安永聯合會計師事務所

11012 台北市基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road, Xinyi District,
Taipei City 11012, Taiwan, R.O.C.

Tel: 886 2 2757 8888
Fax: 886 2 2757 6050
ey.com/zh_tw

English Translation of a Report Originally Issued in Mandarin

Independent Accountant's Limited Assurance Report

To KGI Financial Holding Co., Ltd.

We have been engaged by KGI Financial Holding Co., Ltd. (hereinafter referred to as "KGI Financial") to perform a 'limited assurance engagement', hereinafter referred to as the "Engagement", as defined by the Taiwan Accounting Research and Development Foundation, to report on the selected climate and nature related information ("the Subject Matter") included in KGI Financial's 2025 Climate and Nature Related Report ("the Report").

The Subject Matter and the Applicable Criteria

Regarding the Subject Matter selected by KGI Financial and the applicable criteria ("Criteria"), please refer to appendix A.

Management's Responsibility

KGI Financial's management is responsible for preparation of the Report in accordance with the applicable criteria, including referencing to Task Force on Climate-related Financial Disclosures (TCFD) and Task Force on Nature-related Financial Disclosures (TNFD) issued by Financial Stability Board (FSB). KGI Financial's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the Taiwan Accounting Research and Development Foundation. The standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which basic principles are integrity, objectivity, professional competence, due care and professional behavior.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with KGI Financial's personnel to understand KGI Financial's business, sustainability implementation and reporting process;

- Understand the expectations and requirements of the key stakeholders and stakeholders, the specific communication channels between the two parties, and how KGI Financial responds to such expectations and requirements through interviews and inspection of relevant documents;
- Conducted interviews with KGI Financial's key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Performing analytical procedures on selected information; collecting and assessing other supporting documentation and the obtained management representation letter. Testing samples if necessary;
- Reading the Report to confirm with the consistency of the indicators in the Report which contribute to the selected information.

Inherent Limitations

Non-financial information contained within the Subject Matter are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also assurance engagements are based on selective testing of information being examined. Any internal control is subjected to limitations. Consequently, it is not possible to detect all existing material misstatements whether resulting from fraud or error.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter, in order for it to be in accordance with the Criteria.

Ernst & Young

Ernst & Young
June 8, 2025
Taipei, Taiwan, Republic of China

Notice to Readers
The reader is advised that the assurance report has been prepared originally in Mandarin. In the event of a conflict between the assurance report and the original Mandarin version or difference in interpretation between the two versions, the Mandarin language assurance report shall prevail.

Appendix A:

No.	Chapter	Content Title	Selected Information	Applicable Criteria
1	2.4.2.1	Physical Risks: Flood Risk Level Scenario Analysis	■ Assessment of Impacts and Resilience: 1. Own Operation Premises: Under both the 2°C and 4°C warming scenarios for 2050, and factoring in building floors and adaptation measures, none of the Group's operation premises fall within high-risk zones (Level 5) or zones of concern (Level 4). Expected repair costs range from approximately TWD 126 to 149 thousand, indicating no severe impact on the Group's operations. 2. Investment Properties: Under both the 2°C and 4°C warming scenarios for 2050, and factoring in building floors and adaptation measures, over 92.3% of the Group's investment properties[Note] are categorized as low to medium risk (Levels 1–3). Real estate asset impairment losses account for only 0.15% to 0.17% of the total building market value, suggesting that the expected impact on the Group's investment losses remains reasonable and manageable. 3. Suppliers: Under both the 2°C and 4°C warming scenarios, and factoring in building floors and adaptation measures, only one supplier operation premises is categorized at Level 2. In terms of financial impact, should flooding occur and disrupt supplier services, the Group would incur additional procurement costs. However, because the Group has established service disruption clauses with major suppliers and secured typhoon and flood insurance for primary data center equipment, any related risk of loss remains manageable. The assessment indicates that the potential for financial loss to the Group has been sufficiently mitigated. [Note]: Pursuant to Article 75 of the Banking Act, commercial banks are prohibited from investing in real estate not for own use. The investment properties held by the banking subsidiary primarily consist of foreclosed collateral assumed for debt settlement and leased portions of own office premises. 4. Real Estate Mortgage Loans: (1) Mortgage in consumer banking: After factoring in the building floors and the remaining loan terms of individual real estate, the Group identified that under the 2°C and 4°C warming scenarios, 4.0% and 4.3% of	KGI Financial disclosed the analysis results of physical risks based on the TCFD framework.

