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2 Strengthening Climate Resilience

| GRI 3-3 |

Plan

- Strengthen the Company's climate change-related financial disclosures

Commitment

In the face of the challenges posed by climate change, SKL is proactively responding to climate-related risks and opportunities by developing a low-carbon transformation strategy, planning climate mitigation and adaptation measures, and exploring new climate opportunities through investment and financing, as well as product development.

Material Topic	2025 Target	Status of Achievement	Major Performances in 2025	Short-term Target (2026)	Medium- to Long-term Target (2030 as the Target Year)
Actions for Climate Change	Optimize climate change risk and opportunity management mechanisms and assessments, and continue to improve the TCFD content.	✔	Published the third TCFD Report, which was recognized by the TCFD Report Evaluation of the Center for Business Sustainability, NCCU.	Strengthen the management and assessment of climate change risks and opportunities, and continue to optimize the contents of TCFD reports	Comply with Green Finance 3.0, international disclosure trends, and sustainable development progress.

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2 Strengthening Climate Resilience

According to the Global Risks Report 2026 published by the World Economic Forum (WEF) in January 2026, 'extreme weather events' and 'biodiversity loss and ecosystem collapse' rank as the top two global risks over the next decade. This stark reality underscores that climate change has become an existential risk for our planet, making proactive climate mitigation and adaptation strategies more critical than ever.

To strengthen its climate resilience, SKL aligns with TS Holdings' overarching strategy by adopting the TCFD framework to establish a robust climate governance mechanism across four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets. Through this framework, we utilize scenario analysis to rigorously identify climate-related risks and opportunities, assessing their potential financial impacts to uncover strategic pathways for low-carbon transformation. For details on climate-related financial disclosures this year, please refer to the "SKL 2025 Task Force on Climate-related Financial Disclosures (TCFD) Report" (hereinafter referred to as the "TCFD Report"). The disclosure is summarized as follows:

Aspect	Disclosures	Implementation Status	TCFD Report Sections
Governance	Board supervision	• The Board of Directors of TS Holdings has established a Corporate Sustainability Committee to oversee sustainable development and climate change initiatives across the Holding and its subsidiaries. This mandate encompasses green finance strategy, Greenhouse Gas (GHG) accounting, and carbon reduction targets. Fully aligned, SKL positions its Board of Directors as the highest governing body for climate management, systematically integrating climate change into business operations, risk management policies, and risk appetite. Furthermore, climate risk is fully integrated into the Own Risk and Solvency Assessment (ORSA) report, which is regularly submitted to the Risk Management Committee and the Board of Directors for review and approval.	1.1 Climate Governance Framework and Responsibilities 1.2 Implementation Status of the Board of Directors and Management
	Role and responsibilities of management team	• The Company established the Corporate Sustainability Committee, chaired by the President, with committee membership comprising senior executives and department heads from across various business units. Multiple working groups have been formed under the Committee to coordinate and oversee the Company's overall sustainability management efforts, driving sustainable development initiatives across the environmental, social, and corporate governance dimensions. • TCFD Group: The group is led by the Risk Management Department and includes representatives from the Secretariat Office, Investment Planning Department, Actuarial & Planning Department, and other relevant units. The group is responsible for implementing climate change risk management and continuously enhancing the assessment of climate-related risks, impacts, opportunities, and response mechanisms. Implementation progress is monitored through meetings of the Corporate Sustainability Committee and its working groups. The outcomes of TCFD-related initiatives are regularly reported to the board of directors to ensure effective oversight and governance of climate-related matters.	
	Climate performance compensation system	• We adopt a responsibility-based grading structure, under which remuneration standards are determined based on senior executives' job responsibilities, including their ESG-related duties and performance. In 2025, we integrated our corporate sustainability philosophy and climate-related performance indicators into the Company's overall Key Performance Indicators (KPIs). By aligning these non-financial metrics with our business objectives, we aim to deeply foster a culture of corporate accountability and shared responsibility.	

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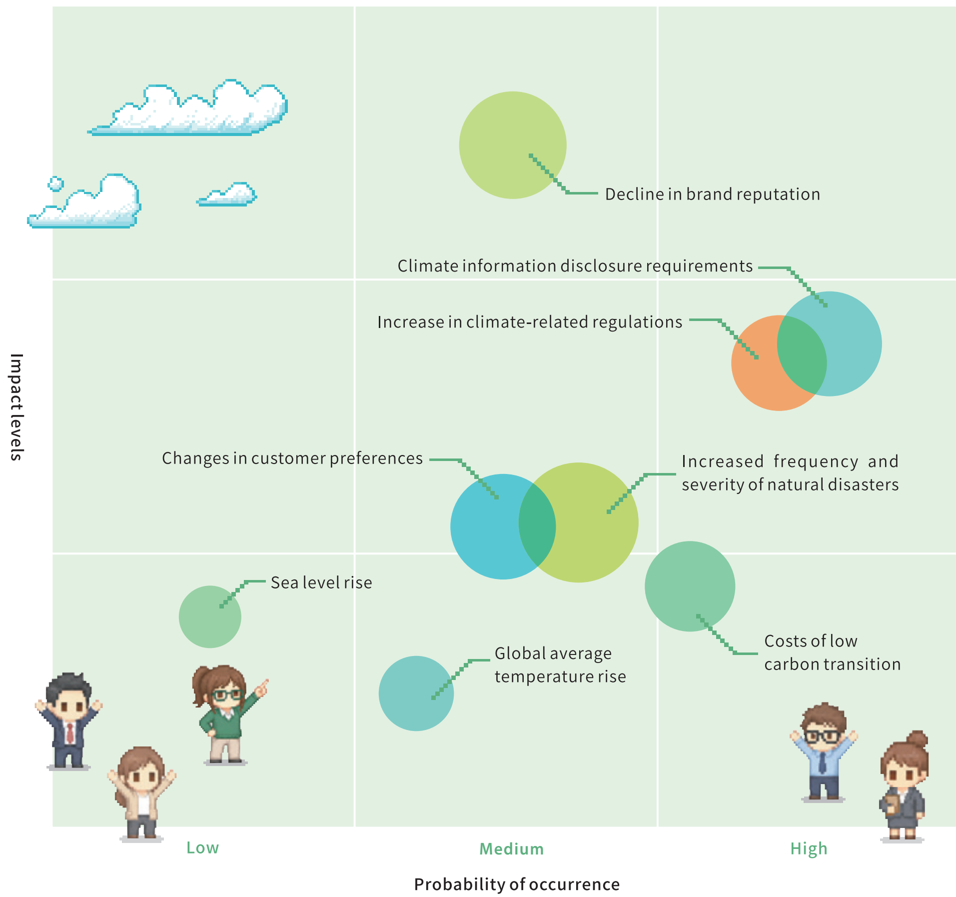
Aspect	Disclosures	Implementation Status	TCFD Report Sections
Strategy	Risk and opportunity identification	• The Company comprehensively assesses factors including climate-related policy developments, industry trends, and operational conditions, with a scope covering investment and financing portfolios, the Company's own operations, upstream and downstream value chains, and suppliers. In addition, both climate transition risks and physical climate risks factors are taken into consideration. Using a climate risk and opportunity matrix, risks and opportunities are prioritized based on two dimensions: "likelihood of occurrence" and "degree of impact." The size of each bubble represents the Company's level of controllability, indicating its ability to manage and respond to the respective risk or opportunity. Through this assessment framework, we identify climate-related risk factors that may have significant short-, medium-, and long-term impacts, enabling us to conduct systematic risk assessment and management of material climate-related issues.	2.1 Climate Risks and Opportunities 2.2 Climate Strategy and Action 2.3 Climate Change Scenario Analysis and Resilience Assessment
	Impacts and countermeasures of material risks and opportunities	• Based on the material climate-related risks and opportunities identified, and in alignment with the 2025 TS Holdings IFRS S2 implementation plan, we prioritized the assessment of impacts on financial position, financial performance, and cash flows when determining its material climate-related risks and opportunities. Consequently, our assessment identified two material climate risks, comprising a transition risk (tightening climate regulations) and a physical risk (the escalating frequency and severity of natural disasters), alongside a key transition opportunity in the expansion of green financial products and services. The potential financial impacts of these risks and opportunities were assessed, and corresponding response strategies were developed.	
	Scenario analysis	• Physical risks: Using climate scenarios from the Intergovernmental Panel on Climate Change (IPCC) Fifth and Sixth Assessment Reports (AR5 and AR6), together with data from the Financial Industry Climate Physical Risk Information Integration Platform, we analyze physical risk factors affecting its operating locations, investment properties, real estate collateral, operating sites of investment and financing counterparties, and suppliers. Then, we assess the potential financial impacts under different climate scenarios over the short, medium, and long term. • Transition risk: With reference to the "Operation Plan for Domestic Banks' Handling of Climate Change Scenario Analysis", we evaluate the impacts of various climate scenarios on the financial performance of our investment and financing counterparties. Based on these assessments, we further analyze the resulting market risks, credit risks, and financial impacts over the short, medium, and long term.	
Risk Management	Integrated risk management	• The Company has incorporated "climate change risk" into its Risk Management Policy and established climate change-related regulations and procedures. These cover organizational roles and responsibilities, as well as management mechanisms for the identification, assessment, response, and monitoring of climate change risks. • The Company has also issued a "Climate Change Risk Appetite Statement," which has been integrated into its overall risk appetite framework.	3.1 Climate Risk Management Framework 3.2 Scope of Climate Risk Management
	Risk management process	• The three lines of defense are utilized to define roles in climate change risk management and management mechanisms in order to maintain an adequate and effective internal control system. • Responsible units incorporate climate change risks into their review processes and decision-making mechanisms in accordance with their respective responsibilities. For example, ESG assessments (including evaluations of high-carbon-emitting industries) are conducted prior to investment decisions. Similarly, during credit approval processes, large borrowers are screened to determine whether they belong to high-carbon-emitting industries, and climate risk assessments are also initiated when applicable.	
Metrics and Targets	Tracking indicators	• The Company is committed to advancing sustainable finance and supporting the national net-zero transition strategy. To this end, we have established climate-related metrics and targets, some of which have been incorporated into the performance evaluation indicators of senior management. These indicators cover areas such as carbon reduction goals aligned with Science Based Targets (SBT) and green operations, etc.	4.1 Achievement of Indicators and Targets 4.2 Data Related to Operational Transition Strategies 4.3 Net Zero Emissions Data from Banking Operation
	GHG emissions management	• The Company conducts regular greenhouse gas inventories covering Scope 1, Scope 2, and Scope 3 emissions. Through a range of initiatives, including energy conservation and carbon reduction measures, internal carbon pricing, management of high-carbon-emitting industries, the continued promotion of low-carbon investment and financing activities, and the development of green products, we are committed to achieving our Science Based Targets (SBTs). • Exposures in carbon-intensive industries in investment and financing positions are monitored regularly and reported to the Risk Management Committee and the board of directors.	

