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Taishin Holdings

2024 Annual Report

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Taishin Holdings

Taishin Holdings

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Credit Rating Agencies

Fitch Ratings

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Tel: 886-2-8175-7600

Website: https://www.fitchratings.com

S&P Global Ratings

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Tel: 886-2-2175-6800

Website: https://www.spglobal.com/ratings/en/

Taiwan Ratings

Address: 2F., No. 167, Dunhua N. Rd., Songshan Dist., Taipei City 105, Taiwan (R.O.C.)

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Website: https://www.taiwanratings.com

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Names of Exchanges Where Overseas Securities Are Listed and Methods of Inquiry: None.

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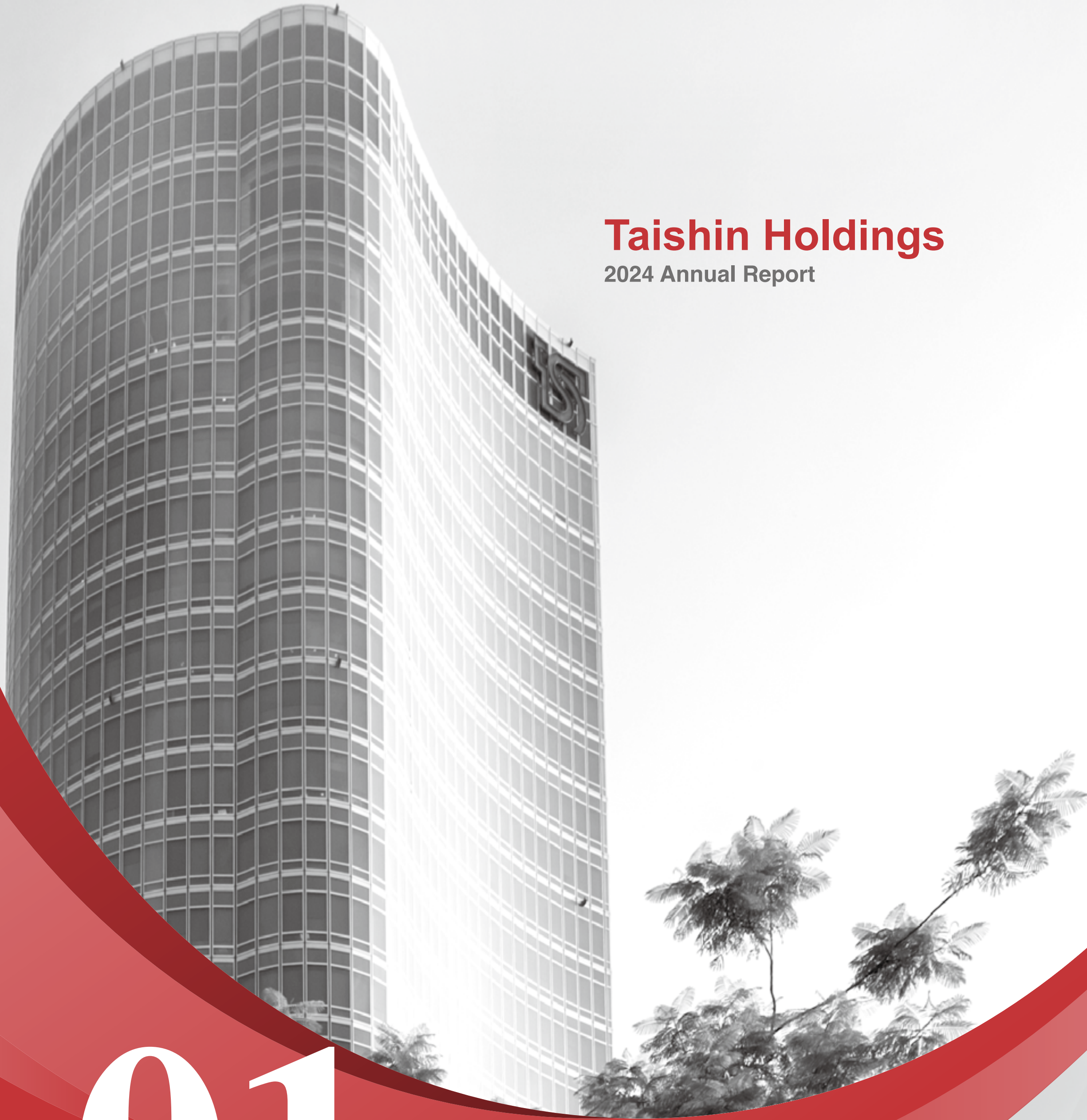

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I | Letter to Shareholders

I. Letter to Shareholders

A. Macroeconomic and Financial Analysis

In 2024, global economic growth momentum remained weaker than expected due to persistently high interest rates, geopolitical conflicts, and other factors. Among major economies, only the U.S. maintained steady growth, driven by strong domestic demand. Weak consumer demand led to a decline in inflation rates across most economies. The U.S. Federal Reserve, the European Central Bank, the Bank of Canada, and the Bank of England all lowered interest rates. Meanwhile, China ramped up monetary easing, though this has yet to stimulate a recovery in consumer spending.

