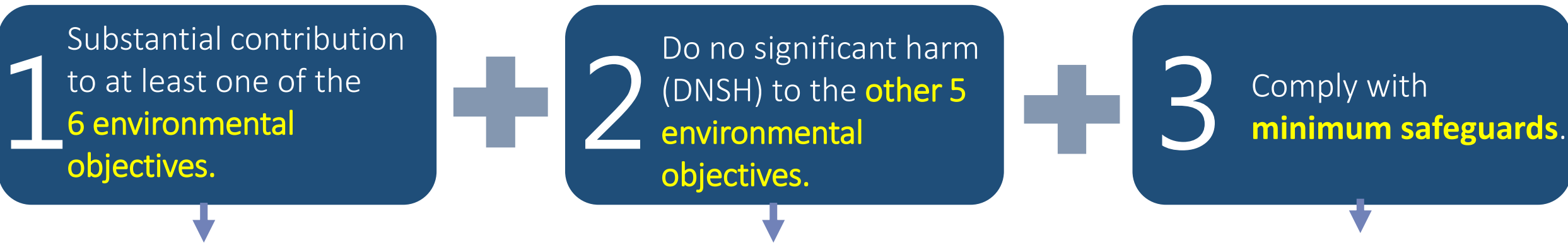


Sustainable Economic Activities (EAs) Must Align with Three Criteria



Each Taxonomy-eligible activities has its specific “technical screening criteria” (TSC)*, which determine if the EEA aligns with criterion 1.

*Currently only **climate change mitigation’s** TSC has been established.

No major penalties due to violation of related laws and regulations.

Align with the laws and regulations related to human rights, labor rights, non-discrimination against women, children and the disabled, and so forth.

6 Environmental Objectives	
1. Climate change mitigation	4. Circular economy
2. Climate change adaptation	5. Pollution prevention
3. Water resource protection	6. Biodiversity

Two Types of Taxonomy-eligible Activities

16 Ordinary Economic Activities (OEAs)

- ◆ **Manufacturing (2 items) :**
Manufacture of cement; manufacture of glass.
- ◆ **Building and Construction (7 items) :**
Construction of new buildings; renovation of existing buildings, etc.
- ◆ **Transportation and Storage (7 items) :**
Road transportation for passengers; road transportation for cargo, etc.

Taxonomy-eligible Activities

13 Forward-Looking Economic Activities (FLEAs)

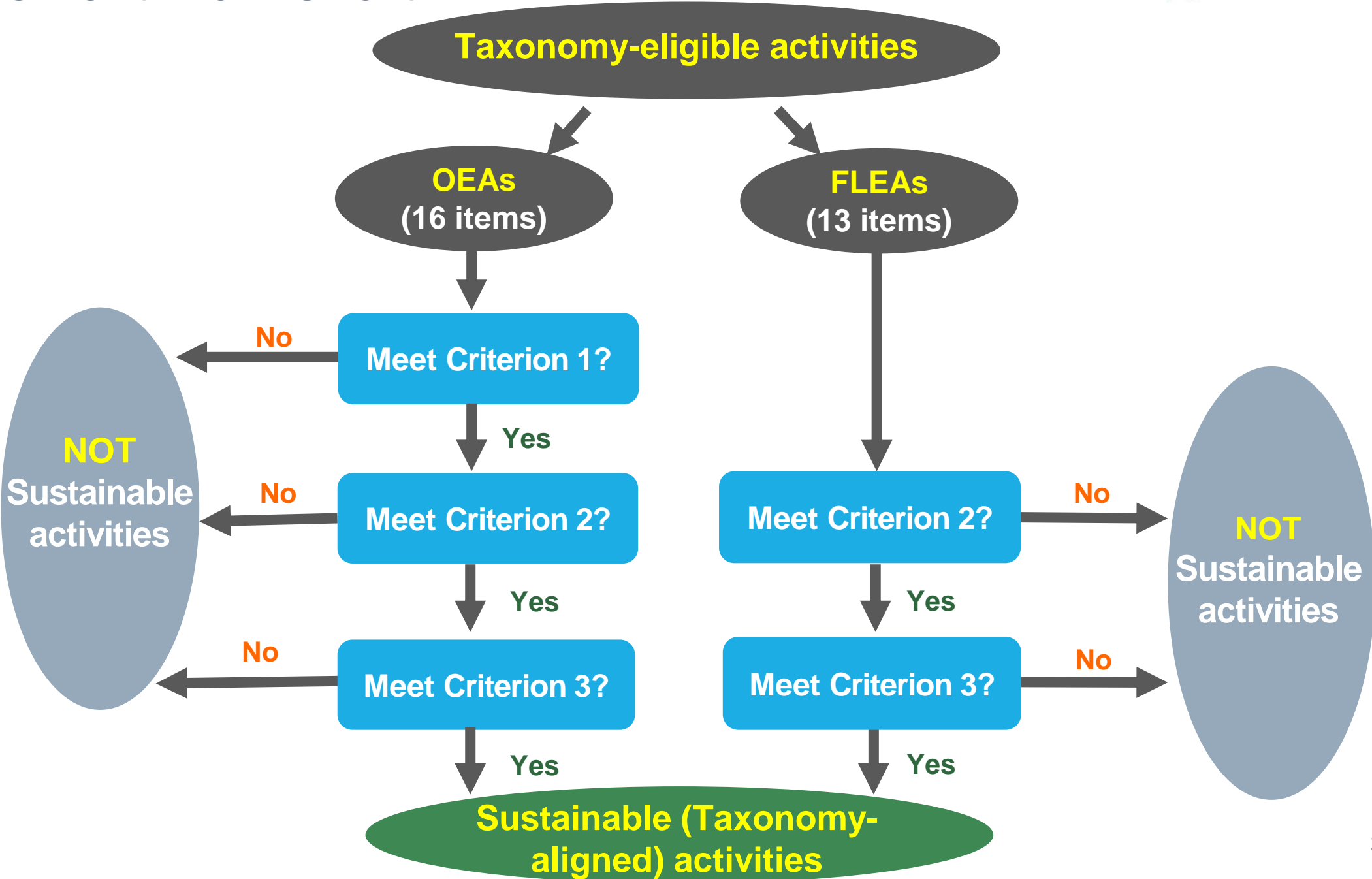
- ◆ Construction of renewable energy
- ◆ R&D and construction of hydrogen energy
- ◆ R&D and system installation of smart grid and energy storage technologies
- ◆ Energy-efficient equipment manufacturing and applications of energy-efficient technologies
- ◆ Applications of low-carbon transportation technologies
- ◆ Applications of infrastructure used for pedestrian walkways and bicycle lanes
- ◆ Applications of rail transportation infrastructure
- ◆ Infrastructure enabling low-carbon water transportation
- ◆ R&D and innovation of carbon capture, utilization, and storage (CCUS) technologies
- ◆ Professional services for energy conservation of buildings
- ◆ Engineering and consulting services for climate change adaptation
- ◆ Applications of other low-carbon and circular economy technologies
- ◆ Equipment or system installation, technology development, and professional services for water conservation, water resource recycling, or development of new sources of water

