



SinoPac Holdings

Company Profile

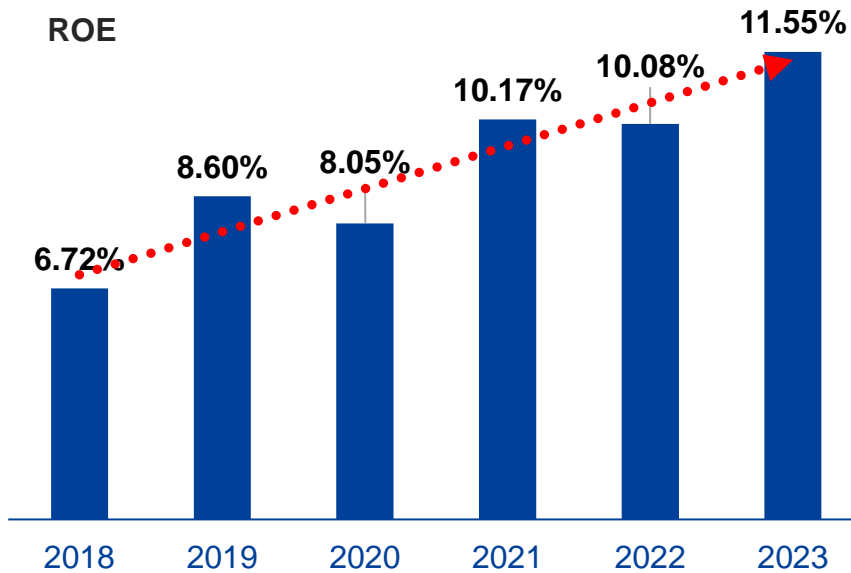
March 25, 2024

Disclaimer

This presentation and the presentation materials distributed herewith may include forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that SinoPac Financial Holdings Company (SinoPac) expects or anticipates will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements. SinoPac's actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, cost estimates and other risks and factors beyond its control. In addition, SinoPac makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.

ROE Continuously Advanced

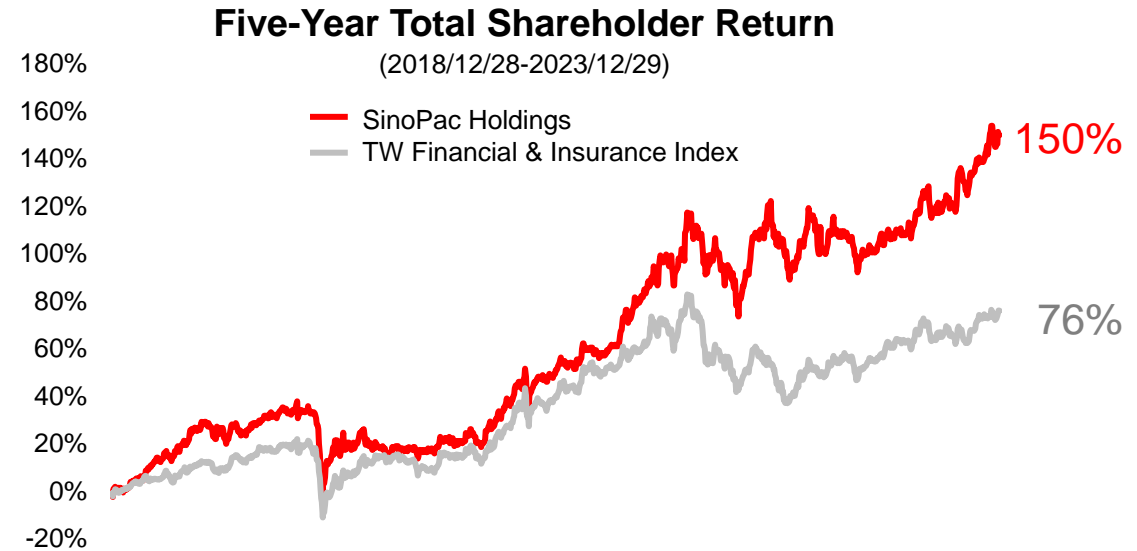
- SinoPac Holdings' return on equity (ROE) continues to improve in recent years and has maintained above 10% for three consecutive years



Net Income 3YR/5YR CAGR Outperform Peers

Net Income	3YR CAGR	5YR CAGR
SinoPac Holdings	17.3%	16.0%
Other TW-listed FHCs	-1.7%	4.4%

TSR Outperform Sector Index



Note:(1) All figures in this report are denominated in New Taiwan Dollar. As of December 29, 2023, the USD/NTD exchange rate was 30.735 ;

ESG Performance Continuously Enhanced

● Board With Diversified Expertise:

- Independent directors and female directors both take three seats (43%)
- Directors boast professions including banking, law, finance & accounting, information security, and climate change & environmental protection, in line with our corporate strategy

● Committed to Net Zero Emissions:

- Pledge to net-zero emissions in our own operations by 2030 & reduce financed emissions to net-zero by 2050
- Follow the approved SBTs and continue to strengthen decarbonization policy & assist clients in achieving net zero


● TW Market leader in solar power financing with the market share near 30%

● Included in numerous ESG indexes:

- DJSI World & Emerging Markets Indexes
- MSCI ACWI ESG Leaders Index
- FTSE4Good TIP Taiwan ESG Index
- Bloomberg Gender Equality Index

Market Share No.1 in Solar PV financing

Solar power plants

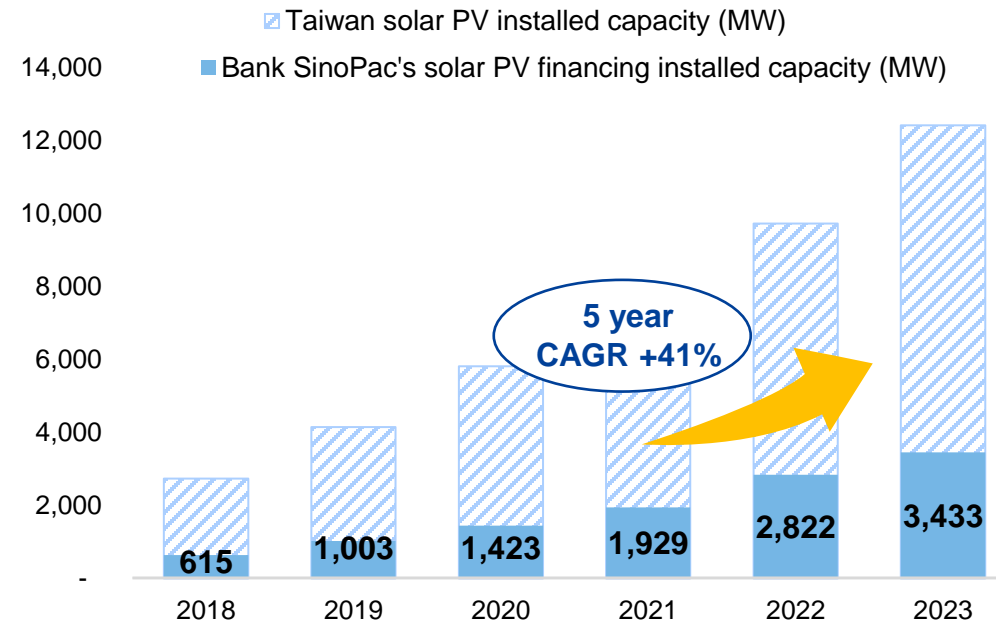
 **7,914 plants**

Installed capacity

 **3.43 GW**

Loan balance

 **NT\$103.9 bn**



Agenda

• **About SinoPac Holdings** ● 01

• **Strategy for 2022-2024** ● 02

• **Sustainability Governance** ● 03

Agenda

● **About SinoPac Holdings** ● 01

● Strategy for 2022-2024 ● 02

● Sustainability Governance ● 03

Overview

- ❑ TWSE : 2890
- ❑ SinoPac Holdings established in 2002 and headquartered in Taipei, Taiwan
- ❑ In 2023, 79% of profits came from Bank SinoPac and 19% were contributed by SinoPac Securities
- ❑ Credit Rating: Fitch (BBB+) and S&P (BBB)
- ❑ Included in prestigious ESG Indexes: DJSI World Index, DJSI Emerging Markets Index, MSCI ACWI ESG Leaders Index, FTSE4Good TIP Taiwan ESG Index, TWSE Corporate Governance 100 Index, and Bloomberg Gender Equality Index