No.	Chapter	Content Title	Selected Information	Applicable Criteria
			the outstanding loan balance, respectively, are exposed to high-risk zones (Level 5). According to the heatmap, the dark-shaded areas are primarily concentrated in Taoyuan City, Taichung City, Tainan City, and Kaohsiung City, indicating that these regions may face higher real estate asset impairment under both warming scenarios. (2) Real estate mortgage loans in corporate banking: The Group conducted a scenario analysis on the real estate mortgage loans in corporate banking. After considering factors such as floor height and remaining loan term, it was determined that under scenarios of a 2°C and 4°C temperature increase, 7.3% of the outstanding loan balance are exposed to the high-risk zones (Level 5), respectively. As shown in the heatmap, the darker areas are mainly located in Taipei City, New Taipei City, Taoyuan City, and Kaohsiung City, indicating that these regions may face relatively higher levels of property value impairment under both warming scenarios.	
2	2.4.2.2	Climate Change Scenario Analysis for Investment and Financing Positions	■ Investment: The Group's climate scenario analysis for investment portfolios utilizes a comprehensive assessment of transition and physical risks to evaluate credit rating downgrades across asset classes, observing expected loss changes relative to the baseline scenario by corporate bonds, equities, sovereign bonds and the overall portfolio. Results show that by 2030, overall impacts begin to materialize. For corporate equities and bonds, the increase in expected losses is the highest under the "Fragmented World" scenario, followed by the orderly transition scenario "Net Zero 2050" and disorderly transition scenario "Delayed Transition". For sovereign bonds, as only country-specific risks are factored in, the increase in expected losses is the highest under the disorderly "Delayed Transition" scenario, followed by the "Fragmented World" scenario, while the orderly "Net Zero 2050" scenario exhibits the lowest increase. By asset class, corporate equities and bonds exhibit significantly higher climate sensitivity than sovereign bonds, showing that corporate portfolios are more vulnerable to industry transition paces, rising carbon costs, and operational adjustment pressures.	KGI Financial disclosed the scenario analysis results for the investment and credit positions and the impact of carbon pricing transition, based on the TCFD framework; the setting of climate change scenario and finance impact factors referenced from Operational Planning on Climate Change Scenario Analysis by Domestic Banks.

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No.	Chapter	Content Title	Selected Information	Applicable Criteria
			For the 2050 long-term outcomes, expected losses across all scenarios expand further compared to 2030. Both the overall portfolio and respective asset classes see demonstrate the most significant impacts under the "Fragmented World" scenario, reflecting that delayed global climate action or insufficient transition will subject investment assets to higher credit deterioration and valuation pressures over time To sum up, the quantitative results of the Group's investment indicate that the impact of climate risk on investment portfolios exhibits a significant temporal accumulation effect, which becomes particularly prominent under scenarios of delayed or failed transition. Consequently, the Group will closely monitor changes in exposure across high climate-risk countries/industries/asset classes, and then progressively incorporate climate risk factors into investment evaluations, asset allocations, and subsequent management mechanisms. Furthermore, through portfolio monitoring and risk diversification measures, the Group aims to enhance the resilience of its overall investment assets against medium- and long-term climate risks ■ Credit The banking subsidiary comprehensively assesses both physical and transition risks for its credit positions. Analysis of various scenarios for 2030 indicates that domestic credit (including corporate and personal) experiences a relatively larger ratio of incremental expected loss to total exposure under the disorderly transition scenario "Delayed Transition", demonstrating that if the global transition is delayed and only accelerates in 2030, domestic credit will be the key positions requiring the Group's mid-term attention. For the overall financing positions, the impact in 2030 is larger under the "Fragmented World" scenario, followed by the disorderly transition scenario "Delayed Transition", while the orderly transition scenario "Net Zero 2050" incurs the lowest loss. Analysis of various scenarios for 2050 shows that both domestic and foreign credit positions experience higher ratios of incremental expected losses under the "Fragmented World" scenario, with the impact on foreign	

No.	Chapter	Content Title	Selected Information	Applicable Criteria
			credit positions being particularly significant under this scenario. Consequently, if the pace of global transition delays or fails, it will subject the Group's various credit assets to higher climate risks and financial pressures. To mitigate long-term impacts, the Group will continuously monitor high climate risk exposures under each scenario and developments related to global climate change impacts, while strengthening the integration of climate risk into financing decision-making processes and actively managing financing positions potentially impacted by climate change to ensure the resilience of the credit against climate-related risks. ■ Analysis Results of Climate Risk Impacts Across Scenarios and Periods Regarding the analysis results for domestic and foreign corporate investment and credit positions, the scenario and period with the greatest physical risk impact for both occur under the "Fragmented World" scenario. Under this scenario, the percentage of domestic and foreign corporate investment and credit exposed to high physical risk areas reach 16% and 21%, respectively. Similarly, the scenario and period with the greatest transition risk impact for both also occur under the "Fragmented World" scenario, where the percentage of domestic and foreign corporate investment and credit assets exposed to high transition risk industries reach 3% and 15%, respectively.	