Sustainable (Taxonomy-aligned) activities

OEAs align with all of the 3 criteria.

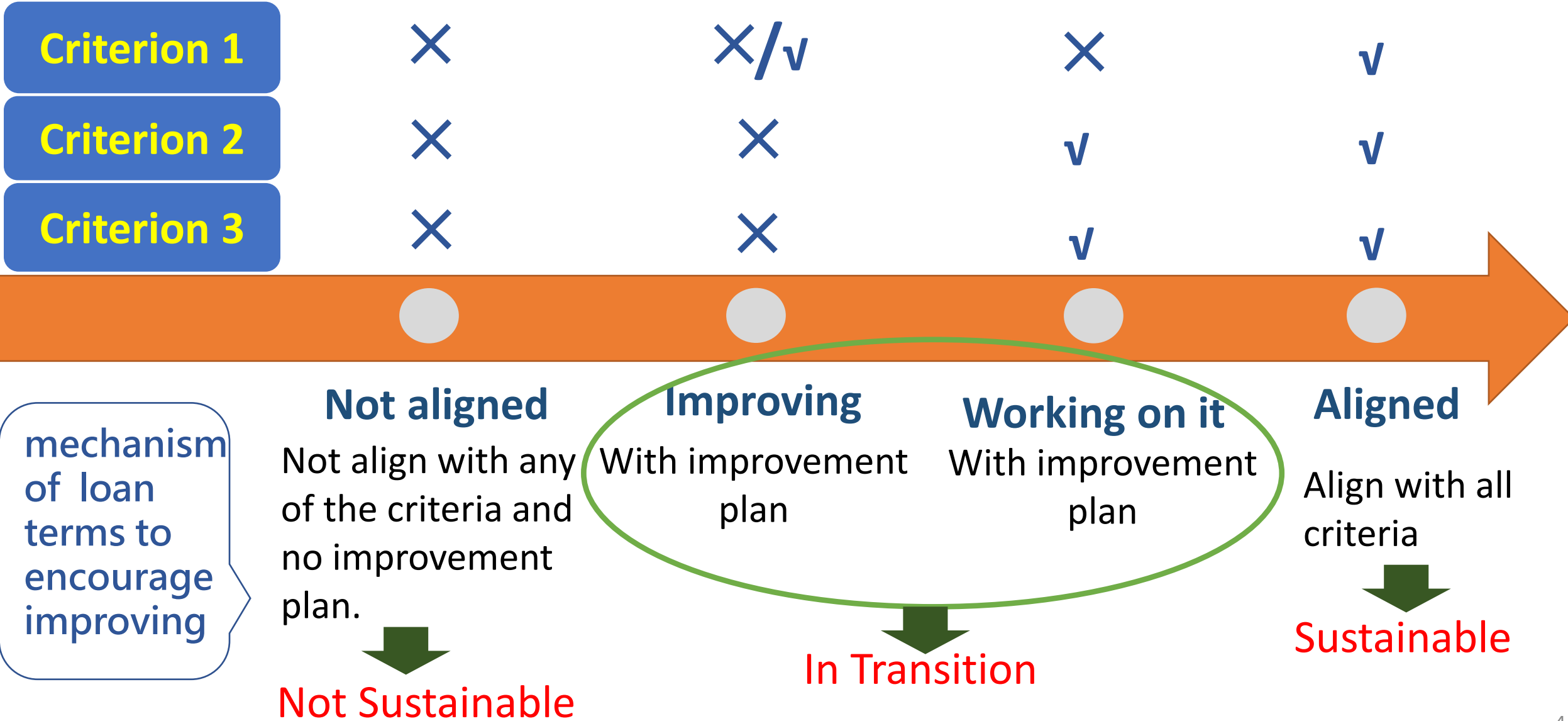
FLEAs align with criterion 2 and criterion 3.

Assessment Flow Chart



Taiwan Sustainable Taxonomy

Sustainability Level of an EA



Promoting Communication

Provide concrete and comparable reference tools to assist communicating and identifying sustainable economic activities.

Channeling Funding

Encourage financial institutions to reference the Taxonomy for investment and financing assessments, decision making, product design, and engagement.

Driving Transition

Provide companies with a reference for planning carbon reduction transition towards sustainable development.