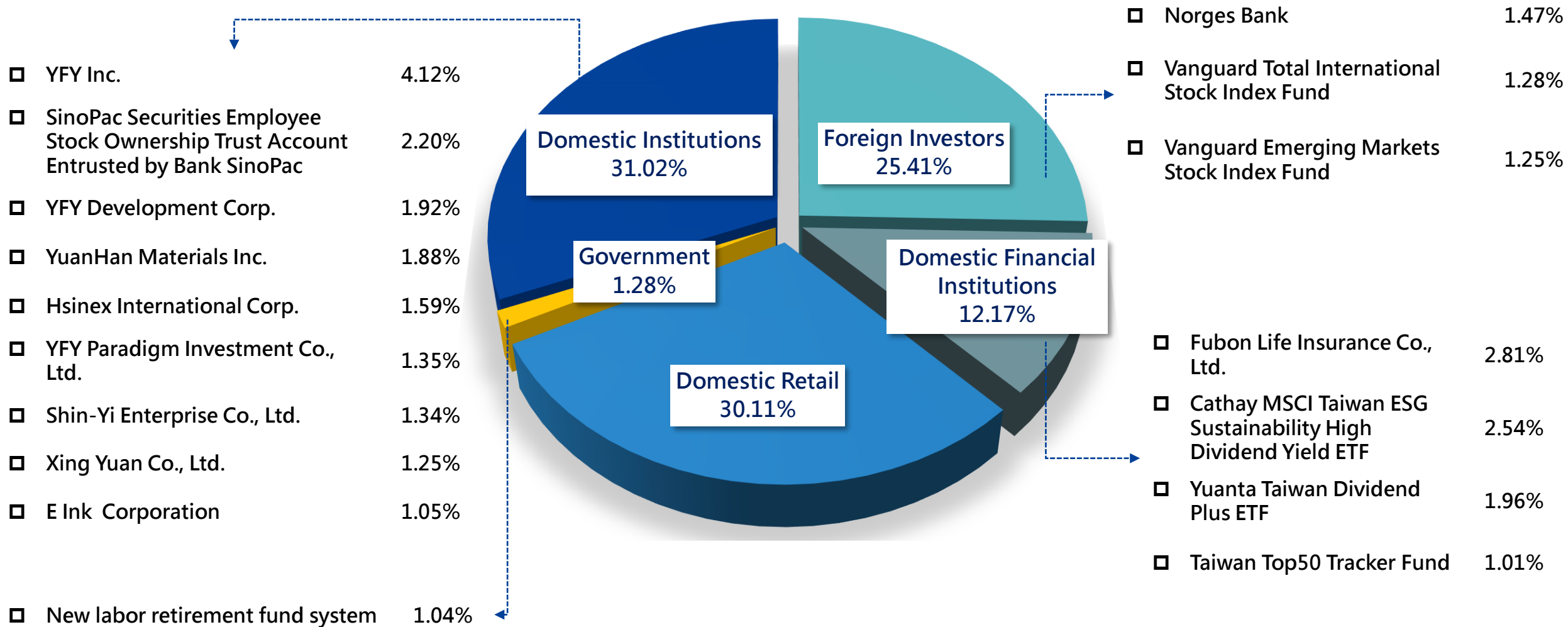


SinoPac Holdings (SPH)

(As of December 31, 2023)



Our Shareholders



As of August 15, 2023

The Board and Functional Committees

Board of Directors	Remuneration Committee	Audit Committee	Ethical Corporate Management Committee
<ul style="list-style-type: none">At least 3 seats of independent directorsAt least 1 seat for female directorsThe selection of board members is mainly based on professional skills, industry experience, ethics, and reputation in society. The Company also sets diversity criteria, including gender and age	<ul style="list-style-type: none">Established in 2010All members are independent directorsEvaluate the remuneration policy, system, standard, and structure for directors and managersAssess and set the remuneration for directors and managers regularly	<ul style="list-style-type: none">Established in 2014All members are independent directorsSupervise the implementation of internal controlSupervise the company's compliance with laws and regulations and the control of existing or potential risks	<ul style="list-style-type: none">Established in 2018All members are independent directorsResponsible for the review of ethical cooperate management policies and prevention programs, supervision of the performance of the managerial departmentsIncorporate ethics and moral values into the company's business strategyEstablish a whistleblowing system and supervision of the effectiveness of its implementation



Diversified Board of Directors

Title	Name	Basic Information					Term	Industry Experience					Professional Skills						
		Nationality	Gender	Concurrent Role as Manager	Age			Financial Holding Company	Bank	Securities	Insurance	Investment Trust	Other Industries	Banking	Commerce	Law	Finance/Accounting	Information Security/Information Technology	Climate Change/Environmental Protection
					55-60	61-65	66-70												
Chairperson	Shi-kuan CHEN	R.O.C.	Female		●			2020/5/13-	●	●			●	●		●	●		●
Independent Director	Wei-ta PAN	R.O.C.	Male				●	2020/5/13-	●			●		●	●	●			●
Independent Director	Huey-jen SU	R.O.C./U.S	Female			●		2023/5/24-					●					●	●
Independent Director	Wen-ling MA (Michelle Maa)	R.O.C.	Female		●			2023/5/24-		●			●		●			●	●
Director	Stanley CHU	R.O.C.	Male	●	●			2017/12/5-	●	●	●			●	●			●	●
Director	Wei-thyr TSAO	R.O.C.	Male			●		2020/5/13-	●	●	●		●	●	●			●	●
Director	Chi-hsing YEH	R.O.C.	Male		●			2018/5/1-	●				●	●	●			●	●

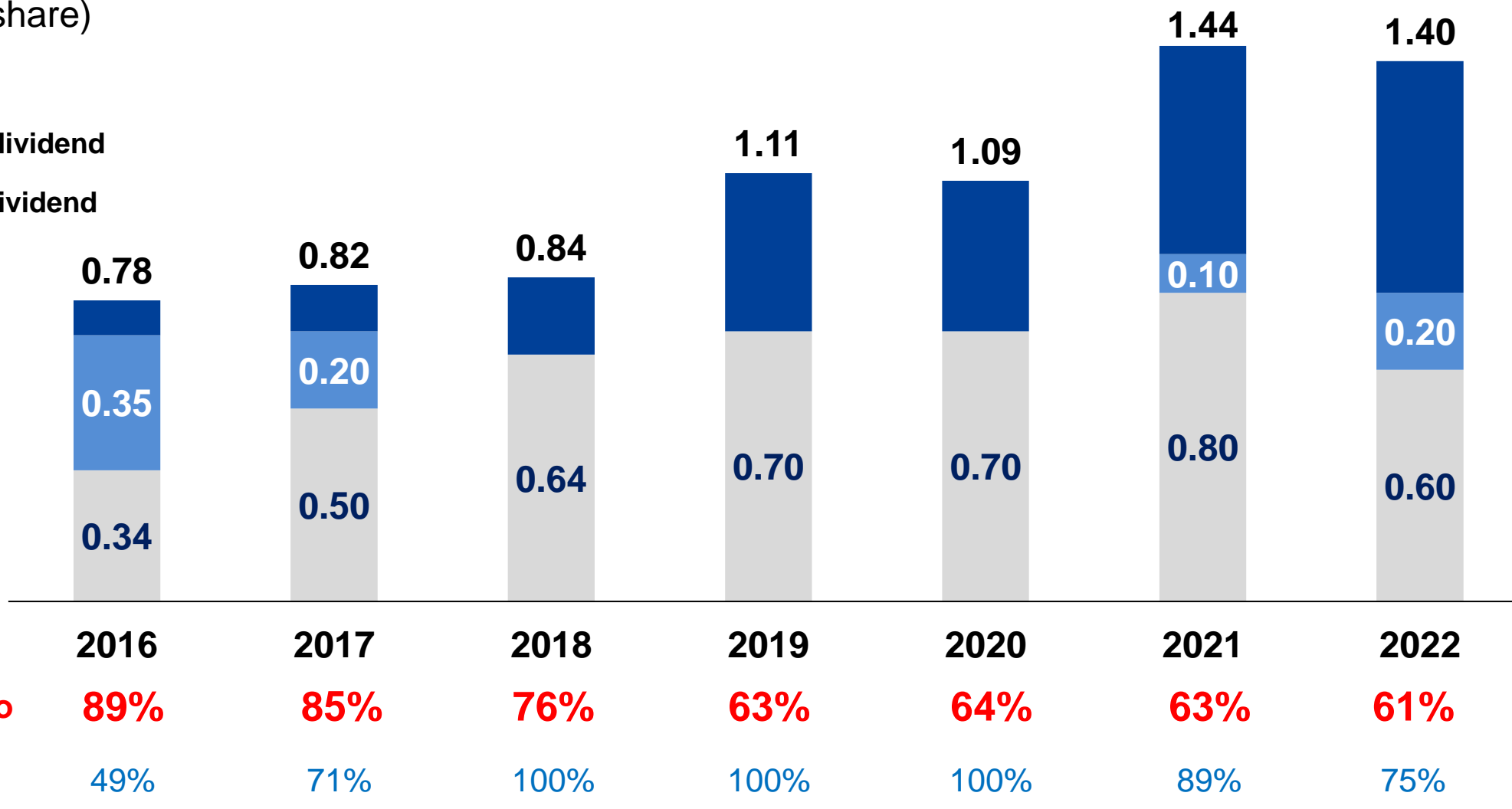
Note : Duration of the Eighth Term of the Board of Directors will be from May 24, 2023, to May 23, 2026

Professional and Experienced Directors

Title*	Name	Gender	Education	Key Past Positions
Chairperson	Shi-kuan CHEN	Female	Ph.D. in Economics, Yale University, U.S.A.	President, Chung-Hua Institution for Economic Research; Deputy Dean of College of Management, National Taiwan University; Director, Chairperson and Professor, Department of International Business, National Taiwan University; Independent Director, DBS Bank (Taiwan) Ltd.; Director, Mega Financial Holding Co., Ltd.; Supervisor, Mega International Commercial Bank Co., Ltd.;
ID	Wei-ta PAN	Male	Juris Doctor (J.D.), University of Nebraska	President, Soochow University; Independent Director of China Life; Independent Director of Quanta Computer; Independent Director of Aerospace Industrial Development Corporation; Independent Director, Radium Life Tech. Co., Ltd.; Vice President, Red Cross Society of the Republic of China (Taiwan); Board Member of Modern Women's Foundation; Director, ESGWD Of Taichung City
ID	Huey-jen SU	Female	Sc.D., Environmental Health Sciences, School of Public Health, Harvard University	Distinguished Professor, Department of Environmental and Occupational Health, Medical College, National Cheng Kung University; President, National Cheng Kung University, Tainan, Taiwan; Standing Committee, The Committee of Future Earth, Academia Sinica, Taipei; President, Academia-Industry Consortium For Southern Taiwan Science Park; Board Director, National Applied Research Laboratories; Committee, National Environmental Education, Environmental Protection Administration, Executive Yuan, Taiwan
ID	Wen-ling MA (Michelle Maa)	Female	MBA, Institute of Management Science, National Chiao Tung University	CEO, Nomura Asset Management, Taiwan; General Manager, Aberdeen Standard Investments, Taiwan; Head of Distribution, Aberdeen Standard Investments, Taiwan; Managing Director and General Manager of Wealth Management, Standard Chartered Bank, Taiwan; Executive Director and Head of Investment Products and Services, UBS Taiwan; Head of Wealth Management, HSBC Taiwan; Head of Investment & Insurance, HSBC Taiwan; Manager, Investment Strategies Development, Consumer Banking, Citibank Taiwan
ED	Stanley CHU	Male	EMBA, National Taiwan University	Director of Taiwan Stock Exchange Corporation; Adjunct Professional Expert, Graduate Institute of International Business, National Taiwan University; Chairman of Cathay Securities Corporation; Director/ Senior Executive Vice President of Taiwan Futures Exchange
NED	Wei-thyr TSAO	Male	MBA, National Taiwan University Bachelor of Power Mechanical Engineering, National Tsing Hua University CFA holder	Senior Consultant of Taipei Fubon Commercial Bank Co., Ltd.; Managing Director, Acting President in Taiwan, and Head of Global Finance and Risk Solutions for Greater China, Barclays Capital Asia Ltd.; Managing Director of Morgan Stanley Asia Ltd
NED	Chi-hsing YEH	Male	Master degree in School of Law, Soochow University Bachelor of Electronics Engineering, National Chiao Tung University Passed the Civil Service Special Examination for Judges and Prosecutors of R.O.C(Taiwan) Passed the Senior Professional and Technical Examination for Lawyers of R.O.C(Taiwan)	Founder and Managing partner of DaVinci Personal Data and High-Tech Law Firm; Representative of DaVinci Management Consulting firm Co.,Ltd.; Assistant Professor of School of Law, Soochow University; Consultant of Personal Data Protection Act for National Development Council; Supervisor of Taiwan Internet and E-Commerce Association; Director of Taiwan Cyber Security Alliance (TWCSA)