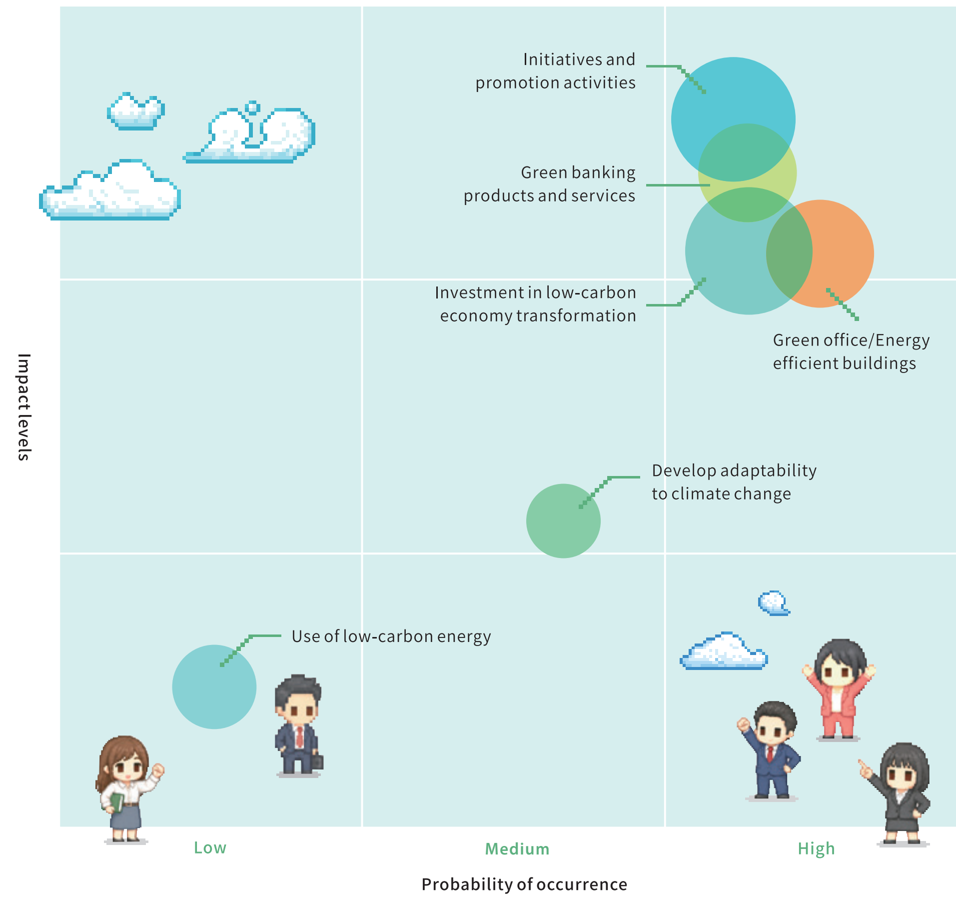
2.1 Identification of Climate Risks and Opportunities

To understand the impacts of climate change on SKL, we consolidate domestic and international climate-related issues and industry trends, referencing the climate-related risk and opportunity categories recommended by the TCFD framework and considering the applicability of disclosure topics under IFRS S2. Based on the nature of our business activities, we identified eight climate-related risks and six climate-related opportunities, and assessed their impacts across the value chain, including suppliers, our own operations (including real estate), investments, collateral, and insured parties. The identification process prioritizes risks and opportunities based on two dimensions: "likelihood of occurrence" and "degree of impact." The size of each bubble represents the Company's level of controllability, indicating the ability to manage and respond to the respective risk or opportunity. The assessment further evaluates impacts across different time horizons, namely short term (within one year), medium term (within three years), and long term (more than three years), throughout the value chain.

Climate Risk Matrix



Climate Opportunities Matrix



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Based on the results of the climate-related risk and opportunity assessment, and in alignment with the implementation plan of IFRS S2, we prioritized the impacts of climate-related risks and opportunities on our financial position, financial performance, and cash flows when determining material climate-related risks and opportunities.
In 2025, SKL identified a total of three material climate-related risks and opportunities. Details are presented in the table below:

Material Climate Risk

Risk Type	Climate Risk	Financial Impact	Event Time	Response Measures	Existing Financial Risks	Value Chain
Transition Risk	Increase in climate-related regulations	• As climate-related policies and regulations continue to evolve domestically and internationally (such as the implementation of carbon fees and carbon taxes) companies may incur additional compliance costs associated with climate-related regulatory requirements. • External consulting expenses for conducting climate transition risk scenario analyses on investment portfolios (such as assessments of increasingly stringent carbon regulations and climate policies). • Costs associated with conducting financed emissions inventories for financial assets, including the purchase of public reports and internal personnel expenses required for implementation.	Short- and medium-term	• Conduct climate scenario analyses for lending and investment portfolios, identify industry carbon emission intensity and concentration risks, and assess the climate resilience of investment and financing portfolios. • Perform ESG risk due diligence on high-carbon-emitting industries as a basis for investment decision-making, differentiated management, and engagement, while allocating resources to climate transition risk training programs. • Adjust procurement targets or investment strategies accordingly for companies that show no improvement.	Market risk Credit risk	Investment Lending
Physical Risks	Increased frequency and severity of natural disasters	• The increasing frequency and severity of natural disasters (such as extreme rainfall and drought-induced water shortages) may lead to operational disruptions affecting suppliers and the Company's own operations, interruptions to the business activities of investment and financing customers, and damage to collateral assets. • Maintain the business continuity management framework, including backup system environment maintenance and natural disaster response drills, and conduct inspections and maintenance of electromechanical equipment and data center facilities. • Implement climate resilience management measures, including outsourced consulting services for scenario analysis, property appraisal costs for loan applications, and periodic reappraisal costs for approved loan cases.	Medium- and long-term	• Implement the business continuity management policy. • Conduct physical risk scenario analyses for the Company's operating locations, supplier sites, and the operating locations of investment and financing counterparties.	Operational risk Credit risk Insurance risk	Suppliers Operations Investment Lending Collateral Policyholders

Material Climate Opportunities

Risk Type	Climate Opportunities	Financial Impact	Event Time	Response Measures	Value Chain
Market	Green banking products and services	• In response to international and market trends, we actively expand our portfolio of green financial products and services, including green lending, the underwriting of low-carbon assets, and green bond issuances, to drive revenue growth and enhance our overall performance in sustainable finance. • Invest in renewable energy power generation projects, such as solar photovoltaic power plants. • Invest in green bonds and the green energy and renewable energy sector under the six core strategic industries initiative, including equity and bond investments.	Short-term	• SKL actively develops digital financial services and continues to promote digital account opening, electronic trading, and account processing services to reduce the use of paper and energy and lower operating costs. • In terms of investment, SKL allocates capital to renewable energy funds, power generation projects, and green energy strategic industries. We also participate in green bond investments, support green buildings and leasing initiatives, and deploy dedicated personnel and consulting resources to enhance our capacity in evaluating and managing climate-related investments and financing.	Operations Investment Lending Policyholders

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2.2 Scenario Analysis

To identify the impacts of climate change risks on SKL, we conduct climate scenario analysis for both physical risks and transition risks to assess the potential financial impacts under different climate scenarios. The methodology and scenarios adopted are summarized as follows:

2.2.1 Physical Risks

- **Scenarios:** RCP2.6、RCP8.5 、SSP1-2.6 、SSP2-4.5 、SSP3-7.0 及 SSP5-8.5
- **Methodology:** Adopted the Climate Value-at-Risk and flooding data from the Financial Industry Climate Physical Risk Information Integration Platform (hereinafter "the Platform").
- **Analysis Results:**

Analysis Target	Scope of Target	Analyze Results
Real Estate	Operating locations and investment properties (Post-merger)	• As of 2025, SKL owned a total of 198 real estate assets across Taiwan. Under the RCP 2.6 and RCP 8.5 scenarios, the estimated financial impact during the period from 2030 to 2050 is approximately NT$300 million to NT$500 million. Among the physical risks assessed, land subsidence caused by drought is expected to have the most significant impact on asset values. By 2100, six to seven operating locations are projected to face relatively high climate change risks (with a maximum Climate Value-at-Risk exceeding 1%) and are therefore classified as high climate risk areas. • Based on flooding data from the Platform, the ratio of expected losses to the total asset value of operating locations in 2050 is estimated to range from 0.25% to 0.55% under the four SSP scenarios. For investment properties, the ratio is estimated to range from 0.20% to 0.55%.
Supplier	Suppliers that comply with the "Regulations Governing Internal Operating Systems and Procedures for the Outsourcing of Insurance Enterprise Operation"	• Based on flooding data from the Platform, and under the four SSP scenarios for 2050, the number of high-risk suppliers is estimated to range from one to two, representing 0% of total procurement expenditure. The number of medium-high-risk suppliers is estimated to range from six to eight, representing approximately 50% to 70% of total procurement expenditure.
Real Estate Collateral	Corporate and personal real estate collateral (Post-merger)	• Corporate real estate collateral: » Under the RCP 2.6 and RCP 8.5 scenarios, the majority of collateral assets fall within the medium climate risk category (Climate Value-at-Risk between 0.2% and 1%). Under the most severe scenario, RCP 8.5, only two collateral assets are projected to be classified as high climate risk areas (Climate Value-at-Risk exceeding 1%) by 2100. » Based on flooding data from the Platform, and under the four SSP scenarios for 2050, the number of high-risk collateral assets is estimated to range from zero to one, representing approximately 0% to 1% of the total outstanding collateral balance. The number of medium-high-risk collateral assets is estimated to range from 8 to 17, representing approximately 19% to 54% of the total outstanding collateral balance. • Personal real estate collateral: Under the RCP 2.6 and RCP 8.5 scenarios projected for 2050, the vast majority of personal real estate collateral assets are categorized as medium risk.
Investment and Financing	Operating locations of domestic stock, bond, and financing investment targets (Post-merger)	• Under the RCP 2.6 and RCP 8.5 scenarios, the majority of operating locations of domestic investment targets fall within the medium climate risk category (Climate Value-at-Risk between 0.2% and 1%). • Based on flooding data from the Platform: » For the operating locations of domestic stock investment targets in 2050, under the four SSP scenarios, the number of high-risk locations is estimated to range from two to six, representing approximately 0% to 1% of the total carrying value of holdings. The number of medium-high-risk locations is estimated to range from 15 to 40, representing approximately 7% to 60% of the total carrying value of holdings. » For the operating locations of domestic bond investment targets in 2050, under the four SSP scenarios, the number of high-risk locations is estimated to range from one to three, representing approximately 0% to 1.5% of the total carrying value of holdings. The number of medium-high-risk locations is estimated to range from five to twenty, representing approximately 15% to 50% of the total carrying value of holdings. » For the operating locations of domestic financing targets in 2050, under the four SSP scenarios, the number of high-risk locations is estimated to range from 0 to 1, representing approximately 0% to 1.5% of the total carrying value of holdings. The number of medium-high-risk locations is estimated to range from 2 to 3, representing approximately 8.5% to 9.5% of the total carrying value of holdings.
Thermal Injury Claims	Personal insurance thermal injury claims expenses	• Under the four SSP scenarios, warming will increase the Company's estimated personal insurance thermal injury claims expenses by no more than NT$10 million, and the financial impact on insurance claims was not material.

