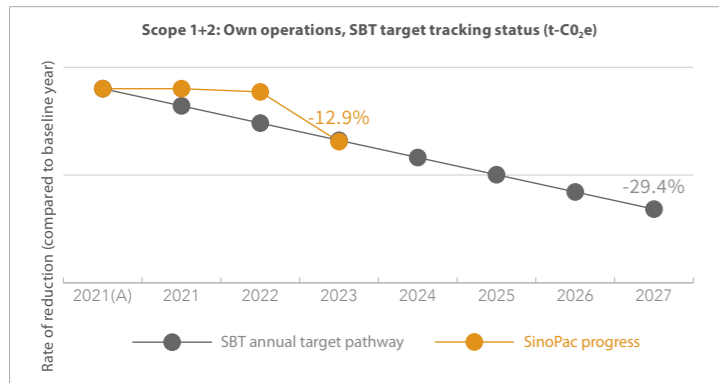


## Science Based Targets (SBT) Implementation Status in 2023

SinoPac Holdings actively implements pledging to achieve net zero emissions of its own operations by 2030 and the entirety of its financed portfolios by 2050. We continuously monitor our progress in achieving science-based reduction targets (SBTs) to track our emission reduction progress. The targets approved by SBTi and the progress towards achieving them by the end of 2023 are as follows:

### SinoPac's Own Operations

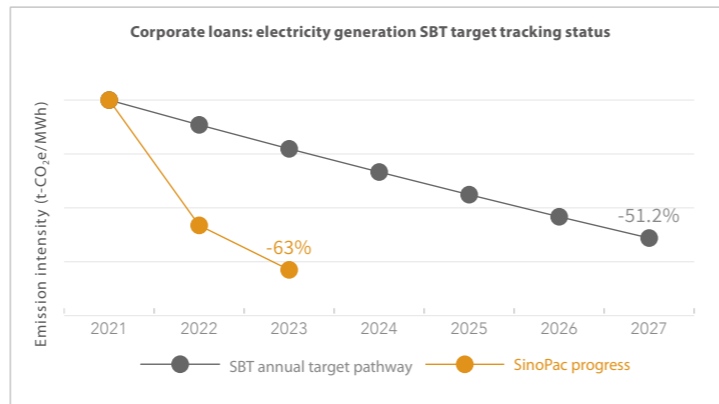
<b>Targets language</b>	Reduce absolute scope 1 and 2 GHG emissions 29.4% by 2027 from a 2021 base year.
<b>Progress</b>	The absolute amount of Scope 1 and 2 absolute GHG emissions reduced by 12.9% in 2023 as compared to the base year, which met targets for 2023. Refer to 5.1. Green Operations for detailed carbon reduction actions.



(\*) 2021(A): After July 2022, SBTi requires that regardless of the baseline year setting after 2020, the reduction ratio is calculated with 2020 as the starting year. Therefore, the actual baseline year and values used here is from 2021, but SBTi still regards them as 2020 data.

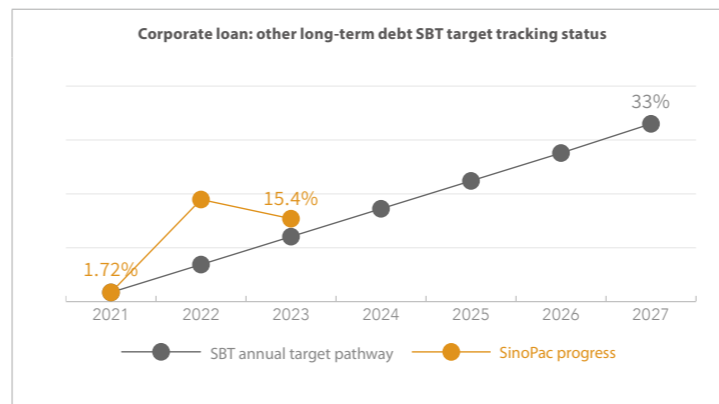
### 2. Corporate loans: electricity generation

<b>Targets language</b>	Reduce GHG emissions from the electricity generation sector within corporate lending portfolio 51.2% per MWh by 2027 from a 2021 base year.
<b>Progress</b>	The amount of GHG emission intensity of electricity generation sector within its corporate lending portfolio reduced by 63.0% in 2023 as compared to the base year, which met targets for 2023. Please refer to 3.2.1 Green Finance for detailed implementation and actions regarding renewable energy.



### 4. Corporate loan: other long-term debt

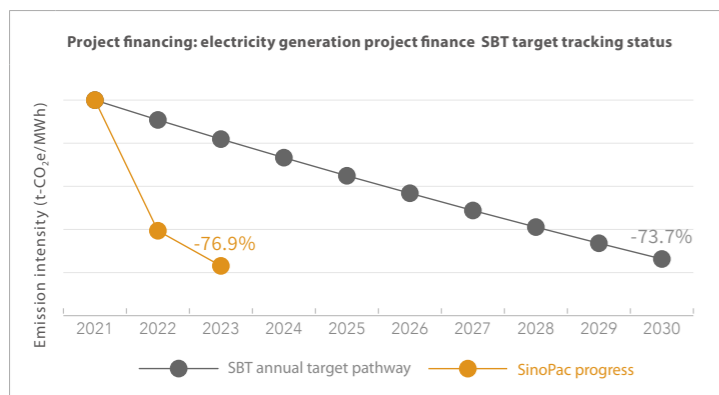
<b>Targets language</b>	Reach 33% of other long-term corporate loan portfolio by invested value setting SBTi validated targets by 2027 from a 2021 base year. This target covers 100% exposure in the following sectors: fossil fuel, electronics, steel, paper, cement, textile, production of chemical materials, traditional manufacturing - automobile manufacturing, transportation, banks, real estate development, and warehouse.
<b>Progress</b>	Clients in covered industries that passed SBTi validation accounted for 15.4% of SinoPac Holdings' long-term corporate loan portfolio in covered industries, which met targets for 2023.