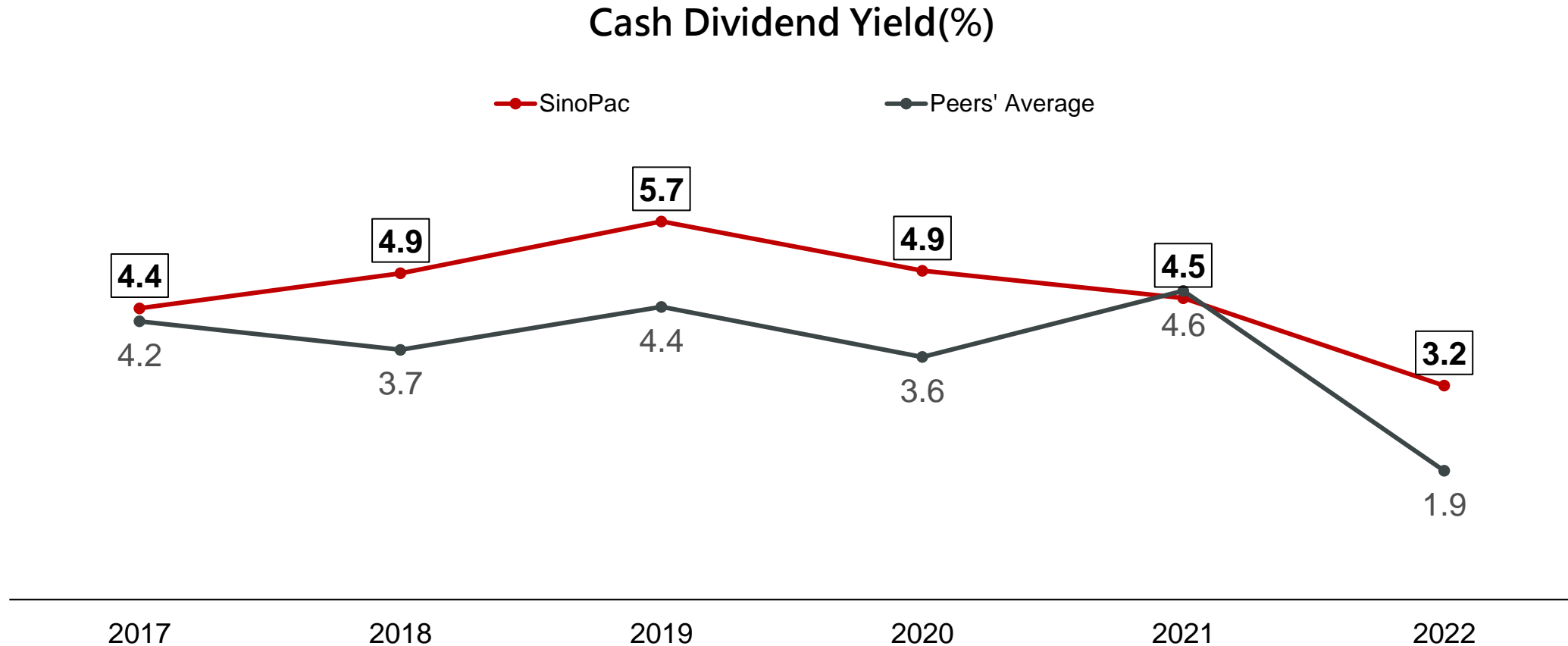
Maintain A Stable Dividend Payout Policy

(NTD / per share)



Note : The total payout ratio = (stock dividend amount + cash dividend amount) / net income

Competitive Cash Dividend Yield



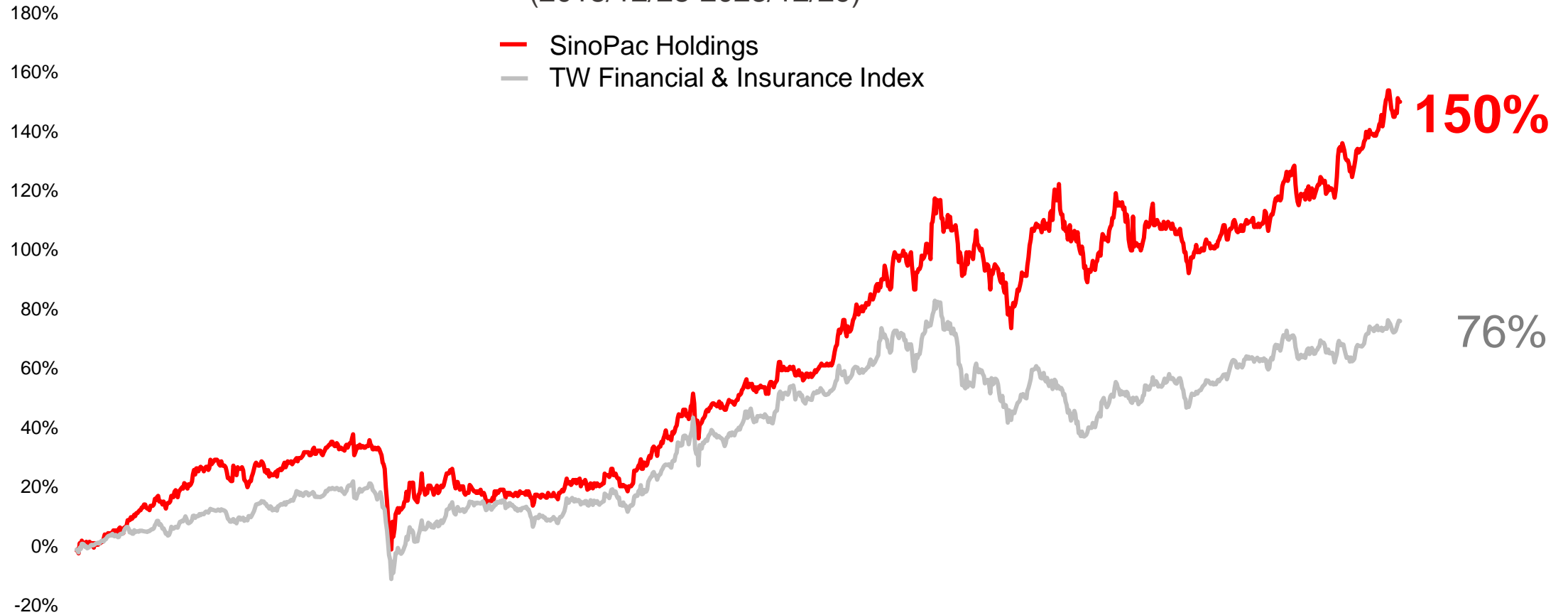
Note 1: Peer Average includes 13 listed TW Financial Holdings Companies –Hua Nan, Fubon, Cathay, China Development, E. Sun, Yuanta, Mega, Taishin, Shin Kong, IBF, CTBC, First, Taiwan Cooperative

Note 2: 2017-2022 Cash Dividend Yield calculated as cash dividend / share closing price at the day before ex-dividend date