Note: The term "(Post-merger)" in the "Scope of Assessment" column indicates that the assessment was conducted based on the 2025 post-merger information of Shin Kong Life, covering both the former Shin Kong Life Insurance Co., Ltd. and the former Taishin Life Insurance Co., Ltd.

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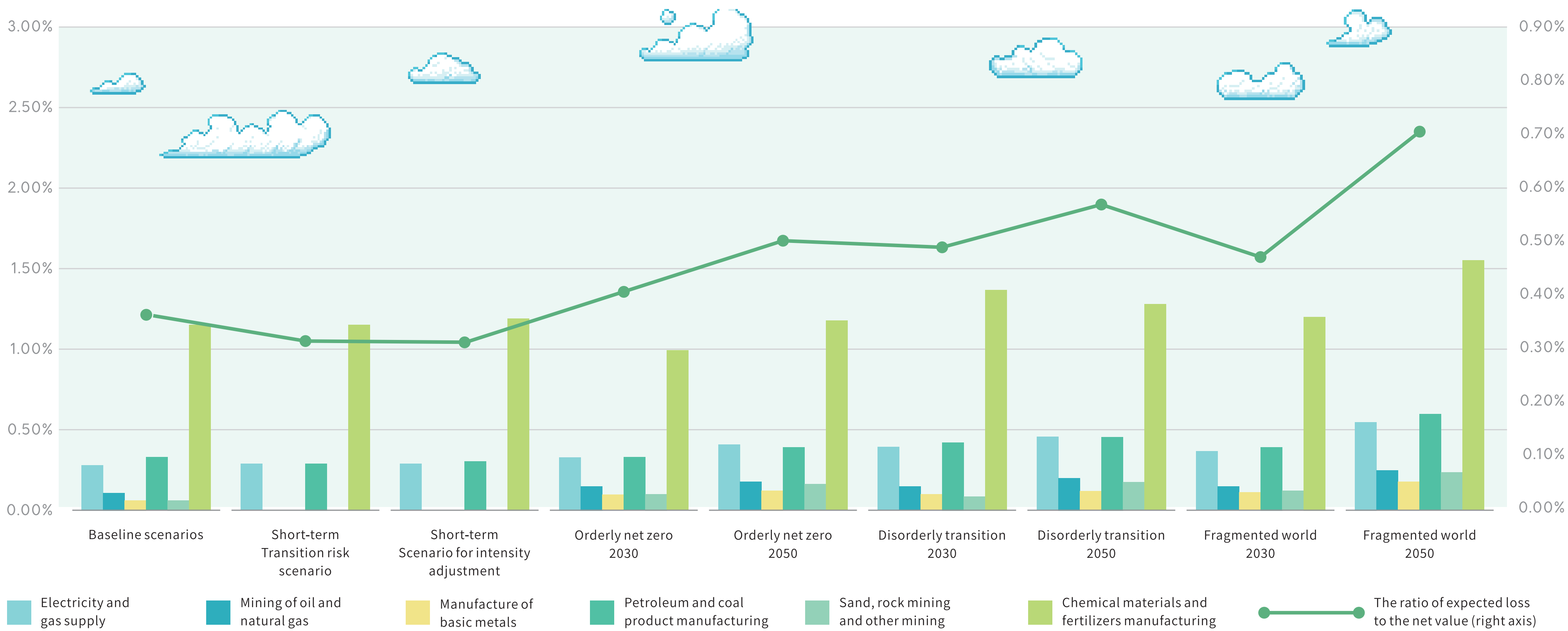
2.2.2 Transition Risk

1. Methodology: Referred to the "Operation Plan for Domestic Banks' Handling of Climate Change Scenario Analysis"

- **Scenarios:** Short-term Scenario- Transition Risk (Domestic Carbon Fee Assessment) and Physical Risk (Re-occurrence of Typhoon Morakot with Adjusted Intensity)；Long-term Scenario-Orderly Net-Zero Scenario (global warming limited to below 1.5°C by the end of the century), Disorderly Transition Scenario (SSP1-2.6), and Fragmented World Scenario (SSP2-4.5).
- **Industry:** Electricity and Gas Supply; Manufacture of Chemical Materials and Fertilizers; Basic Metal Manufacturing; Petroleum and Natural Gas; Manufacture of Petroleum and Coal Products; and Sand, Stone, and Other Mining Industries.
- **Analysis Results:**Under the short-term scenario, the average loss rates under the two climate scenarios remained broadly in line with the baseline scenario. Under the long-term scenario, observe the mid-term outlook by 2030, the government's aggressive implementation of carbon-related policies is expected to have a significant impact on the overall economy. As a result, the Disorderly Transition Scenario produces the most significant expected losses among the three scenarios, with an increase of approximately 55 basis points compared with the baseline scenario. Under the long-term scenario, observe the mid-term outlook by 2030, the Fragmented World Scenario generates the greatest impact, with expected losses increasing by approximately 138 basis points compared with the baseline scenario. In addition, for high climate risk industries, regardless of whether the assessment is conducted under the short-term scenario, the Orderly Net-Zero Scenario, the Disorderly Transition Scenario, or the Fragmented World Scenario, the ratio of expected losses to net worth remains below 1%. The overall financial impact on the Company is therefore limited, indicating that the current portfolio of high climate risk industries demonstrates climate resilience.

Investments
Estimated loss rate of industries with high climate risks under each scenario



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2. Methodology: For investment and financing portfolios, the financial impact is estimated by assessing how the financial indicators of investment and financing counterparties are affected under different transition risk scenarios.

◆ **Scenarios:** NGFS scenarios, including "Current Policies", "Delayed Transition", "Nationally Determined Contributions (NDCs)", "Net Zero 2050", and "Fragmented World".

◆ **Analysis results:**

Analysis Target	Scope of Target	Analyze Results
Bond Investments	Domestic and Overseas Bonds (Post-merger)	• Impact on credit rating: In the short term (2030), the average downgrade is estimated at approximately 0 to 2 credit rating notches; in the medium term (2040), approximately 1 to 3 credit rating notches; and in the long term (2050), approximately 2 to 4 credit rating notches. • Under the four SSP scenarios, expected credit losses are projected to increase by approximately 0.59%.
Stock Investments	Domestic and Overseas Stocks (Post-merger)	• Impact on financial ratios: In the short term (2030), the EBITDA margin is projected to decline by approximately 11% to 19%. In the medium term (2040), the EBITDA margin is projected to decline by approximately 5% to 13%. In the long term (2050), changes in the EBITDA margin are projected to range from 1% to -11%. • Under the four SSP scenarios, the estimated loss is projected to account for approximately 0.7% to 2% of the stocks as of the end of 2025.
Corporate Financing	Domestic Corporate Financing (Post-Merger)	• Impact on credit rating: In the short term (2030), medium term (2040), and long term (2050), the average downgrade is projected to be approximately one credit rating notch. • Under the four SSP scenarios, the expected credit loss is estimated to be approximately NT$7.58 thousand.

Note: The term "(Post-merger)" in the "Scope of Assessment" column indicates that the assessment was conducted based on the 2025 post-merger information of Shin Kong Life, covering both the former Shin Kong Life Insurance Co., Ltd. and the former Taishin Life Insurance Co., Ltd.

2.3 Integrated Risk Management Mechanism

To address the challenges that climate change poses to the financial system, SKL has incorporated climate-related risks into its existing risk management framework. By integrating climate-related risks with traditional financial risks, SKL has established a comprehensive risk management mechanism.

Traditional Financial Risks | Risk Integration | Climate-related and Nature-related Risks

Integrated Risk Management System

Introduce impacts of climate risk on business or operation into the assessment of the existing risk management systems

Operational risk management	Supplier risk management	Life insurance products risk management	Investment risk management	Financing risk management
Established a "Business Crisis Response Team" to implement crisis response measures and emergency incident reporting procedures and also established a Business Continuity Management System (BCMS) to reduce the likelihood and severity of operational disruptions.	TS Holdings and its subsidiaries comply with the Supplier Management Regulations. Suppliers who establish a procurement relationship with the Company must sign the Supplier Commitment Statement or Supplier Principles when entering into a contract. The content includes issues such as corporate ethics and integrity, risk management, labor and human rights, social welfare, and environmental protection.	Comply with the Principles for Sustainable Insurance (PSI) and incorporate ESG factors into life insurance decisions. Pay attention to ESG trends for product demand concepts; Assess ESG risks during product design.	ESG risk-related scores are included in the evaluation of investment processes to assess the implementation of sustainable operations by investment targets. In addition, we have established pre-investment ESG assessments and post-investment management measures, with specific controls applied to investment targets in high-carbon-emitting industries.	Project finance and corporate lending activities follow Principles for Responsible Banking and Equator Principles, and carefully evaluate the ESG risks of borrower companies. Engage in negotiations with customers in controversial, high-carbon-emission industries and incorporate the results into the overall credit assessment.