## Asset portfolio

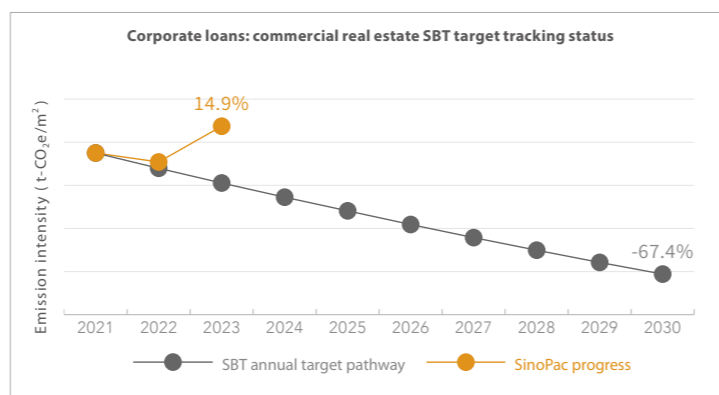
### 1. Project financing: electricity generation project finance

<b>Targets language</b>	Reduce electricity generation project finance portfolio GHG emissions 73.7% per kWh by 2030 from a 2021 base year.
<b>Progress</b>	The amount of GHG emission intensity of electricity generation project finance reduced by 76.9% in 2023 as compared to the base year, which met targets for 2023. Please refer to 3.2.1 Green Finance for detailed implementation and actions regarding renewable energy.



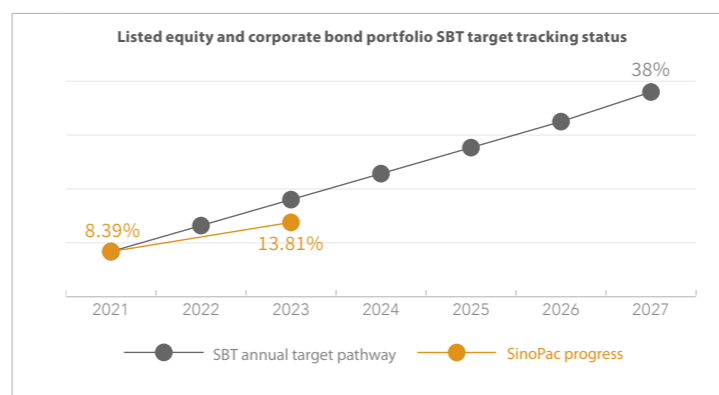
### 3. Corporate loans: commercial real estate

<b>Targets language</b>	Reduce GHG emissions from the commercial real estate sector within corporate loan portfolio 67.4% per square meter by 2030 from a 2021 base year.
<b>Progress</b>	The amount of GHG emission intensity of per square meter for commercial real estate sector in corporate loan portfolio increased by 14.9% in 2023 as compared to the base year and the 2023 target was not met. SinoPac Holdings will enhance the collection of data on actual carbon emissions of commercial real estate to provide recommendations and guidances for related business units.



### 5. Corporate instruments (common / preferred stock, corporate bonds, ETFs, REITs, and real estate mutual funds)

<b>Targets language</b>	Reach 38% of listed equity and corporate bond portfolio by invested value setting SBTi validated targets by 2027 from a 2021 base year.
<b>Progress</b>	In 2023, 13.81% of the total balance of listed equity and corporate bond passed SBTi certification, and the 2023 target was not met. However, investment positions with SBT commitments accounted to 29.74%, which met the SBT target pathway.



## Net Zero Engagement Results

SinoPac Holdings conducted transition degree analysis for recipients of investment and financing to attain net zero targets for the asset portfolio. The Company also commenced one-on-one net zero engagement programs in 2024 to encourage recipients of investment and financing to set net zero targets and lead the industry to complete the net zero transformation.

Engagement targets	Engagement key points
<b>A listed semiconductor company A</b>	In March 2024, SinoPac Holdings visited a listed semiconductor company A with external consultants to convey SinoPac Holdings' commitment for net zero emissions and learn about the company's net zero emission actions and targets. The company A has commenced carbon footprint verification and related data management and will proceed in accordance with the Sustainable Development Roadmap of the FSC. In the engagement meeting, the company also discussed the difficulties and questions in the carbon reduction process with SinoPac Holdings, which shared its experience in implementing sustainability and net zero emissions as well as corporate green energy solutions provided by Bank SinoPac.
<b>A listed cement company B</b>	In March 2024, SinoPac Holdings visited a listed cement company B with external consultants to convey SinoPac Holdings' commitment for net zero emissions and learn about the company's net zero emission actions and targets. The company has implemented the Sustainable Development Roadmap of the competent authority ahead of schedule and recently received SBT verification. SinoPac Holdings encourages the company to reference the "Taiwan Sustainable Taxonomy" and incorporate clearly defined metrics to verify the transition progress and accelerate the net-zero transformation. The Taxonomy will facilitate communication with external stakeholders. During the meeting, SinoPac Holdings also shared information on its sustainability-linked loans and other ESG solutions.