TSR Outperform Sector Index

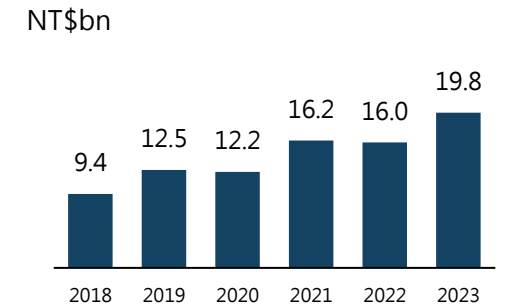
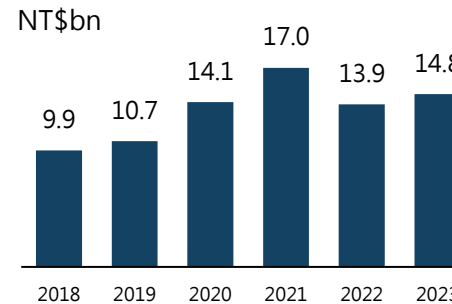
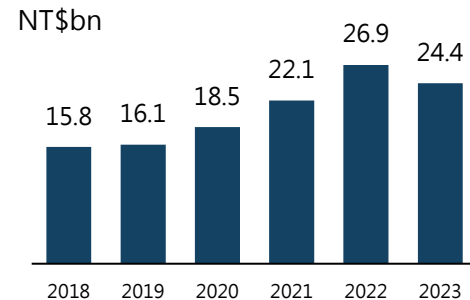
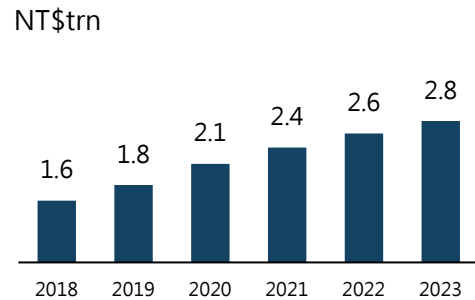
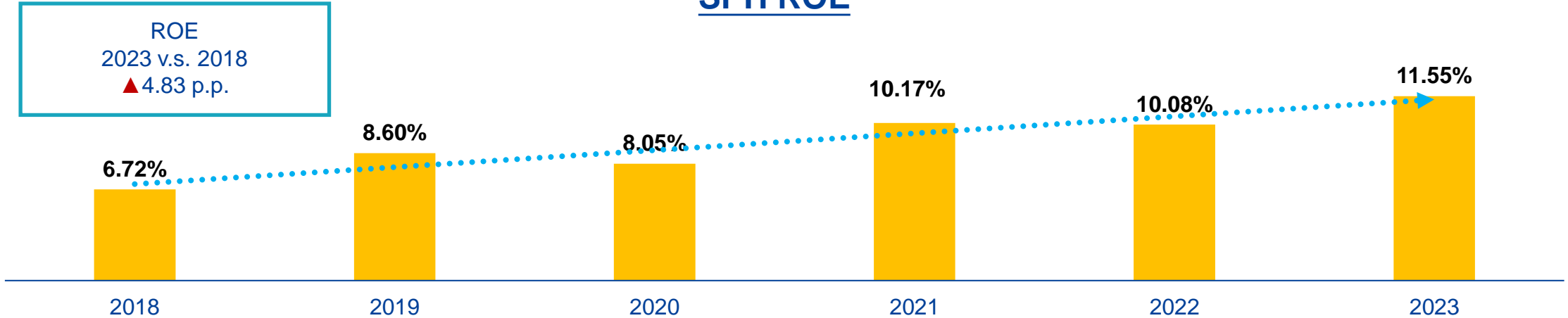
Total Shareholder Return

(2018/12/28-2023/12/29)

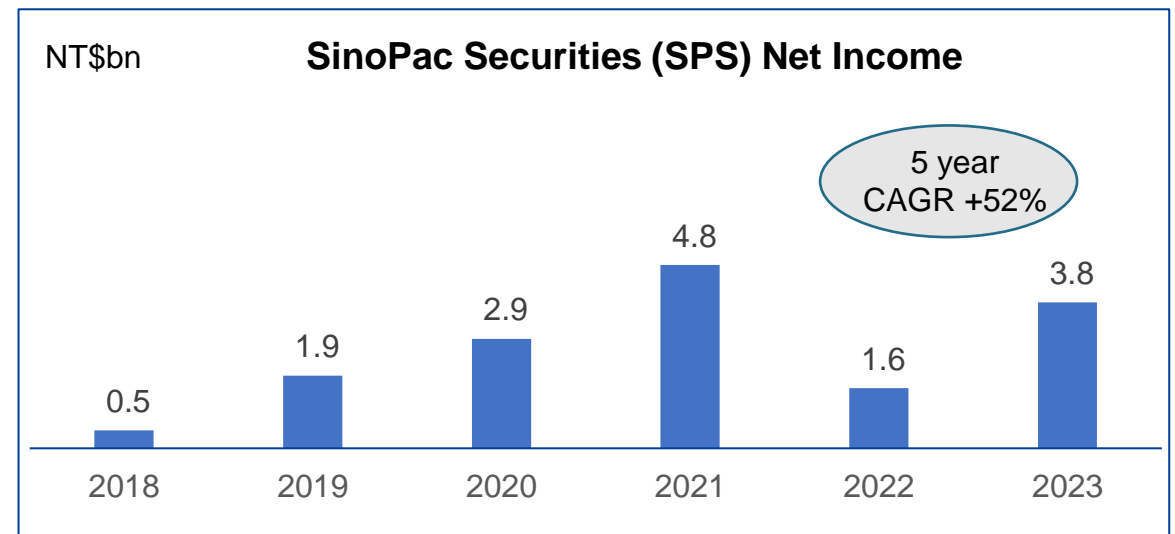
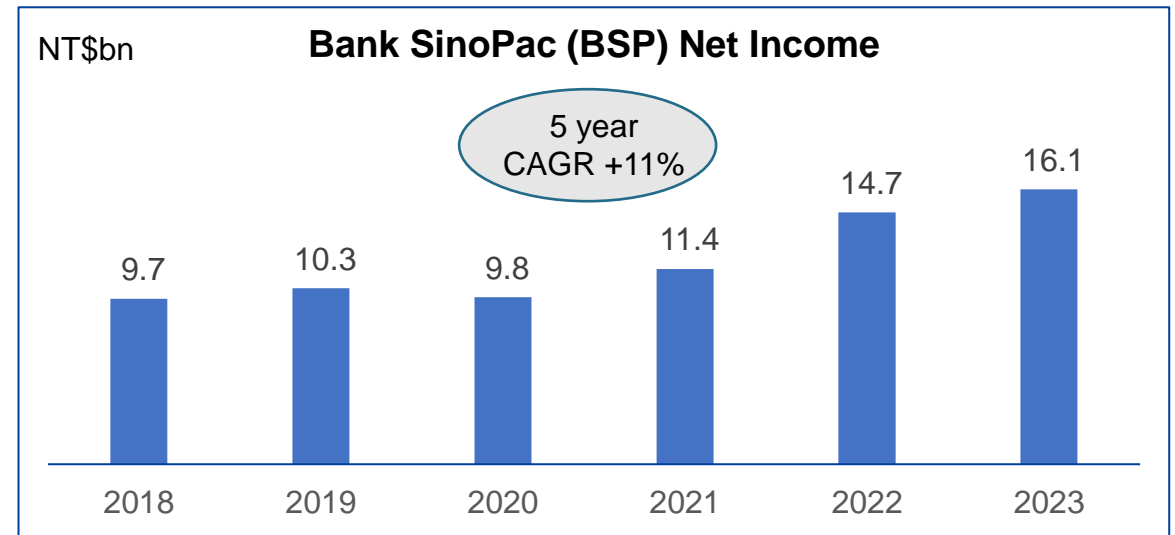
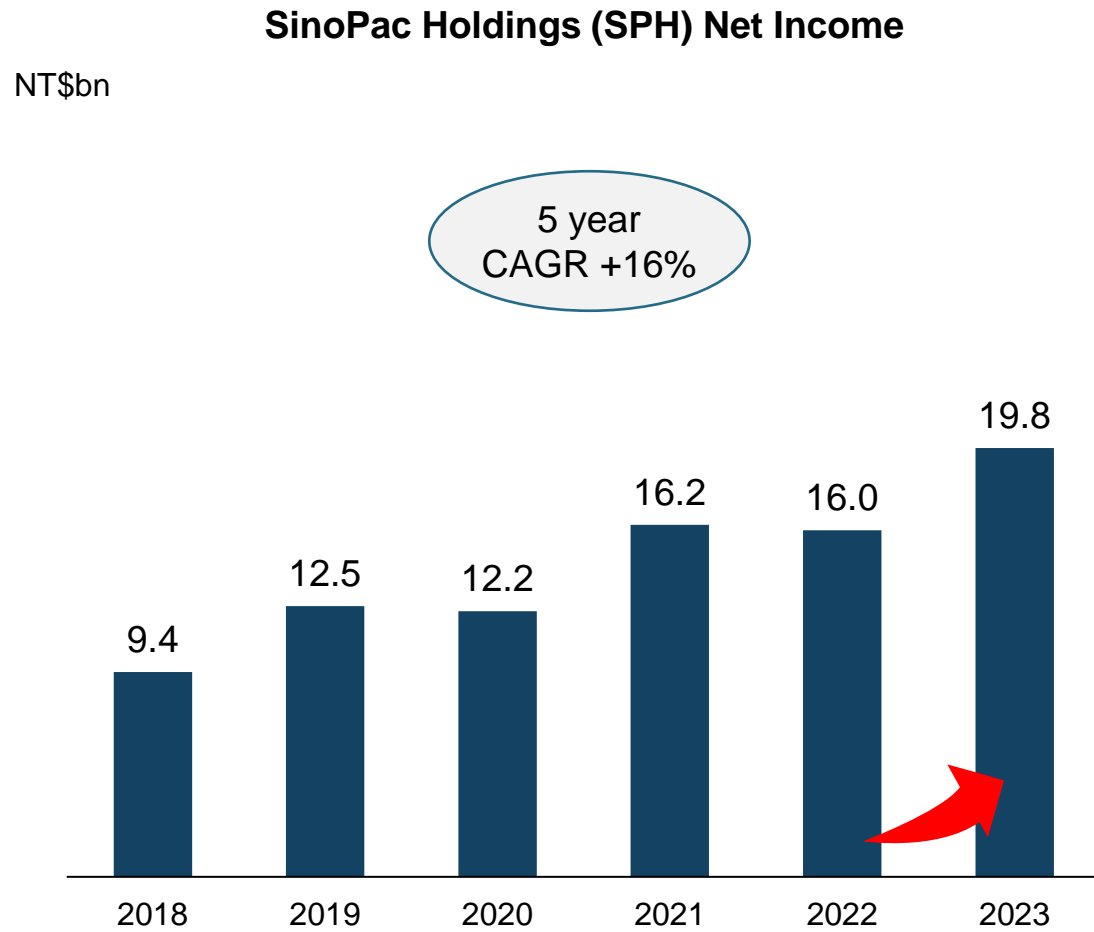