Three Lines of Defense

To effectively manage climate change risks, SKL has adopted the three internal lines of defense to define the climate risk management responsibilities and management mechanisms of each line of defense for ensuring the effective and appropriate operation of its internal control system. The responsibilities of each line of defense are as follows:

1st line Business units	2nd line Risk management units	3rd line Audit units
As the risk-taking units, business units are responsible for incorporating climate-related risks into their business considerations within the scope of their functions and operations when carrying out relevant activities and operational tasks. Appropriate identification, assessment, and management procedures are implemented in day-to-day operations to ensure that risks are properly controlled at an early stage. For investment management activities, appropriate procedures should be established to assess and manage the climate change risks associated with investment targets. Investment targets involving higher climate change risks should be subject to additional review mechanisms.	Independent of the first line of defense, the second line of defense consists of risk management, compliance, and other control functions. It is responsible for establishing overall policies and management frameworks, assisting relevant units in implementing climate-related risk management, monitoring the effectiveness of risk management activities carried out by the first line of defense, and reporting risk management results to the Monthly Risk Management Meeting and the board of directors.	As the internal audit unit, it establishes and maintains the internal audit system, assisting the Board of Directors and senior management in reviewing and evaluating the effectiveness of the internal control and risk management systems implemented by the first and second lines. It provides timely recommendations for improvement to ensure the ongoing integrity of the internal control system.

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2.4 Climate Indicators and Goals

Sustainability Issues	Observation Indicators	Short-term Target	Execution Status in 2025	Medium- to Long-term Target
Actions for Climate Change[Note 1]	Scopes 1 and 2 reduction	Reduce S1+S2 emissions by 14.7% compared to the baseline year (2022).	S1+S2 emissions reduced by 34.8% compared to the baseline year (2022).	Reduce S1+S2 emissions by 42% in 2030 compared to the baseline year (2022).
	Decarbonization of investment and financing portfolios (engagement method)	Achieve a 30% validation rate for Science Based Targets (SBT) among listed equity and bond investments.	Achieved a 32.4% validation rate for Science Based Targets (SBT) among listed equity and bond investments.	In 2027, the proportion of listed/OTC-traded stocks and bonds passing the SBT targets will reach 50.3%
Green Operations	• Reduction in non-renewable electricity consumption • Obtain green building certification for new construction projects	• Progressive reduction in non-renewable electricity consumption • Obtain green building certification	• Non-renewable energy electricity consumption decreased by 17.19% compared to last year • Obtained 6 green building certificates, 4 green building candidate certificates, and 1 low-carbon building candidate certificate	• Replace all lighting fixtures in all locations nationwide by 2030 to improve the energy efficiency of AC equipment • Obtain green building certificate labels (silver and above) for all new projects in future

Note 1: A material sustainability issue of SKL, with the baseline year of 2022.
Note 2: The information presented in the table above is based on Shin Kong Life's pre-merger data as of 2025.

Since 2021, the Company has calculated and disclosed the Scope 3 carbon emissions of our investment and financing portfolios, in accordance with the standards and methodologies published by the FSB, SBTi, and PCAF.

Carbon Emissions of Investment Portfolios - Asset Category

Asset	Exposure (in million NT$)	Carbon Emissions (in MT CO_2e)	Carbon Footprint (MT / M$)	Carbon Emission Coverage Rate (%)
TWSE/TPEx-listed and Private Equity Investment	259,258.46	164,698.86	0.64	1.49%
TWSE/TPEx-listed and Private Corporate Bond Investment	2,179,462.95	6,060,626.33	2.78	54.98%
Commercial Real Estate Investment and Financing	3,533.20	3,186.46	0.90	0.03%
Commercial Loans	18,079.79	243.40	0.01	0.00%
Real Estate Investment Trusts (REITS)	849.57	450.60	0.53	0.00%
Mortgages	14,553.17	1,146.21	0.08	0.01%
Sovereign Bonds (excluding LULUCF)	679,449.90	4,793,950.26	7.06	43.49%
Total	3,155,187.02	11,024,302.11	3.49	100.00%

Note 1: Investment and financing exposure figures are based on the post-merger portfolio of Shin Kong Life in 2025, covering both the former Shin Kong Life Insurance Co., Ltd. and the former Taishin Life Insurance Co., Ltd.
Note 2: Sovereign bonds are calculated using relevant data including LULUCF: (1) Carbon emissions: approximately 5,011,024 metric tons CO_2e; (2) Carbon footprint: 7.38 metric tons CO_2e per NT$1 million invested.
Note 3: Carbon emissions data were verified by DNV (for the former Shin Kong Life) and BSI (for the former Taishin Life) in accordance with ISO 14064-3:2006, and were confirmed to comply with the ISO 14064-1: 2018 standards.

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Carbon Emissions of Investment Portfolios - Industry Category

Industry[Note1]	Carbon Emissions (in MT CO_2e)	Carbon Footprint (MT / M$)	Carbon Emission Coverage Rate (%)
Petrochemical Related Industries	233,816.14	13.63	2.12%
Mining of Oil and Natural Gas	557,208.17	7.97	5.05%
Textile Industry	20,684.09	3.02	0.19%
Manufacture of Basic Metals	145,497.15	2.58	1.32%
Electricity and Gas Supply	4,040,767.91	50.60	36.65%
Cement Industry	234,271.41	78.09	2.13%
Pulp, Paper and Paper Product Manufacturing	-	-	0.00%
Other[Note 2]	5,792,057.25	1.98	52.54%
Total	11,024,302.11	3.49	100.00%

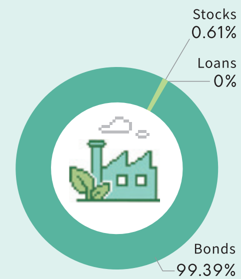
Note 1: The industries presented are classified as high-carbon-emitting in accordance with the High-Carbon-Emitting Industry List of TS Holdings, which is established based on BICS and the DGBAS industry classifications.

Note 2: "Others" includes sovereign bonds not classified by industry sector, residential mortgage loans, and real estate investment trusts (REITs).

The Company follows the TS Holdings Sustainable Finance Policy and relevant management regulations governing high-carbon-emitting industries to prudently assess the adverse impacts of climate change associated with counterparties in high-carbon-emitting sectors. Transaction evaluations are conducted based on the counterparties' industry classification and carbon emissions profile. The Company has also established an "Investment Exposure Limit Management for High-Carbon-Emitting Sub-Industries" indicator, which is monitored on a monthly basis. In addition, exposure to sensitive industries and compliance with exposure limits for high-carbon-emitting sub-industries are reported quarterly to the Risk Management Committee and the board of directors.

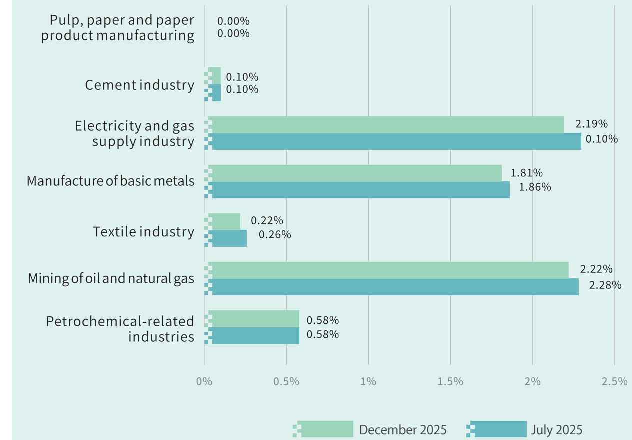
Disclosure of Risk Exposure by Asset Class and Industry Category

Industry by Asset Class



High-carbon emission industries' exposure to risks in 2025: **7.12%**

Industry Category



Note: Following our 2025 merger, the definition of high-carbon-emitting industries was updated in July 2025 to reflect the sensitive industry categories specified in Section 4.3 of the "Climate and Nature Risk Management Guidelines" of TS Holdings. Accordingly, the variations in high-carbon-emitting sectors disclosed in this report are based on a comparison between our December 2025 position and the post-merger baseline established in July 2025.

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2.5 TNFD

According to the Global Risk Report 2026 published by the World Economic Forum (WEF) in January 2026, the top two of the top 10 global risks in the next decade are "extreme weather events" and " biodiversity loss and ecosystem collapse." This highlights the increasingly significant impact that the degradation of ecosystem services may have on industries.

The Company has referenced the Taskforce on Nature-related Financial Disclosures (TNFD) framework and its published LEAP approach to identify nature-related risks and opportunities, assess biodiversity impacts, and analyze dependencies and impacts within our investment and financing portfolios. For further details on this year's nature-related disclosures, please refer to the "2025 Shin Kong Life TCFD Report."

2.5.1 Identifying Nature-Related Risks and Opportunities

According to the "Business and Biodiversity Assessment Report 2026" published by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), most industrial activities both depend heavily on and have significant impacts on natural resources. These impacts are often transmitted through value chains to the financial system. A failure to effectively identify and manage our dependencies and impacts on nature may lead to operational disruptions, rising financial costs, and regulatory compliance risks.With reference to the definitions of nature-related risk factors provided by the TNFD, SKL conducted a preliminary identification of its nature-related risks and opportunities, while also describing the affected value chain components and relevant time horizons associated with these risks and opportunities.