No.	Chapter	Content Title	Selected Information	Applicable Criteria
	2.4.2.3	Analysis of the Impact of Carbon Pricing Transition on Long-Term Equity Investment	■ Assessment of Impacts and Resilience Through scenario simulation, the Group evaluates the quantitative impact of carbon costs on the market risk of its long-term equity investment. Under the disorderly transition scenario "Delayed Transition", no incremental expected loss generated for the Group by 2030; however, as time progresses to 2050, the maximum incremental expected loss reaches 3.5% of the total size of long-term equity assets held. Under the orderly transition scenario "Net Zero 2050", carbon prices are higher due to the gradual achievement of net-zero emissions by 2050; consequently, the Group's maximum incremental expected loss reaches 0.6% of the total size of assets held by 2030, and reaches 11.8% by 2050. Under the "Fragmented World", facing delayed and divergent global climate policies, carbon prices are relatively lower, resulting in a relatively insignificant ratio of incremental expected loss to the total size of assets held.	

<table>
<tr><th>No.</th><th>Chapter</th><th>Content Title</th><th>Selected Information</th><th>Applicable Criteria</th></tr>
<tr><td>3</td><td>4.1.2</td><td>GHG Emissions Inventory of Investment and Financing</td><td>
<table>
<tr><th>Scope 3 Investment and Financing GHG</th><th>2025</th></tr>
<tr><td>Total Absolute Emissions
(Metric Kilotons CO_2e)</td><td>6,768</td></tr>
<tr><td>Emission Intensity (Carbon Footprint)
(t CO_2e/NTD M)</td><td>2.52</td></tr>
<tr><td>Portfolio Coverage</td><td>100%</td></tr>
</table>
Note:
1. The 2025 investment and financing emission inventory encompasses the subsidiaries of the Group, including KGI Life Insurance, KGI Bank (including KGI Finance & Leasing Corporation, KGI Asset Management Limited), KGI Securities (including KGI Futures), KGI SITE (Proprietary position) and CDIB Capital. Currently, the Group calculates financed emissions based on Scope 1 and Scope 2 emissions of its investees and borrowers.
2. New asset class added to the GHG emissions inventory for the year 2025: Motor vehicle loans.
3. For the year 2025, the GHG emissions from sovereign bonds (excluding LULUCF) amounted to 2,269 (Metric Kilotons CO_2e), while the GHG emissions from sovereign bonds (including LULUCF) amounted to 998 (Metric Kilotons CO_2e).
4. From 2024 to 2025, the coverage ratio of the asset portfolio is calculated based on the amount of each asset category that has been surveyed, in relation to the total investment positions applicable under the PCAF methodology. Additionally, for the year 2025, the coverage ratio calculated using the balance of investment positions divided by the total of the assets on the balance sheet, including FVTPL, FVOCI, AC, and discounted and loans, is 84%.
</td><td>KGI Financial disclosed relevant GHG Emissions Inventory of Investment and Finance based on the PCAF methodology.</td></tr>
</table>

No.	Chapter	Content Title	Selected Information	Applicable Criteria
4	5.1.2	Nature-related Dependencies and Impacts	After reviewing the results of the identification of the natural capital dependency and impact of the industries in which the group invests and finances, the dependency and impact matrix diagram of the top 10 industries by balance for the year 2025 is shown below, most industries with low dependency and low impact. However, some industries have above moderate dependency and impact, which may face higher nature-related transition risks in the future due to nature-related policies, regulations, or market demands. Furthermore, after a comprehensive evaluation of dependencies, impact levels, the electric power supply industry, real estate development industry and petroleum and coal products manufacturing industry are the top three industry classifications with relatively higher degrees of natural dependency and impact for this year. Going forward, the Group will continue to deepen its assessment of natural dependencies and impacts to provide more detailed decision-making information. We will also continue to monitor and manage the aforementioned industries, adjusting our investment and financing positions as needed, gradually aligning with industries that have lower dependencies on and impacts on natural capital.	KGI Financial disclosed analysis results of the top 10 high dependency and impact industries based on the TNFD framework.