Profitability Boost Significantly

SPH ROE

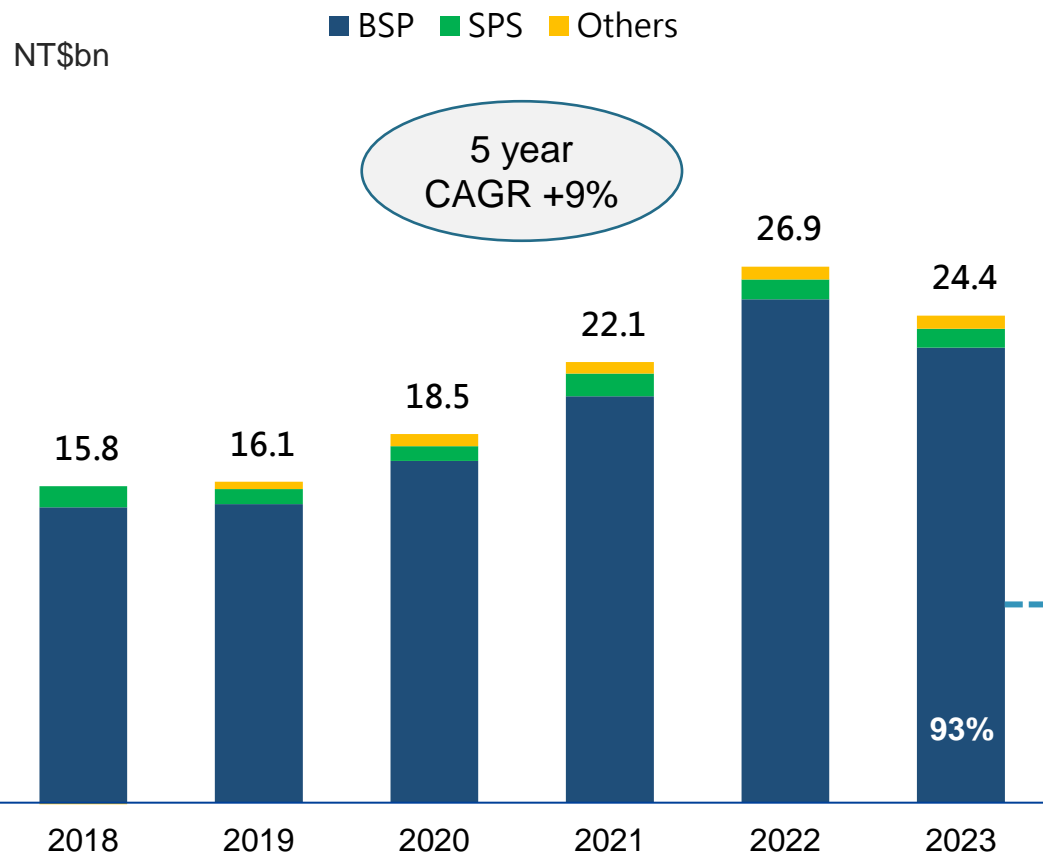


Two Profit Contributors

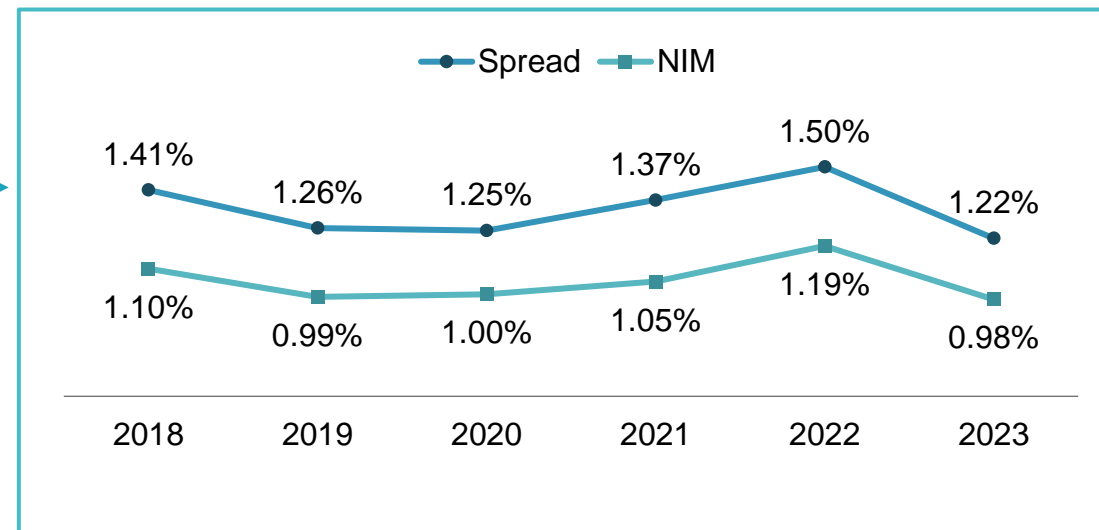
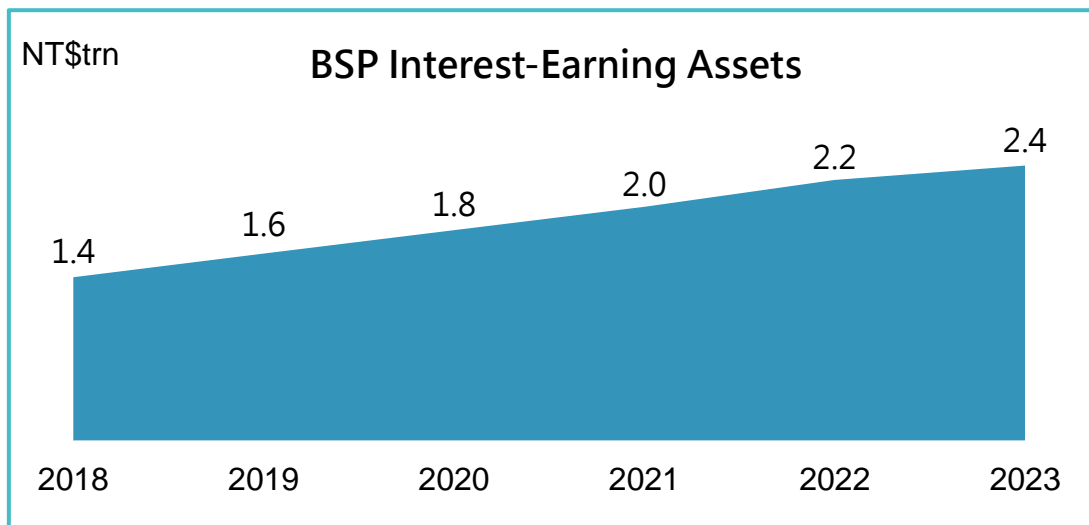


Growing Net Interest Income

SPH Net Interest Income (NII)



Note: 2023 Adjusted NIM (Including FX Swap) was 1.22%;
The 2023 net interest income including FX swap gains grew 10.9% YoY

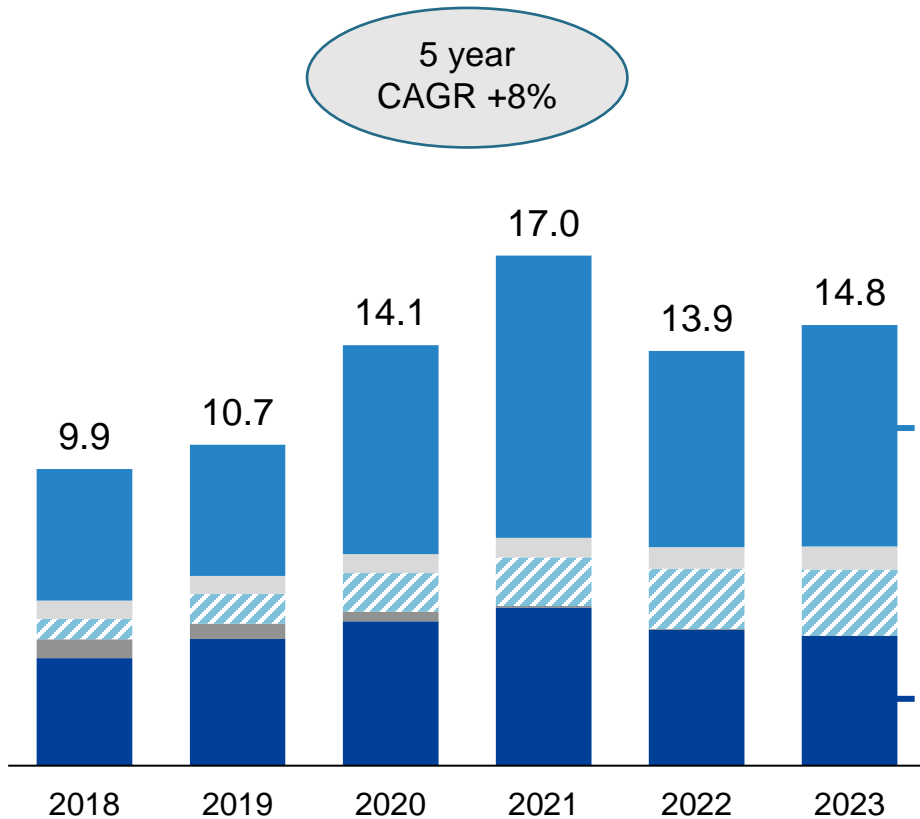


Diversified Fee Income

NT\$bn

SPH Net Fee Income

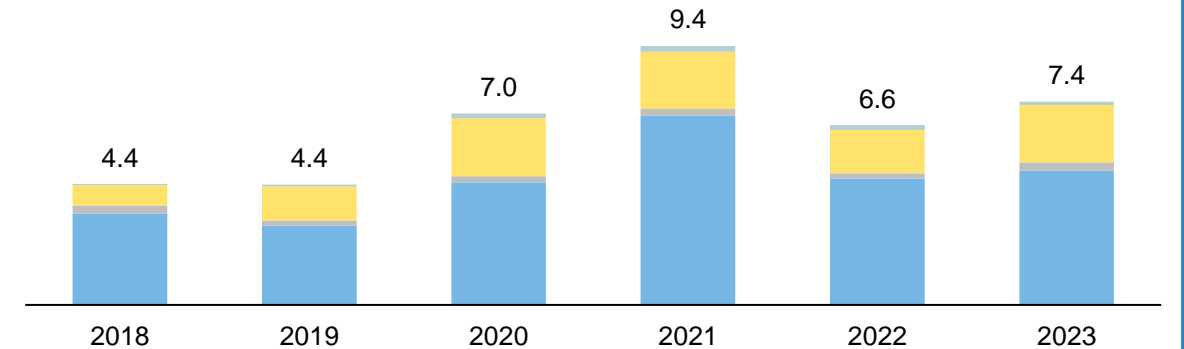
■ WM ■ Credit Card ▨ Loan ■ FX & Others ■ Securities