In 2025, SKL identified a total of nature-related risks and four nature-related opportunities. Details are presented in the table below:

Nature-Related Risk

Risk Type	Natural Risks	Risk Impact	Addressing Existing Risks	Event Time	Value Chain
Physical - Acute	Natural disaster	**Operations and customers** Acute physical hazards and nature-related events, such as typhoons, extreme temperatures, severe storms, landslides, earthquakes, wildfires, and pest infestations, can cause asset damage, casualties, and business interruptions. These disruptions may impact not only the Company's operating locations but also those of our investees, borrowers, and policyholders. Consequently, TS Holdings faces risks of declining revenues and weakened debt-servicing capacities; under extreme stress scenarios, this could escalate to operational suspensions, spikes in credit default rates, and substantial financial losses.	Operational Risk Credit Risk Market Risk	Short-term Mid-term Long-term	Suppliers Operations Investment Lending Collateral Policyholders
Transition - Reputation	Compromised Corporate Image	**Operations** Sustainability-related assessments, including Sustainable Finance Evaluation, CDP, and DJBIC, are placing increasing emphasis on biodiversity-related criteria. As a result, the Company's corporate reputation may be affected by the growing expectations and pressures associated with these assessments.	Credit Risk	Short-term Mid-term Long-term	Operations
Transition - Regulations and Policies	Increasingly Stringent Environmental Protection Regulations	**Customers** Increasingly stringent environmental regulations impose greater restrictions on customers with respect to resource acquisition, waste management, and land use. Failure to adjust business operations timely may result in regulatory penalties, higher operating costs, and legal litigation risks. These impacts may increase the operating costs of investment and financing customers, thereby reducing the returns of financial institutions.	Credit Risk	Mid-term	Investment Lending
Transition - Regulations and Policies	Nature-related Disclosure Requirements	**Operations** To comply with biodiversity-related requirements under the TNFD, the proposed IFRS S3 Biodiversity Disclosure Standard, and the Reference Guidelines for the Classification of Sustainable Economic Activities, the future mandatory implementation of these requirements by regulatory authorities may increase the Company's operating costs.	Operational Risk	Mid-term	Operations
Physical Risk – Long-Term	Shortage of Natural Resources	**Customers and Suppliers** Industries that are highly dependent on natural resources may experience operational disruptions when ecosystem services deteriorate, which could in turn affect the operating revenue of TS Holdings.	Operational Risk Credit Risk Market Risk	Long-term	Suppliers Investment Lending

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Nature-Related Opportunity

Opportunity Category	Natural Opportunity	Opportunity Impact	Event Time	Value Chain
Products and Services	Sustainability-related financial products and services	**Customers** Driven by changes in consumer behavior and evolving government regulations, TS Holdings should proactively identify promising future investment and financing opportunities, assist customers in implementing nature-related solutions, and develop nature-positive products and services, such as the issuance, underwriting, and investment of nature-related and green bonds.	Short-term	Investment Lending Policyholders
Resource Efficiency	Green and resilient supply chain	**Suppliers** Screen and monitor suppliers based on their management capabilities in areas such as renewable resources, the circular economy, carbon emissions and management, and biodiversity, and encourage suppliers to prioritize green practices through the procurement process.	Short-term	Suppliers
Reputation Capital	Advocacy and engagement actions	**Operations** TS Holdings supports nature-related advocacy and engagement actions through its policies. These include continued participation in and updates to the Business Council for Sustainable Development (BCSD) initiative targets, as well as alignment with the target set out in the Kunming-Montreal Global Biodiversity Framework to "halt and reverse biodiversity loss by 2030." The Company may also further strengthen collaboration with government agencies or non-governmental organizations, such as national parks and conservation associations, by signing MOUs or establishing cooperative partnerships to promote Other Effective Area-Based Conservation Measures (OECMs). While leveraging its financial influence to support the natural environment, the Company may also obtain OECM certification and related government incentives, thereby enhancing its corporate reputation.	Mid-term	Operations
Capital Flows and Financing	Increase Investments in Nature Conservation	**Customers** For investment and lending customers, the Company assesses their nature-related dependencies and impacts, and increases investment and financing for nature conservation projects to reduce nature-related risks and enhance resilience to physical and transition risks	Short-term Mid-term	Investment Lending

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2.5.2 Biodiversity Impact Analysis

With reference to the LEAP approach published by the TNFD, in the "Locate" phase, SKL selected its company-owned operating locations in Taiwan and the operating locations of investment and lending customers in nature-sensitive industries as the assessment scope and assessed whether areas within a 500-meter radius of these operating locations overlap with areas of high biodiversity sensitivity or conservation priority, providing the basis for subsequent assessments of nature-related risks and opportunities.

2.5.3 Impact of Sensitive Industry Investment and Financing Portfolios

With reference to the LEAP approach published by the TNFD, in the "Evaluate" phase, SKL assessed the dependencies on and impacts on natural capital across different industries to identify key industries with elevated nature-related risks and opportunities. The assessment draws on the ENCORE database's mapping of industry dependencies on natural capital and incorporates the 16 categories of nature-related risks and opportunities recommended by the TNFD framework.

The analysis quantifies and classifies the degree of dependency and potential impact for different natural capital components, such as water resources, biodiversity, and climate regulation, into five levels: Very High, High, Medium, Low, and Very Low. The results are presented in a matrix, together with the proportion of the Company's investment and financing exposure to each industry.

Operating Locations

- Operating Locations
- Investment Counterparties' Locations
- Financing Customers Locations
- Locations Overlapping with Geospatial Data
- Biodiversity Hotspots
- Nature Reserves
- National Forestry Division Map

Within 500 meters of SKL' s 161 operating locations, four are located in nature-sensitive areas.

Financing Customers Locations

- Operating Locations
- Investment Counterparties' Locations
- Financing Customers Locations
- Locations Overlapping with Geospatial Data
- Biodiversity Hotspots
- Nature Reserves
- National Forestry Division Map

Within 500 meters of SKL' s 27 financing customer locations, one is located in a nature-sensitive area.

Investment Customers Locations

- Operating Locations
- Investment Counterparties' Locations
- Financing Customers Locations
- Locations Overlapping with Geospatial Data
- Biodiversity Hotspots
- Nature Reserves
- National Forestry Division Map

Within 500 meters of SKL' s 37 investment customer locations, none are located in nature-sensitive areas.

Note: "Nature-sensitive areas" refer to areas identified through the spatial overlay of "Biodiversity Hotspots," "Nature Reserves," and "the National Forest Enterprise District Forest Land Analysis Map," representing areas with high biodiversity sensitivity or high conservation importance.

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The analysis quantifies and classifies the degree of dependency and potential impact for different natural capital components, such as water resources, biodiversity, and climate regulation, into five levels: Very High, High, Medium, Low, and Very Low. The results are presented in a matrix, together with the proportion of the Company's investment and financing exposure to each industry.

Dependency Distribution

Extremely high | High | Medium | Low | Extremely low

Nature-related sensitive industries	Animal energy	Biomass energy supply	Solid waste disposal	Soil and sediment conservation	Water quality purification	Soil quality regulation	Dilution of the atmosphere and ecosystems	Biological control	Air filtration	Flood prevention	Genetic substance	Global climate adjustment	Water resources supply	Nursery and habitat maintenance	Noise reduction	Sensory impact regulation (non-noise)	Local climate regulation (micro and medium-scale climate)	Pollination	Storm mitigation	Water flow regulation	Rainfall mode regulation	Leisure and recreation	Landscape aesthetics	Education, science and research	Spirit, art, and symbolism	Percentage of exposure (%)
Oil, natural gas, and consumable fuels																										3.06
Chemicals																										0.32
Construction materials																										0.09
Container and packaging																										0.00
Metal products and mining																										0.72
Paper and forestry manufacturing																										0.00
Construction services (including metal product manufacturing)																										0.68
Sewage treatment, waste collection, treatment, and disposal																										0.03
Transportation and related services (including air transport)																										0.43
Automotive																										0.24
Textiles, clothing and luxury goods																										0.07
Beverage and food (including agriculture)																										0.75
Personal care products																										0.03
Pharmaceuticals																										0.70
Semiconductor and semiconductor equipment																										0.21
Public utilities (including power generation, natural gas, independent power plants, renewable energy power generation, and hydroelectric power)																										1.86
Total nature-related sensitive industries																										9.19

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Impact Distribution

Extremely high | High | Medium | Low | Extremely low

Nature-related sensitive industries	Sensory disruptions (e.g., noise, light)	Freshwater resource use area	GHG emissions	Seabed area used	Non-GHG air pollutant emissions	Other biological resource extraction (e.g., fish and wood)	Impact Distribution	Toxic substances discharged polluting soil and water	Nutritional salts discharge polluting soil and water	Solid waste generation and discharge	Land use area	Water consumption	Introduction of invasive alien species	Percentage of exposure (%)
Oil, natural gas, and consumable fuels														3.06
Chemicals														0.32
Construction materials														0.09
Container and packaging														0.00
Metal products and mining														0.72
Paper and forestry manufacturing														0.00
Construction services (including metal product manufacturing)														0.68
Sewage treatment, waste collection, treatment, and disposal														0.03
Transportation and related services (including air transport)														0.43
Automotive														0.24
Textiles, clothing and luxury goods														0.07
Beverage and food (including agriculture)														0.75
Personal care products														0.03
Pharmaceuticals														0.70
Semiconductor and semiconductor equipment														0.21
Public utilities (including power generation, natural gas, independent power plants, renewable energy power generation, and hydroelectric power)														1.86
Total nature-related sensitive industries														9.19

Note: ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) is a tool developed by GlobalCanopy, the United Nations Environment Programme Finance Initiative (UNEP FI), and the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), which is used by financial institutions to map their physical impacts and dependencies on nature.

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3 Building a New Net-Zero Lifestyle

GRI 3-3

Plan

- Follow the SBTi carbon reduction pathway and establish Shin Kong carbon reduction guidelines.
- Establish self-generated renewable energy facilities for self-use.
- Construct green buildings.

Commitment

Shin Kong Life believes that net-zero emissions should be more than just a slogan, and that building a sustainable, low-carbon future should start from the ground up. Therefore, we have set a goal to move steadily toward net-zero through careful data inventory, reduction planning, and internalization of carbon reduction awareness.

Material Topic	2025 Target	Status of Achievement	Major Performances in 2025	Short-term Target (2026)	Medium- to Long-term Target (2030 as the Target Year)
Actions for Climate Change	Reduce S1+S2 emissions by 14.7% compared to the baseline year (2022).	✓	S1+S2 emissions reduced by 34.8% compared to the baseline year (2022). Won the "2025 Taipei City Climate Action Awards".	Reduce S1+S2 emissions by 19.7% compared to the baseline year (2022).	Reduce S1+S2 emissions by 42% in 2030 compared to the baseline year (2022).
	Complete self-generated renewable energy facilities for self-use at 1 location.	✓	Completed the construction of the Wanfang solar power facility.	Complete self-generated renewable energy facilities for self-use at 2 locations.	Complete self-generated renewable energy facilities for self-use at 3 locations.
	Obtain green building certificates (Silver-Level and above) for all new projects.	✓	Obtained the "Silver-Level Green Building Candidate Certificate" and the "Level 1 Building Energy Efficiency Candidate Certificate" from the Nandong Building Urban Renewal and Reconstruction Project.	Obtain green building certificates (Silver-Level and above) for all new projects.	Obtain green building certificates (Silver-Level and above) for all new projects.

