label upon completion to maximize the sustainable use of energy.
- 5) The Company and its subsidiaries shall develop innovative services related to green economy. Through responsible investment and the establishment of a green credit system, the Company and its subsidiaries shall take into account the environmental protection, corporate integrity and sustainable development of the credit clients, and actively develop diversified ESG financial instruments to ensure the environmental and social benefits of capital utilization, to implement green finance, enhance service value and promote sustainable environmental development.

Article 3

Based on the impact of global warming and climate change on the global economic environment, industrial structure and policies, financial market fluctuations, and sustainable business operations, and in response to the need for each industry to prevent climate risks and the impact on water resources, forests and other biodiversity on economic development, and to jointly face the goal of net zero carbon emissions, the Company shall make every effort to promote various environmental sustainability issues and incorporate them into its corporate governance as the cornerstone of sustainable management.

Article 4

This Policy shall take effect, along with any subsequent amendments, upon receiving approval from the Company's board of directors.