NT\$bn

Securities Net Fee Income

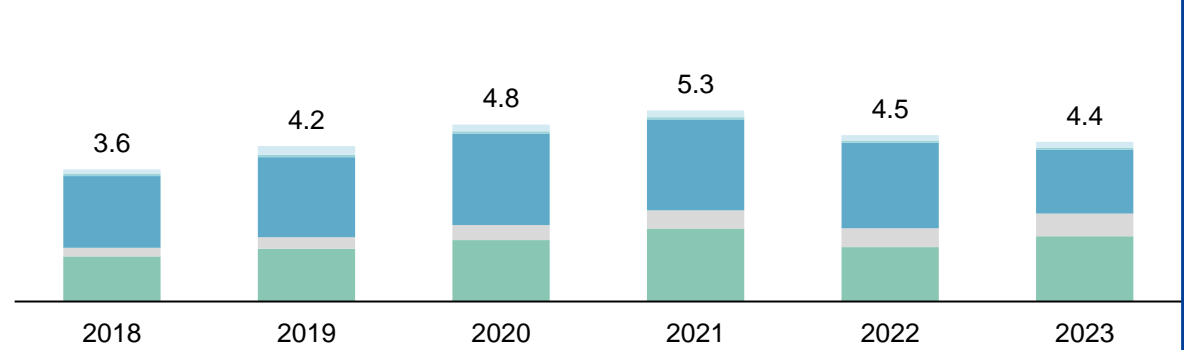
■ Brokerage ■ Underwriting ■ Sub-Brokerage ■ Others



NT\$bn

SPH Wealth Management Net Fee Income

■ Mutual Fund ■ Trust & Custodian ■ Life Insur ■ Property Insur ■ Securities WM



SPH Financial Performance

NT\$m

Category	Indicator	2019	2020	2021	2022	2023
Balance sheet	Share capital	112,711	112,711	112,711	113,838	123,764
	Total assets	1,833,121	2,143,349	2,382,675	2,588,763	2,771,353
	Total equity	148,366	155,870	162,804	154,019	188,336
Valuation	BVPS (NT\$)	13.16	13.83	14.44	13.53	15.22
	PB ratio (x)	0.99	0.83	1.12	1.24	1.29
	Foreign holdings	32.09%	26.67%	29.71%	28.25%	26.56%
Capital structure	Leverage (x)	12.36	13.75	14.64	16.81	14.71
	CAR	118%	132%	131%	122%	134%
	DLR	113%	112%	112%	113%	113%
Profitability	Net income	12,477	12,241	16,211	15,961	19,764
	EPS (\$)	1.11	1.05	1.40	1.37	1.62
	Annualized ROE	8.60%	8.05%	10.17%	10.08%	11.55%
Credit rating	S&P/ Taiwan Ratings	BBB/ twA+	BBB/ twA+	BBB/ twA+	BBB/ twA+	BBB/ twA+
	Fitch	BBB+/AA-(tw)	BBB+/AA-(tw)	BBB+/AA-(tw)	BBB+/AA-(tw)	BBB+/AA-(tw)

Note: share price (NT\$19.7) and foreign holdings as of December 29, 2023; the EPS is backdated

Awards & Recognitions

DJSI World Index
DJSI Emerging Markets Index
For 3 consecutive years

Forbes
World's Best Banks
For 3 consecutive years

Asiamoney
Taiwan's Best Bank for CSR

S&P Global Sustainability
Award- Silver Class
For 3 consecutive years

FTSE4Good TIP
Taiwan ESG Index

Ministry of Economic Affairs
Top Solar System
For 8 consecutive years

Bloomberg Gender
Equality Index

HR Asia
Best Companies to
Work For in Asia
For 4 consecutive years

CDP A- Rating
(Carbon Disclosure Project)
For 3 consecutive years

MSCI ACWI
ESG Leaders
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Business Strategies for 2022 to 2024

Accelerate digital transformation

- Enhancing customer journey
- Integrating data warehousing for precision marketing
- Constructing a flexible cloud service infrastructure
- Sharpening the application of artificial intelligence and robotic process automation
- Developing fintech talent pool and activating digital empowerment plan for all staff

Provide integrated services and Optimize customer experience

- Creating superb user experience
- Offering seamless premium services
- Building trust and enhancing customer loyalty



Boost overseas revenues and Expand our international presence

- Cultivating cross-border and localized services
- Employing digital capability to enlarge retail business
- Expanding overseas territories

Explore green opportunities and Fulfill sustainability commitments

- Responsible lending
- Actively investing in green industries
- Strengthening green financial products and services

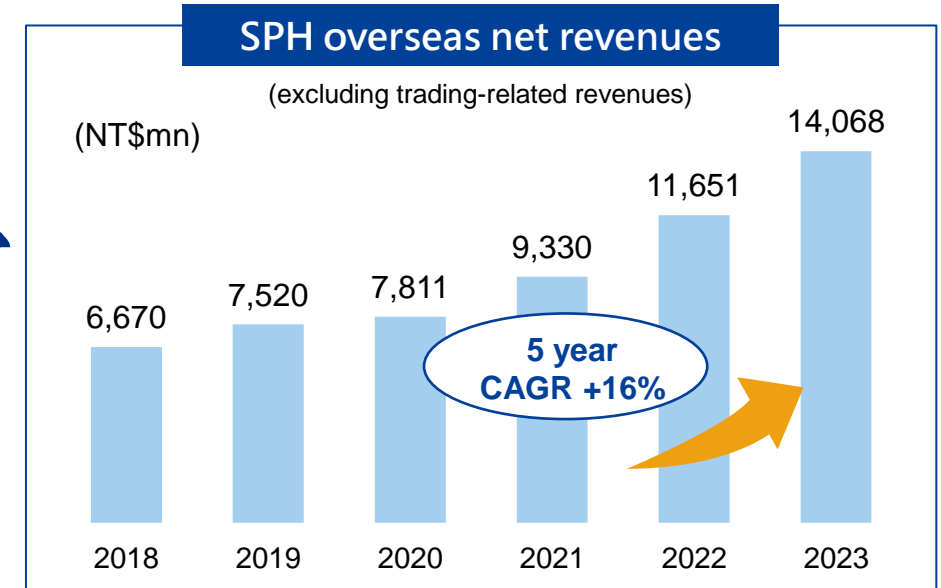
Boost Overseas Revenues



■ Headquarter: Taipei

■ International Offices:

- Greater China: Hong Kong, Macau, Nanjing, Shanghai, Guangzhou, Chongqing, Chengdu, Tianjin, Dongguan, Kunshan, Xiamen, Yinchuan
- Southeast Asia: Ho Chi Minh City, Hanoi, Yangon, Bangkok
- America and Europe: Los Angeles, London



■ Develop localized services

- Expanding our retail customer base in the Greater China and Southeast Asia

■ Accelerate Digital Transformation

- Optimizing overseas digital services

■ Expand International Presence

- Continuously looking for opportunities that come across Southeast Asia

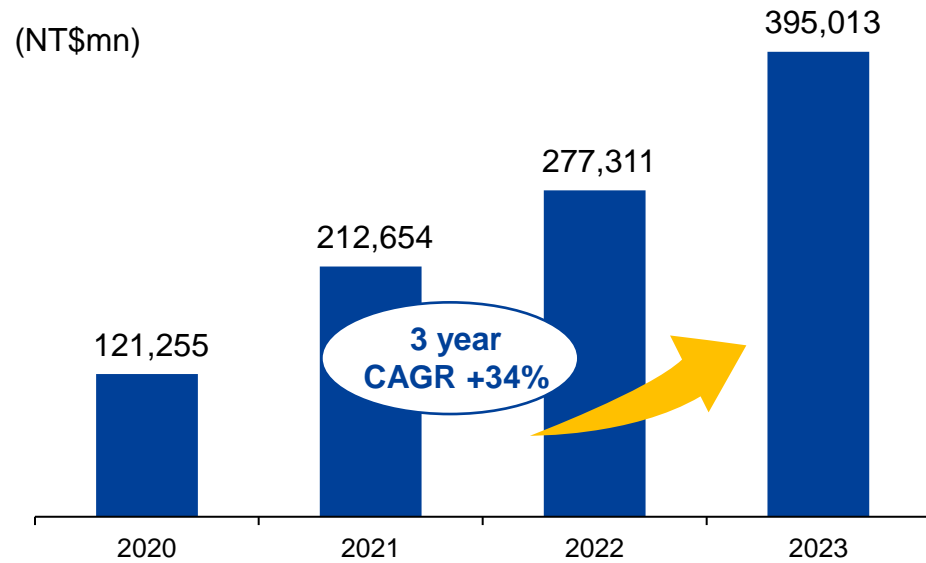
Accelerate Digital Transformation



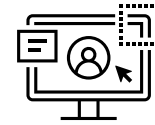
Customer-Centric

Data integration & sharing · 360-degree view

DAWHO Customer Assets
(Bank + Securities)

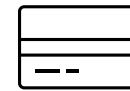


AI as Core Technology



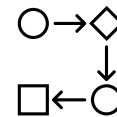
Business Application

Precision Marketing
Stock Saving Recommendation



Risk Management

House Price Index Forecast
Credit Card Fraud Detection



Operational Efficiency

Robotic Process Application
Image Recognition System

Provide Integrated Services and Optimize Customer Experience

Joint Account Opening

Provide joint account opening services between BSP and SPS, including NTD deposit account, FX deposit account, brokerage, sub-brokerage, and trust account