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Building a New Net-Zero Lifestyle

3.1 Low Carbon Operational Management | GRI2-27 |

SKL continues to minimize the impact of its financial services on the environment and has promulgated the "SKL Environmental Policy", which serves as the supreme basis for environmentally sustainable actions. In order to effectively promote environmental sustainability, the "Environmental Protection Group" has been established under the Corporate Sustainability Committee, which is responsible for the planning and implementation of environmental policies, strategic goals, and action plans. The Group regularly reports the results of various actions to the Committee. In particular, the annual greenhouse gas inventory is submitted to the board of directors on a quarterly basis for review and control. To fulfill our commitment to the Science Based Targets initiative (SBTi), we continue to improve the energy efficiency of our energy facilities and are gradually realizing the SDG 13 target.

In terms of actions, we are working with our employees and policyholders to implement environmentally friendly actions and responsibilities by improving energy efficiency, reducing the consumption of paper, waste and water, and strengthening the environmental awareness mechanism. There were no violations of environmental laws and regulations in 2025.

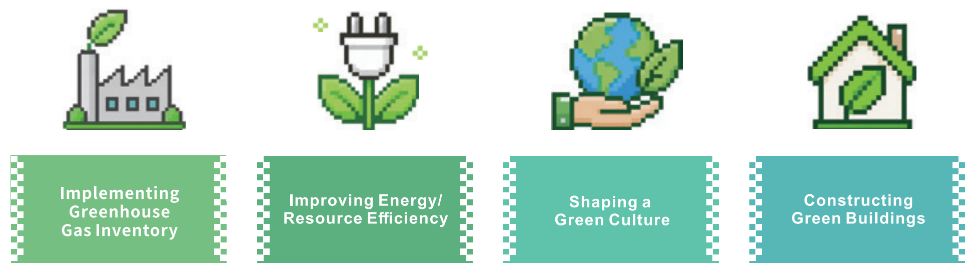
Through comprehensive environmental management measures and mechanisms, we reduce the consumption of energy and resources in our daily operations, lowering overall carbon emissions of the Company. Since 2014, SKL has introduced environmental management certification and continues to maintain the system; in 2025, we maintained the validity of our ISO 14046 Water Footprint Verification and ISO 50001 Energy Management System Certification. We also completed the ISO 14064-1: 2018 greenhouse gas inventory for all locations (including overseas), and obtained third-party verification certificates.

Environmental Management Certification

Certifications and Standards	Scope	Valid Through (YYYY/MM/DD)
ISO 14046:2014 Water Footprint Verification	Headquarters	2025/03/11~2027/01/14
ISO 50001:2018 Energy Management System	Headquarters, Songshan Financial Building	2024/11/23~2026/11/30
ISO 14067:2018 Carbon Footprint	SKL Customer Service Counter, New Taipei City	2023/10/11~2025/10/10
ISO 14064-1:2018 GHG Inventories	All locations (including overseas)	2026/04/28~2027/04/27

Although the life insurance industry does not directly cause any negative impact on the environment, SKL has integrated low-carbon concepts into its daily operations through its four "low-carbon operation" strategies.

Four Low Carbon Operation Strategies



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3.2 Low Carbon Strategy Actions

3.2.1 Implementing Greenhouse Gas Inventory

A. GHG emissions

In alignment with our parent company's science-based targets, we set a long-term goal to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 42% by 2030. SKL's specific target for 2025 was to achieve a 14.7% reduction against the 2022 baseline. In 2025, our actual Scope 1 and Scope 2 GHG emissions dropped to 9,986.15 tCO_2, representing a significant 34.8% reduction from the baseline year, far exceeding our annual target. Given that our primary emissions stem from daily office operations, our emission intensity was evaluated at 0.87 tCO_2e per full-time employee. Beyond energy conservation, we are actively expanding our support for renewable energy. In 2025, we transitioned to green power by consuming approximately 610,000 kWh of renewable electricity. We will continue to scale up our green power usage in step with the Group's net-zero trajectory, actively contributing to global climate mitigation.

Scopes 1 & 2 GHG Emissions in Recent Years

Type of GHG Emissions	2022 (Baseline year of SBTi)	2023	2024	2025
Scope 1 (S1) Direct Emissions (tCO_2e)	1,553.66	1,463.21	1,322.90	**1,307.76**
Scope 2 (S2) Indirect Emissions (tCO_2e)	13,768.62	12,484.70	10,480.58	**8,678.39**
Total Controllable GHG Emissions (S1+S2) (tCO_2e)	15,322.28	13,947.92	11,803.48	**9,986.15**
Scopes 1 and 2 Emission Intensity (tCO_2e/person)	1.59	1.51	1.18	**0.87**
Scopes 1 and 2 Emission Intensity (tCO_2e/per million NTD)	0.0529	0.0538	0.0370	**0.0463**

S3 GHG Emissions in Recent Years

Type of GHG Emissions	2022	2023	2024	2025
Scope 3 (S3) Other Indirect Emissions (C3~C6) (tCO_2e)	2,683.39	2,789.30	2,727.79	**10,322,001.26**
Scope of other emissions (C3~C6)	1.Travel 2.Insurance Application 3.Procurement of Indirect Energy GHG Emissions 4.Document Destruction	1.Travel 2.Insurance Application 3.Procurement of Indirect Energy GHG Emissions 4.Document Destruction	1.Travel 2.All Paper Procurement 3.Procurement of Indirect Energy GHG Emissions 4.Document Destruction	1.Indirect GHG emissions from purchased electricity 2.Photocopy paper 3.Refrigerant of company vehicles 4.Downstream leasing 5.Investment and financing

B. GHG Emissions of Subsidiaries

In accordance with the requirements of Article 24-2 of the "Corporate Governance Best Practice Principles for Insurance Companies," SKL's subsidiaries, "Shin-Kong Life Real Estate Service Co., Ltd." and "Shin Kong Vietnam Co., Ltd.", both completed third-party verification of their greenhouse gas inventories in 2025. Their greenhouse gas emissions are presented in the table below. In addition, the subsidiary, "Shin Kong Life Singapore Pte. Ltd." recorded zero greenhouse gas emissions, as it does not have a physical office.

Unit: tCO_2e

Subsidiary Name	Scope 1 Emissions (C1)	Scope 2 Emissions (C2)	Total GHG Emissions
Shin-Kong Life Real Estate Service Co., Ltd.	0	67.446	67.446
Shin Kong Vietnam Co., Ltd.	0	1.065	1.065

Notes to Implementing Greenhouse Gas Inventory

Note 1: The baseline year of comparison is the year in which the parent company officially signed the SBTi commitment in 2022 to join the international decarbonization efforts. The data of the year was verified by SGS according to ISO14064-3:2006 and met the ISO14064-1: 2018 standards.

Note 2: The data in recent three years were all verified by DNV according to ISO14064-3:2006 and met the ISO14064-1: 2018 standards.

Note 3: For 2022–2024, emissions were calculated using the operational control approach. In 2025, the methodology was changed to the equity share approach. Scope 1 and Scope 2 emissions were calculated using the formula: "Annual Consumption (Activity Data) × Emission Factor × Global Warming Potential (GWP)."The emission factor in this table was selected from the "Summary of Factors from the Research of Greenhouse Gas Emissions Collected by the Ministry of the Environment, Executive Yuan - Emission Factor Management Table (Version 6.0.4)". The GWP value was based on the Sixth Assessment Report of Intergovernmental Panel on Climate Change (IPCC AR6, August 2024).

Note 4: Scope 1 emissions (S1) refers to direct emissions from stationary combustion sources (emergency generator diesel, natural gas used in the staff canteen), mobile combustion sources (company car oil), and other anthropogenic system fugitives (air-conditioning refrigerants and septic tanks).

Note 5: Scope 2 emissions (S2) refers to indirect electricity emissions, which are calculated using the latest electricity emission factor (0.494 kg CO_2-e/kWh for 2023, 0.474 kg CO_2-e/kWh for 2024, and 0.474 kg CO_2-e/kWh for 2025) provided by the Energy Administration, Ministry of Economic Affairs.

Note 6: Other emissions (C3-C6) from Scope 3 (S3) are disclosed based on annual significance assessments, with S1 plus S2 used as the carbon emission intensity standard.

Note 7: The number of full-time employees calculated for carbon emissions intensity was 9,632 in 2022, 9,238 in 2023, 9,992 in 2024, and 11,437 in 2025.

Note 8: Inventory boundary: There were 168 buildings (including overseas) in 2022 (baseline year of SBTi), 167 buildings (including overseas) in 2023, 145 buildings (including overseas) in 2024, and 147 buildings (including overseas and subsidiaries) in 2025 used by the Company's permanent employees as locations of operations.

C. Internal Carbon Pricing Mechanism

SKL follows the internal carbon pricing policy of the parent company and has established an internal carbon pricing mechanism based on a shadow price approach. The pricing methodology is expected to be reviewed and adjusted annually based on actual implementation results and market trends. When evaluating upgrades to energy-efficient equipment, hidden carbon costs are incorporated into the assessment. This significantly improves the investment payback analysis of equipment upgrades and helps support capital investment decisions, thereby strengthening carbon risk management. Through the implementation of internal carbon pricing, we aim to respond to climate-related regulations, drive behavioral changes within the company, and improve energy efficiency. For energy and resource consumption that cannot be reduced, we will progressively replace them with renewable energy and environmentally friendly products, generating positive environmental sustainability outcomes.

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3.2.2 Improving Energy/Resource Efficiency

The primary electricity consumption used by the financial and insurance industry is air-conditioning, lighting and business equipment in office buildings. We aim to improve the efficiency of energy use of electrical equipment through planned upgrades, taking into account the concept of a circular economy, by upgrading old and high energy-consuming equipment, enhancing equipment maintenance and management, actively responding to energy-saving and carbon-reducing campaigns organized by the government or non-governmental organizations, and selecting environmentally friendly and energy-saving labeled equipment with a high degree of preference to achieve the goal of electricity saving.

SKL has set its own operational carbon reduction targets and implementation strategies. In 2025, we comprehensively reviewed the status of lighting usage, gradually replaced existing lighting with high-efficiency lamps with energy-saving labels, optimized the energy efficiency of air-conditioning systems and other energy-consuming equipment, installed regenerative power systems in elevators, and planned for an innovative approach of self-generated renewable energy wheeling to proactively reduce our reliance on energy resources.