Cross-subsidiary Transaction

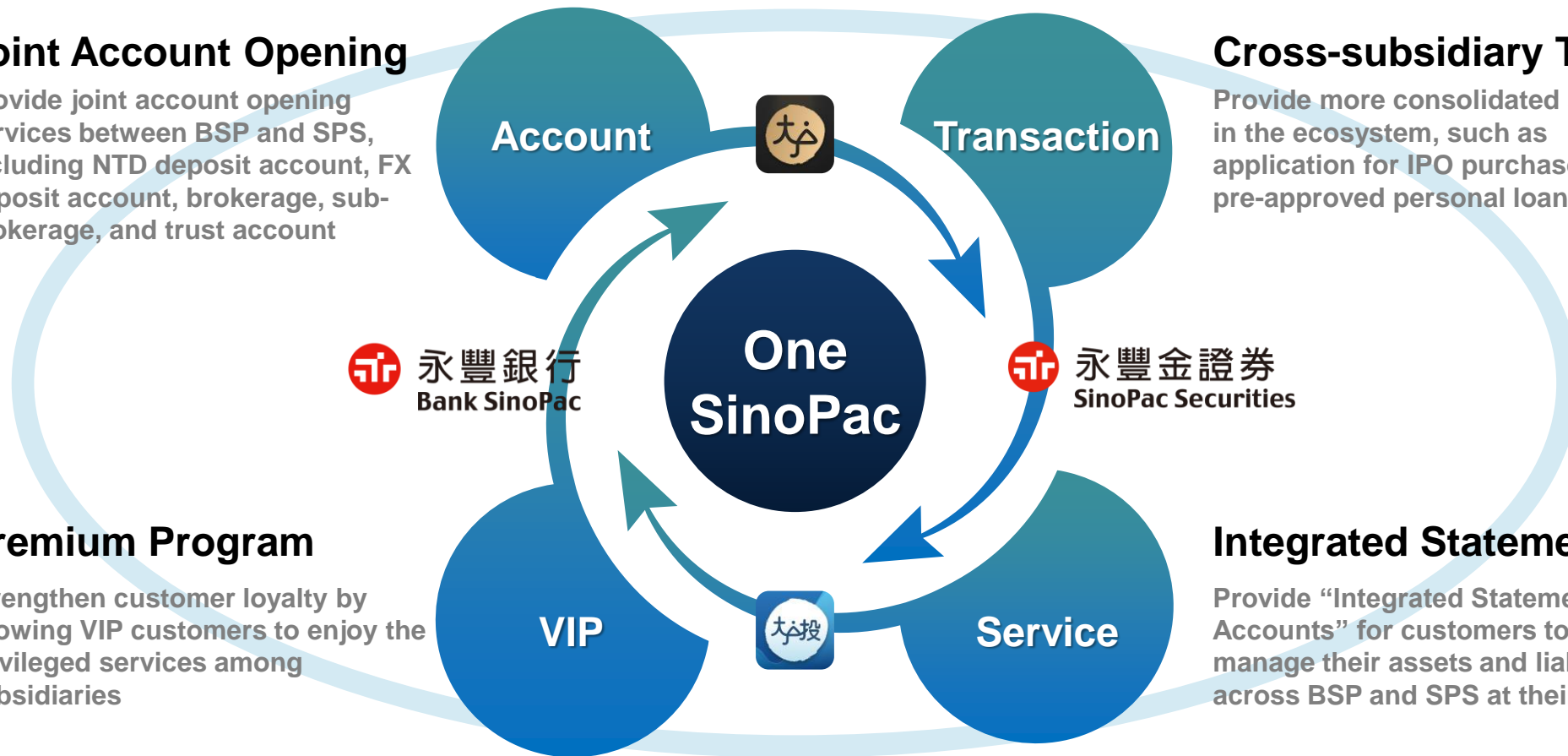
Provide more consolidated services in the ecosystem, such as application for IPO purchase and pre-approved personal loan

Premium Program

Strengthen customer loyalty by allowing VIP customers to enjoy the privileged services among subsidiaries

Integrated Statement

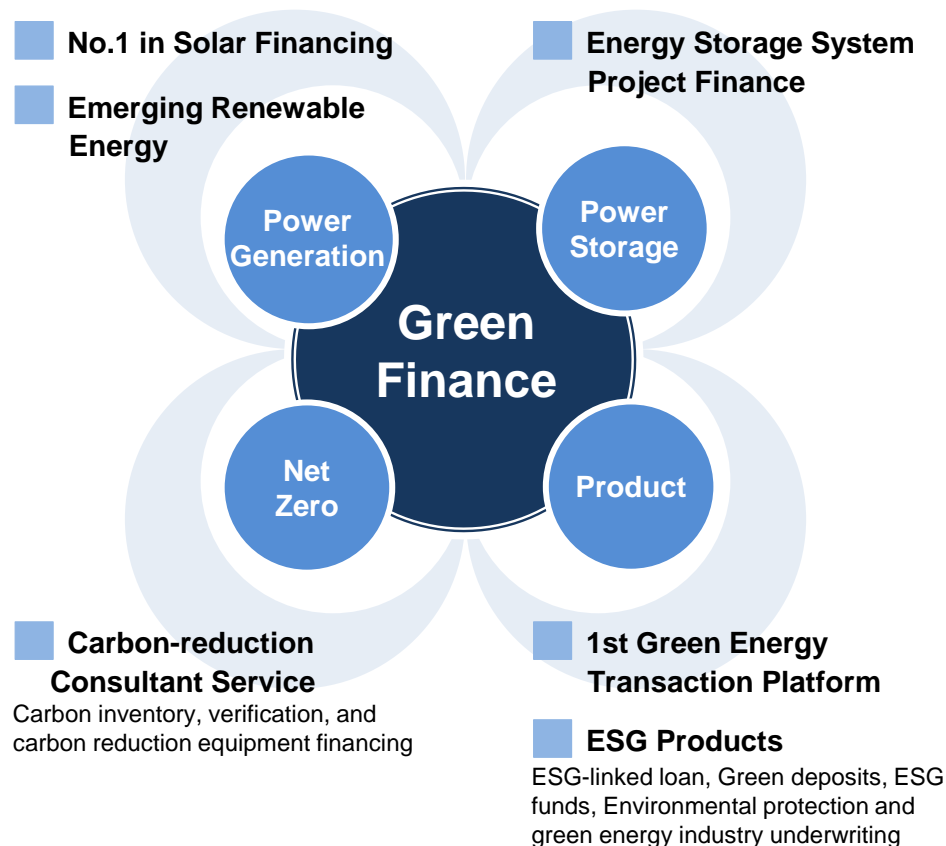
Provide “Integrated Statement of Accounts” for customers to easily manage their assets and liabilities across BSP and SPS at their fingertips



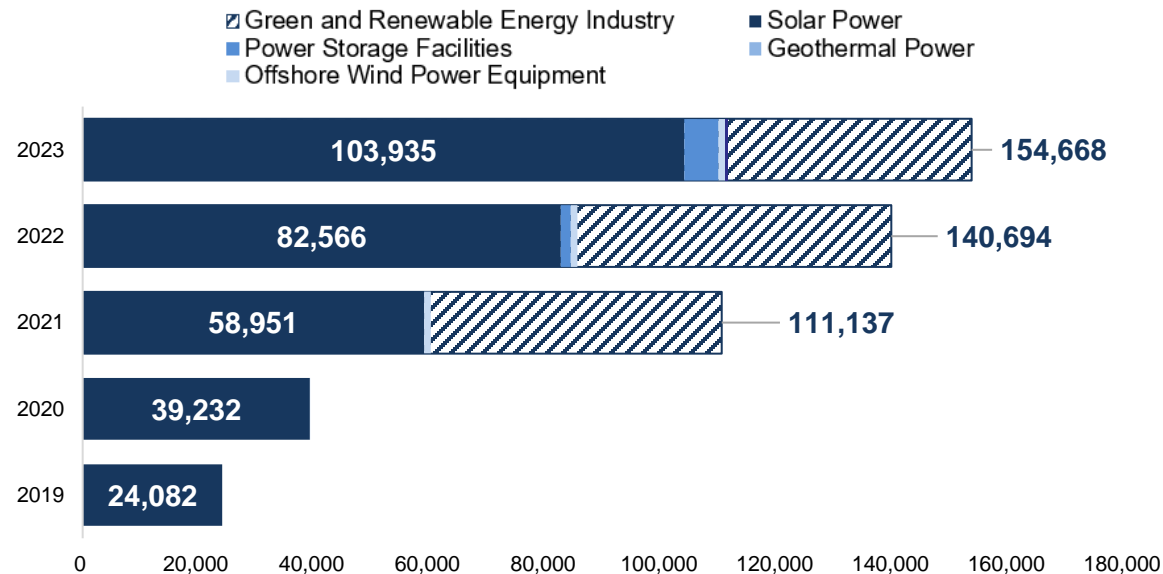
Explore Green Opportunities and Fulfill Sustainability Commitments

Launch the first Green Energy Trading Platform and offered one-stop solution of financial services

Solar PV financing installed capacity reached around 3.43 GW, with a market share near 30%



Green and Renewable Energy Industry loan balance (NT\$ mn)



Note: Green and Renewable Energy Industry was one of the programs of Six Core Strategic Industries. The scope of statistics of loan balance is based on the 41 industry codes selected by the Executive Yuan, and the data period starts from 2021.

Green and Renewable Energy Industry loan balance / Total loan balance



Green and Renewable Energy Industry loan balance / Corporate loan balance



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Corporate Governance and Integrity Management

■ Performance evaluation for the board of directors, functional committees, and individual directors

- External: At least once every 3 years by professional independent institutions or well-known scholars
- Internal: Mandatory self assessment every year



Overall performance were evaluated “Benchmarks” for the 2022 External Evaluation

■ Executive remuneration aligns with company strategy

- Metrics of Variable Compensation, including financial, strategic, internal control, and management indicators
- Long-Term Incentive Program: more than 20% of the executive bonus is deferred up to five years and in the form of virtual stocks and employee share ownership trusts. The mechanism includes adjusting distribution ratio and **clawback policies**

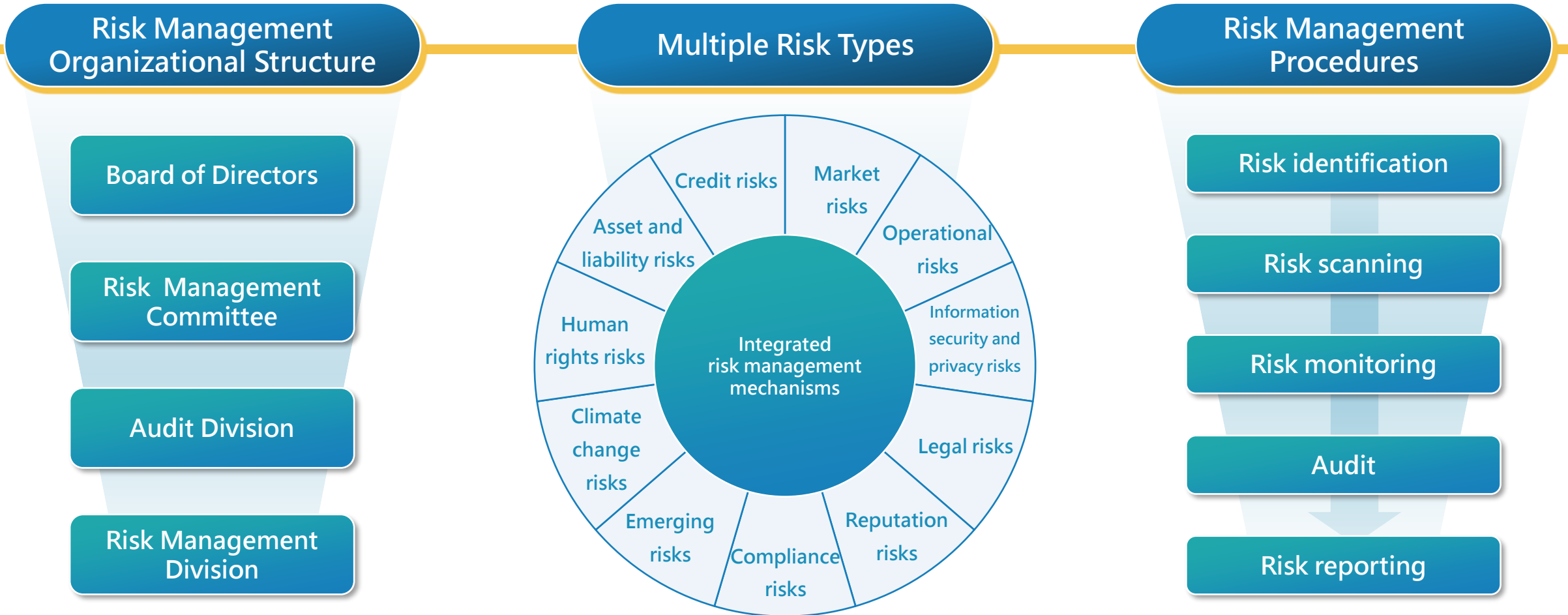
■ Integrity Management

- **100% of directors and employees signed the compliance statements** for the Ethical Corporate Management Policy
- The Ethical Corporate Management Committee is composed of 100% independent directors

Comprehensive Risk Management System

SPH's Risk Management Policy includes the identification, measurement, assessment, and management of risks

The risk management performance is periodically reported to the Board of Directors



Enhance Information Security/ Cybersecurity Management

SinoPac Holdings has a comprehensive information security/ cybersecurity governance framework. The Board of Directors is the highest-ranking unit responsible for supervising the information security strategies of the Group



Governance Framework

Achieve cyber security compliance through top management's support and commitment

Governance level

Chi-hsing YEH, Director
Board of Directors

Professional background in information security

- Transaction security officer of eBay Taiwan
- President of DragonSoft (information security)
- Prosecutor at Taiwan Banqiao District Prosecutors Office (intellectual property rights and computer-related crime section)
- Director of Taiwan Cyber Security Alliance (TWCSA)

Management level

Sean LEE, EVP
Chief Information Security Officer,
Convener of the Information Security
Committee and Head of the
Information Security Division

Professional background in information security

- Director of the Criminal Investigation Bureau High-tech Crime Center
- Chief of the National Police Agency Information Management Office



Management Measures

Conduct periodic risk assessment and threat response

Daily

Review of information security inspection reports

Monthly

Convene monthly meetings of the Information Security Intelligence Center

Quarterly

Review vulnerability scan reports

Semi-annually

Review penetration test reports

Climate Risk Management with TCFD



The TCFD reports of SPH and BSP both gained the British Standards Institution (BSI) Level 5+: Excellence (the highest-grade verification) in TCFD climate related financial disclosure conformity check and the maturity model



Governance

- **SinoPac Holdings' Board of Directors is the highest supervision unit for climate governance, the Sustainable Development Committee and the Risk Management Committee take charge of critical issues such as the supervision of sustainable development and climate change.**
- Climate change risks have been incorporated into the Risk Management Policy, and the Guidelines for the Management of Climate-Related Risks and Opportunities is established to improve the management mechanisms of climate risks and opportunities.
- The Risk Management Committee has set up the "TCFD team" and the Risk Management Division serves as the organizing unit. The main tasks of "TCFD team" include "specifying quantitative scenario analyses and financial impacts"; "establishing corresponding operational strategies, financial plans, and mitigation and adaptation measures for climate resilience"; "formulating metrics and targets"; and "compiling TCFD reports."
- The overall climate change risks and the implementation status of TCFD team shall be disclosed in the quarterly Risk Management Report and report to the Risk Management Committee and the Board of Directors.
- **To promote climate change mitigation and adaption, climate-related KPIs are included in performance indicators for related executive managers of SinoPac Holdings (weighted for 8%~10%)**



Strategy

- **Climate Risk Identification and Assessment:** The procedures for the identification of climate risks and opportunities can be divided into four steps, including compilation of a list of climate risks/opportunities, identification of risks/opportunities at the subsidiary level, identification of risks/opportunities at the group level, proposing mitigation or adaptation measures, and disclosure and communication with the public.
- **For different parts of the overall value chain** (suppliers, own operations, investment and loan business) **in different climate scenarios and time scales**, the Company conducts **climate scenario analysis of physical risks and transition risks and evaluate the potential financial impact quantitatively**. With the responsible unit(s) preparing **mitigation or adaptation measures** for business, strategy, and financial climate resilience **to boost overall climate resilience**.
- SinoPac Holdings has adopted practical measures in response to the challenges brought forth by climate-related risks and opportunities. The Company starts by reducing its own carbon emissions by setting SBTs, gradually increasing the use of renewable electricity, expanding renewable energy financing, and green bond distribution. It also adjusts the investment and financing strategies to expand the scope, uncover climate-related opportunities, and promote the low-carbon transformation of the entire value chain, expecting to reach the target of "to achieve net zero emissions in its own operations by 2030 and its all financed portfolios by 2050."



Risk Management

- **SinoPac Holdings uses the three lines of defense in internal control to manage climate change risks:**
 - a) First line of defense: When processing related businesses, evaluate climate risks and **incorporate climate-related risks in business consideration**.
 - b) Second line of defense: **Effectively monitor and control the implementation of climate risk management by the first line of defense** and ensure compliance with regulatory requirements in all related operations.
 - c) Third line of defense: **Evaluate the effectiveness of climate risk monitoring and control by the first and second line of defense** and propose recommendations for improvements as necessary.
- **For the management of investment and financing risks**, according to principles for responsible investment and responsible lending, the Company incorporate ESG issues and related risks into the decision-making process of related operations and prohibit investments in controversial industries and carefully evaluating investments in sensitive industries.
- **For the management of operational risks from climate change**, the Company established "Business Continuity Plan (BCP)" and Natural Disaster Emergency Response Guidelines and emergency notification procedures as well as response and handling guidelines to strengthen emergency response capabilities to natural disasters and other major emergencies.



Metrics and Targets

- **The Board of Directors of SinoPac Holdings approved the Company's net zero emission target on March 15, 2022: To achieve net zero emissions in its own operations by 2030 and its all financed portfolios by 2050.**
- **The decarbonization policy of investment and loan business:** Since July 1, 2022, all SinoPac Holdings Group's domestic and overseas subsidiaries have ceased financing for new thermal coal and Unconventional Oil & Gas projects and will not renew the existing projects. To realize the net zero commitment and continue to improve, since July 1, 2023, the decarbonization scope was expanded to investment and loan business of thermal coal mining or thermal coal-fired power generation.
- SinoPac Holdings has set climate targets for climate governance, climate opportunities, green procurement, green operations, capital allocation, internal carbon pricing, climate risk management, climate engagement, greenhouse gas emissions, energy usage, and other short, medium, and long-term goals.

Pave the Way for Net Zero Emissions

SPH's Five Major Net Zero Strategies

Net Zero in Operations

Risk Management

Net Zero in Investment Portfolios

Net Zero in Loan Assets

Net Zero Initiatives

2022 Major Achievements

Completed the procurement of green electricity for 10% of the annual electricity consumption of Bank SinoPac and SinoPac Securities

Introduced internal carbon pricing

Implemented carbon inventory of Scope3 – investment and loan portfolios

Completed and submitted the Science Based Targets (SBT) for verification (Note: approved by SBTi on January 12, 2024)

Pledged to cease financing for new thermal coal and unconventional oil & gas projects and will not renew the existing projects since July 1, 2022

Pledging to achieve net zero emissions of its own operations

The entirety of its financial portfolios

2030

2050

Net ZERO

Our Vision

翻轉金融 共創美好生活

Together, a better life.

SPH is working to create a better future by connecting finance to life and empowering all people to keep pace with the times and practice happiness. SPH has an expansive vision and respects employees, customers, communities, and the environment.



IR E-mail



SPH IR
Website