SKL Energy Management Goals

Management Item	2025 Target	Medium- to Long-term Target (2026~2030)
Scopes 1 and 2 Carbon Emissions	Cumulative reduction of 14.7% compared to the baseline year (2022)	Reduce by 42% by 2030 compared to the baseline year (2022)
Electricity Consumption		
Water Consumption	≦191,840m³	≦Average consumption per person in the past three years
Paper Consumption	≦21,740 packs	

A. Electricity Consumption

We have progressively replaced conventional electricity consumption with renewable energy through a dual-track energy transition strategy. This approach includes procuring bundled renewable electricity and renewable energy certificates through green power purchase agreements to ensure the renewable attributes of our electricity supply. In addition, we have installed solar photovoltaic systems on the rooftops of existing buildings, transforming our approach from passive energy conservation to proactive renewable energy generation and increasing our self-sufficiency in green electricity. In 2025, clean energy accounted for 3.2% of total energy consumption.

Electricity Consumption for the Past Years

Management Item	Unit	2022	2023	2024	2025
Total Electricity Consumption	kWh	27,050,327	25,791,472	22,648,464	18,914,314
Purchased Electricity - Conventional Power	kWh	27,050,327	25,269,472	22,108,464	18,307,712
Renewable Energy - Green Power (Consolidated Electricity Certificates)	kWh	0	522,000	540,000	589,998
Renewable Energy - Self-generated for Self-use	kWh	0	0	0	16,604
Number of Full-time Employees	Person	9,634	9,238	9,992	11,437
Electricity Consumption Intensity	kWh/person	2,808.38	2,791.89	2,266.66	1,653.78

1. Energy Saving Projects

In 2025, we continued to upgrade lighting systems, booster pumps, and air-conditioning equipment, while also installing regenerative power systems elevators. In addition, we participated in Taiwan Power Company's demand bidding programs, optimized office space utilization efficiency, and increased property occupancy rates. These initiatives are estimated to reduce electricity consumption by nearly 3.34 million kWh, equivalent to a reduction of approximately 1,583.2 tCO_2e in carbon emissions. Six major operating locations voluntarily participated in Taiwan Power Company's demand bidding programs, with a total of 115 participation instances during the year. By reducing electricity consumption during peak demand periods and returning the saved electricity capacity to Taiwan Power Company, we received electricity bill credits while unlocking additional energy-saving potential.

Energy Saving Projects in 2025

Main Projects Implemented	Annual Electricity Savings (kWh)	Annual Emission Reductions ((tCO_2e)
Upgrade of Lighting Fixtures and Booster Pumps	130,952	62.07
Upgrade of Air Conditioning	261,103	123.76
Installation of Regenerative Power Systems in Elevators	22,926	10.87
Optimization of Office Space Utilization Efficiency, and Increase of Property Occupancy Rates	2,922,045	1,385.05
Participation in Taiwan Power Company Demand Bidding Activity	3,046	1.44

2025 Taipei City Climate Action Awards

SKL regularly reviews the operational efficiency of equipment in its self-owned buildings across Taiwan. Among them, the Songshan Financial Building achieved the most outstanding energy-saving performance, with estimated annual electricity savings of 535,000 kWh, through the following measures:

1. Replacement of outdoor floodlights and indoor non-LED lighting fixtures with energy-efficient alternatives.
2. Optimization of elevator operations by reducing the number of elevators in service during nighttime and holidays and installing regenerative power systems.
3. Deploy variable-frequency air-conditioning systems, optimize central air-conditioning by raising the chilled water supply temperature, and reduce total operating hours.
4. Promote energy-saving practices to optimize the operational efficiency of electricity-consuming equipment.

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2. Installation of Self-generated Solar Power for Self-use

In support of the government's policy to promote solar photovoltaic renewable energy, SKL completed the installation of an 81.34 kWp solar photovoltaic system at the Wanfang Building in Taipei City. The electricity generated is prioritized for on-site consumption by the building itself. Annual electricity generation is estimated to exceed 70,000 kWh, of which approximately 18,000–20,000 kWh per year is expected to be consumed on-site, with the remaining electricity planned for transfer to Taiwan Power Company. From the commencement of operations in April 2025 through the end of December 2025, the solar system generated 16,604 kWh of electricity for on-site use, equivalent to a reduction of 7.87 tCO_2e in carbon emissions. Going forward, we will use the experience gained from this site to evaluate the expansion of self-use renewable energy installations at additional locations.

3. Energy Saving in Data Center

With energy saving and carbon reduction as the highest goal, SKL selects energy-saving equipment according to the annual business growth, and through virtual environment and resource integration, and continuously adjusts the power consumption of the server room, the power usage effectiveness (PUE) of the computer server room in SKL's Bade Building was maintained at a stable level of 1.52-1.64 in 2025, which was rated as a silver benchmark by the Green Grid Association's PUE evaluation standard.

Note: Green Grid's silver benchmark: PUE: 1.43~1.67

B. Water Consumption

Water consumption at SKL is driven primarily by corporate office activities and employee sanitary use, supplemented by minimal utilization from visiting customers. We are committed to reducing water waste through measures such as the installation of water-saving faucets and water-efficient toilets. We implement regular monitoring of water usage to promptly investigate and rectify any consumption anomalies. In 2025, total water consumption amounted to 178,569 m^3, successfully remaining below our annual target of 191,840 m^3, per capita water consumption was 15.61 cubic meters. Looking ahead, we will continue to develop more comprehensive water resource management polart of our green building initiatives, we plan to incorporate rainwater harvesting systems to collect and reuse rainwater for reduciicies. As png reliance on domestic water consumption.

Water Consumption for the Past Years

Indicator	2022	2023	2024	2025
Water Consumption in Buildings Across Taiwan* (Unit:m^3)	205,083	193,784	176,653	**178,569**
Average Consumption Per Person (Unit:m^3/person)	21.29	20.98	17.68	**15.61**

Note 1: Water consumption in Shin Kong Life Tower was calculated based on water bills (kL).
Note 2: Water consumption in other buildings was estimated by dividing the water bill amount by the unit price of water; the unit price of water was estimated at NT$14/kL for buildings in Taipei City and NT$12/kL for buildings in other cities/counties.

C. Waste Management

SKL's main source of waste is the domestic waste generated by its employees. SKL has gradually increased the total amount of recycled resources and reduced waste generation by formulating a long-term reduction strategy, encouraging employees to use environmentally friendly tableware, and actively promoting a system of waste reduction and recycling separation.

Waste Statistics for the Past Years

Item	Unit	2022	2023	2024	2025
Total Waste Quantity	Tons	2,094.9	1,422.3	1,426.8	**1,569.6**
Total Incineration	Tons	1,538.2	1,100.4	1,104.7	**1,254.7**
Total Recycled Waste	Tons	556.7	321.9	322.1	**314.9**
Resource Recycling Rate	%	26.6%	22.6%	22.6%	**20.1%**
Waste Intensity	Ton/person	0.21	0.15	0.14	**0.14**

Note 1: In 2025, total recycled waste was the estimate in the headquarters (Shin Kong Life Tower); total domestic waste incinerated was the estimate in five buildings (i.e., Shin Kong Life Tower, Songshan financial Building, Shin Kong Life Fuxing Building, Shin Kong Life Huiguo Building, and Shin Kong Life Zhongxing Building).

D. Energy Consumption in Transportation

To reduce transportation-related carbon emissions, company vehicles for senior executives were transitioned to leased hybrid models. These vehicles leverage advanced energy-recovery and regenerative braking technologies to optimize fuel efficiency. This transition effectively accommodates high-frequency customer visits while also achieving the goal of reducing pollution emissions.

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3.2.3 Shaping a Green Culture

SKL is actively integrating digital finance to reduce energy and resource consumption through the application of digital tools. SKL also actively promotes environmental education and low-carbon living so that employees, family members, and policyholders can work together to reduce energy consumption and reduce carbon emissions in their daily lives.

A. Implementing Digital Office

1. E-administration

SKL has introduced technology applications to take stock of paper-consuming operations and evaluate the feasibility of e-operations. In addition to the long-term implementation of electronic official documents and administrative forms, the Company has adjusted legal compliance, audit administration, suppliers and procurement, board of directors and audit committee meetings to electronic and systematic operations, in order to significantly improve administrative efficiency and reduce paper consumption. The administrative paper consumption target for 2025 was achieved, reducing 4,795 packs and carbon emissions by 14.4 tCO_2e compared to the estimated consumption.

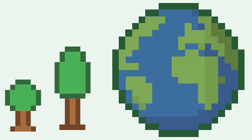
2. E-insurance Services

SKL is committed to providing various digital services and disseminating the concept of digital sustainability, encouraging policyholders to use e-policies and e-documents, recommending customers to join online memberships, and using digital tools instead of paper. On the other hand, we actively empower sales representatives with digital capabilities by launching the "e-agent digital sales representative service certification mechanism" to observe various digital service transaction indicators, and familiarize sales representatives with e-business tools through project promotion and specialized training. We also established digital-related incentive measures to accelerate the digital transformation of business marketing.

Since the launch of the e-reissue service in July 2024, sales representatives have been able to obtain supplementary application information in real time through tablets and deliver supplementary documents electronically. In 2025, usage increased significantly, with the average utilization rate rising from 34.7% to 57.2%, increasing by 22.5%. Adoption was particularly notable in remote areas such as Kinmen, Magong, Pingtung, Baihe, and Xinyi, where utilization rates reached 75%–80%. In addition to reducing paper printing, the service shortens mailing time and accelerates the new policy application process, providing customers with a high-quality, low-carbon financial service experience.

In 2025, approximately 20.031 million sheets of paper and approximately 120.2 tCO_2e were saved through e-insurance services.

Note 1: Number of paper consumed/500 (500 sheets in a pack) = Number of paper consumed (pack)
Note 2: Carbon emissions per pack of A4 paper (70g/sheet) total 3 kg CO_2e.
Note 3: Amount of paper consumed (pack) x 3 kg CO_2e/1,000 (unit conversion) = Carbon emissions (tCO_2e) saved.



E-insurance Tool		Usage Rate (%)
E-insurance policies		30.1%[Note 1] (710,141 new contract policies)
E-notices		81.9%
Mobile Business App	Mobile E-insurance[Note 3]	94.5%
	E-claims	91.0%
	E-policyholder service	67.6%
	E-benefit payment	81.0%
	E-reissue	57.2%

Note 1: The usage rate of e-policies is calculated based on the number of new policy contracts.
Note 2: The scope of Mobile Business app is limited to SKL channels.
Note 3: Mobile e-Insurance includes statistics for life insurance and accident insurance policies.

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B. Promoting Low Carbon Green Living

To support the Ministry of Environment's Green Office policy, we have fully implemented the use of online meetings and virtual training programs in place of in-person activities, effectively reducing carbon emissions associated with commuting and business travel. We have also digitized meeting materials to minimize paper consumption. At the same time, employees are encouraged to walk or use low-carbon transportation options, such as bicycles, when visiting policyholders who live nearby. These measures help reduce transportation-related emissions while also promoting employee health.

Also, we prominently display green office signage and motivational slogans throughout the workplace to cultivate low-carbon habits among employees. The initiatives include establishing indoor greenery, installing window shading systems, configuring office equipment for automatic sleep mode, implementing a 'shutdown after work' policy for computers, and encouraging stair use for transit within three floors. During the summer, we implement the 'Cool Biz' apparel initiative, encouraging a professional yet tie-free, short-sleeved dress code to reduce cooling energy demand. We also maintain indoor air-conditioning temperatures within the 26 ° C to 28 ° C range recommended by the Energy Administration of the Ministry of Economic Affairs, demonstrating our commitment to environmental protection, energy conservation, and carbon reduction through practical actions.

C. Net Zero Initiative and Action

In line with the National 2050 Net Zero Emission Path and Strategy, SKL, together with its parent company TS holding, has joined the Taiwan.

Alliance for Net Zero Action (TAISE), which responds to and promotes the "Taiwan Net Zero Emission Initiative Net Zero 2030/2050," and has also formulated SKL's midterm goals for net-zero carbon reduction and its implementation strategy. By 2030, SKL will replace all lighting with LEDs, gradually improve the efficiency of air-conditioning equipment, establish self-generated renewable energy facilities for self-use, and replace general electricity consumption with green electricity. SKL will also continue to conduct training on environmental sustainability to encourage employees to change their habits of using energy resources.

1. New Life for Old Clothes, Light up the World - Heart and Light Tour

SKL integrates issues encompassing low carbon living, circular economy, and support for disadvantaged groups through cross-sector collaboration and partnerships to initiate an innovative solution - New Life for Old Clothes, Light up the World. This initiative creates employment opportunities for disadvantaged groups by upcycling used jeans collected through charity events. The reproduced products are used for public welfare fundraising, helping disadvantaged families to obtain microinsurance risk protection.

Building on the innovative business model established in 2024, SKL once again joined forces with key partners in 2025 to amplify our social and environmental impact through the 'New Life for Old Clothes, Light up the World' initiative. In collaboration with the social enterprise Story Wear and a dedicated team of local street tailors, the project upcycled recycled fabrics and discarded bed linens into 640 premium, zero-waste fashion accessories. We also renewed our charitable partnership with the Syin-Lu Social Welfare Foundation, receiving support from 249 donors through monetary contributions. SKL joined hands with partners to exert our influence. The funds raised will be utilized to help 455 people with disabilities obtain basic risk protection. The Syin-Lu Social Welfare Foundation will provide employment counseling and support, so that the disadvantaged can move forward to a sustainable and self-reliant life. To document the achievements of this initiative, we produced a short film titled "New Life for Old Clothes, Light up the World", which received the Bronze Golden Eagle Award at the 9th Golden Eagle Micro Movie Festival.

2. Shin Kong Fun Run-Run for Earth

To encourage the public to maintain a healthy lifestyle through exercise, SKL has organized the Nationwide Charity Hiking activities for 19 consecutive years since 2006, inviting policyholders and employees nationwide to enjoy outdoor activities. In 2025, the event was officially transformed into a fun run format under the theme "Shin Kong Fun Run – Run For Earth." We partnered with the "WildOne Taiwan Wildlife Conservation Association," "Carbon Reduction Market," "Tea Offering Action" (providing waste-free water stations), and "GreenHope Personal Carbon Wallet" initiatives to promote tangible green actions. The event also incorporated financial literacy challenge activities and was held at three locations across Taiwan: Kaohsiung (Kaohsiung Museum of Fine Arts Ecological Park), Taichung (Taichung Central Park), and Taipei (Machangding Memorial Park). The event drew more than 1,700 participants, including employees, policyholders, and the general public. In alignment with our plastic-free and low-carbon commitments, the venue eliminated all single-use containers and actively encouraged participants to bring their own reusable utensils. Through these collective efforts, we successfully fostered sustainable habits and inspired the community to embrace a healthy, low-carbon lifestyle.


3. Joining the Beautiful City Platform - Promoting the Personal Carbon Passbook Project

In response to the international trend of Net Zero emission by 2050, SKL joined the "Beautiful City" platform launched by GreenHope on LINE to promote the "Personal Carbon Wallet Project". Combined with SKL's online insurance enrollment business and Shin Kong Fun Run-Run, a low-carbon task reward event was launched to encourage the public to implement low carbon practices in exchange for low-carbon action rewards provided by SKL. In 2025, a total of 2,040 people participated, transforming sustainable efforts into tangible "green gold."

4. "Walkii" Sustainable Health Promotion Program

Since September 2024, SKL has been implementing the two-year "Walkii" Sustainable Health Promotion Program, centered on walking as its core activity to foster proactive health management and a long-term exercise culture among employees. In 2025, senior management actively led and participated in the program, resulting in 4,799 participant engagements and a cumulative total of 1.9 billion steps, equivalent to an estimated 260,000 kilograms of carbon emissions reduced. Through collaboration with the "Walkii Healthy Forest" initiative, participants' steps were converted into tree-planting actions. Following the successful redemption and planting of 47 saplings in 2024, SKL joined the New Taipei City Government's "Plant a Tree for the Earth – One Million People, One Million Trees" campaign in 2025. Through the "Walk and Go into a New Green Life" walking challenge launched by SKL, a total of 151 saplings were earned. Together with policyholders and the Kaohsiung Tree Conservation Association, Shin Kong Life planted native Taiwanese tree species at the Qieding Wetlands in Kaohsiung on January 31, 2026. Species planted included agarwood, Indian almond, seaside clerodendrum, common myoporum, five-stamens china laurel, and sea lettuce, contributing directly to ecological restoration efforts. Going forward, we will continue to deepen our dual-focus strategy of "Health × Environment", encouraging more employees and policyholders to participate in environmental conservation initiatives and creating shared value through both health promotion and environmental stewardship.

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3.2.4 Constructing Green Buildings

SKL is constantly adjusting its thoughts on buildings, aiming to construct buildings with post-disaster resilience and sustainability in line with SDG 11 Sustainable Cities and Communities, improve the energy efficiency of existing buildings, and get certified to Green Building Labels. We expect to create an energy efficient, eco-friendly lifestyle and reduce the environmental impact of our business operations.

A. SKL's Commitment to Eco-friendly Buildings

- **Plan for future investment and development of new buildings to comply with the Green Building Label at the silver level or above/ or with green building design to enhance the environmental sustainability of buildings.**
- **Regenerate old buildings and facilities with various energy-saving measures, cut energy consumption, and improve the energy efficiency of existing buildings to be a responsible citizen for the environment.**

B. Sustainable Green Building Achievements

As part of our commitment to eco-friendly buildings, SKL has been constructing energy-efficient and sustainable buildings that will benefit people living there and the environment in perpetuity.

In 2025, the Nandong Building Urban Renewal and Reconstruction Project obtained both the "Silver-Level Green Building Candidate Certificate" and the "Level 1 Building Energy Efficiency Candidate Certificate." Moreover, all four projects currently under construction or in the planning stage have been designed with the objective of obtaining green building certification. As of 2025, SKL has applied for green building certification for a cumulative total of 10 buildings, including six Green Building Certificates, four Green Building Candidate Certificates, one Building Energy Efficiency Candidate Certificate, one Low-Carbon Building Candidate Certificate, and one LEED Certification in the US.

For the "Taipei Nangang Bus Station Build-Operate-Transfer (BOT) New Construction Project," special emphasis was placed during the design phase on evaluating the safety and stability of construction methods. Despite a higher upfront capital investment, the top-down construction method was deployed for its superior safety profile. This approach significantly reinforced structural safety during substructure works, mitigated disruption to local traffic and the surrounding environment, and directly advanced our sustainable development objectives. As a result, the project received the "Excellence Award" in the Private Sector Engineering Category at the Construction Golden Safety Award for Outstanding Engineering Projects presented by the Ministry of Labor.

The Company aims to improve the aesthetic and construction quality of buildings, and further supports carbon reduction, circular economy, innovation, smart, and local cultural features to create an environment for LOHAS where "nature and culture co-exist and ecology and sustainability mutually prosper."

C. Green Leasing Achievements

In support of the "Renewable Energy Certification Single Meter Number Multi-User Transaction Demonstration Program," SKL has purchased renewable electricity to replace a portion of its conventional electricity consumption. We have also assisted in matching suppliers with building tenants, enabling them to successfully obtain renewable electricity and renewable energy certifications. To date, tenants of the Shin Kong Life Tower, Xinyi Financial Tower, and Tainan Canal Tower have successfully adopted renewable electricity through these efforts.

SKL has also promoted the "Green Leasing 2.0" program, under which the Company, as the building owner, serves as the contracting party for renewable electricity procurement. Through this initiative, approximately 1.169 million kWh of renewable electricity per year has been secured and allocated for use by tenants of the Shin Kong Life Tower, Nanjing Technology Building, and Xinyi Financial Tower. Going forward, we will continue assisting more tenants in introducing renewable energy solutions, increasing the use of green electricity and reducing environmental impacts.

Green Buildings for the Past Three Years

Building	Results	Investment Amount	Green Benefit		
			Amount of CO_2 Absorbed	Soil Water Content (Greenery Design)	Capacity of Rainwater Storage (Recycling and Reuse)
Superficies in Qianjin District, Kaohsiung City	Obtained the Silver-Level Green Building Candidate Certificate in 2023	2.649 billion	0.65536t	3.56m^3	-
Nangang Bus Station BOT	Obtained the Gold-Level Green Building Candidate Certificate in 2023 Obtained the Diamond-Level Low Carbon Building Candidate Certificate in 2024	5.89 billion	Amount of CO_2 absorbed:1.03849t Amount of carbon reduction: 48,979 tCO_2/60yr	15.87m^3	587.72m^3
Nandong Building Urban Renewal and Reconstruction Project	Obtained the Silver-Level Green Building Candidate Certificate in 2025 2025 Level 1 Building Energy Efficiency Candidate Certificate	4.03 billion	0.62t	-	188.36 m^3