Looking ahead to 2025, the inauguration of U.S. President Donald Trump and his fulfillment of campaign promises will shape the global economic outlook. His “America First” policies, including tariffs, investment promotion in the U.S., and encouragement of domestic procurement, will have varying effects on the U.S. economy and inflation, depending on how they are implemented. These policies will have spillover effects on Asian countries.

Taiwan’s overall economy was relatively robust in 2024. The Directorate General of Budget, Accounting and Statistics (DGBAS) projected a 4.59% growth in Taiwan’s GDP for 2024, the second-best performance in the past decade. However, economic growth was uneven, primarily driven by the AI server supply chain, while other sectors, such as components for consumer electronics and traditional industries, were constrained by high global inflation, which suppressed demand for consumer goods. As a result, exports either declined or saw only marginal growth throughout the year.

Looking ahead to 2025, AI-related supply chain orders will remain the primary driver of Taiwan’s economic growth. However, with a higher base of comparison and ongoing trade conflicts between the U.S. and other major economies, the global impact remains uncertain. As a result, Taiwan’s economic outlook for 2025 is uncertain; nevertheless, without considering factors such as tariffs, DGBAS projects a GDP growth of 3.14% in 2025.

In 2024, the pre-tax profit of Taiwan’s financial industry was NT$1,060 billion, representing a year-on-year increase of 50.36% and surpassing NT$1 trillion for the first time ever. The banking sector recorded a pre-tax profit of NT$565.6 billion, a 12% annual increase. The securities, futures, and investment trust sector earned NT$151.6 billion in pre-tax profit, up 51% year-on-year. Both of these figures reperesent record high profits. The insurance sector reported NT$341.5 billion in pre-tax profit, its second-best performance ever, rising by 248% year-on-year. The boom in AI-related industries has energized financial markets, serving as the primary driver of substantial profit growth across the three major financial sectors. This includes net fee income from wealth management in the banking sector, investment returns in the life insurance sector, and proprietary trading profits in the securities sector, with each acting as a key growth driver for their respective industries. Additionally, the depreciation of the New Taiwan dollar contributed to foreign exchange gains for the insurance and banking sectors.

Looking ahead to 2025, rising global economic uncertainty and potential trade conflicts among major economies may lead to a resurgence in inflation, affecting the pace of interest rate cuts by the Federal Reserve and other major central banks, as well as financial market performance. Consequently, the growth of financial industry earnings is expected to slow.

B. Overall Business Performance

The Company's total net profit after tax in 2024 was NT$20.07 billion, with EPS NT$1.39 and common-shares-ROE 10.31%. As at the end of 2024, book value per share was NT$14. With a capital-adequacy-ratio of 138.77% and a double-leverage-ratio of 112.38%, the Company remained capital adequate at the end of 2024.

To capture more growth opportunities, to expand scale, and to strengthen its competitive edge for resilient business operations, the Board of Directors has proposed a merger with Shin Kong Financial Holdings Co., Ltd. (hereafter referred to as Shin Kong Financial Holdings). This proposal was approved at an extraordinary shareholders' meeting on October 9, 2024 and was approved by the regulatory authority on March 31, 2025.

In April 2025, Fitch Ratings assigned Taishin FHC an international long-term credit rating of BBB and a short-term credit rating of F3. For national ratings, the long-term credit rating was A+(twn) and the short-term credit rating was F1(twn) with a stable outlook. In February 2025, a rating report issued by S&P Global Ratings and Taiwan Ratings Corp. indicated that S&P Global Ratings assigned Taishin FHC an international long-term credit rating of BBB and a short-term credit rating of A-2, and Taiwan Ratings assigned national long-/short-term credit ratings of twA+ and twA-1. Both S&P Global Ratings and Taiwan Ratings have given Taishin FHC a negative outlook because of merger effects. Additionally, according to February 2025 reports from three credit rating agencies, Taishin Bank's credit ratings are as follows: Fitch Ratings assigned international long-/short-term credit ratings of BBB+ and F2, respectively, and national long-/short-term credit ratings of AA- (twn) and F1+ (twn), respectively, both with a stable outlook; S&P Global Ratings assigned international long-/short-term credit ratings of BBB+ and A-2, respectively; and Taiwan Ratings assigned national long-/short-term credit ratings of twAA- and twA-1+, respectively. Both S&P Global Ratings and Taiwan Ratings have given Taishin Bank a developing outlook.

Regarding its overseas business expansion, Taishin Bank continues to forge an active presence in the Asia–Pacific markets. It has successfully established branches in Hong Kong, Singapore, Japan (Tokyo), Australia (Brisbane), and Malaysia (a Labuan Branch and a Kuala Lumpur marketing Office). In April 2024, the Bank opened its Fukuoka office, seizing opportunities arising from TSMC's investments in the region and offering various financial services. Furthermore, Taishin Bank has established representative offices in Vietnam (Ho Chi Minh City), Myanmar (Yangon), China (Shanghai), and Thailand (Bangkok) and is actively working toward establishing a branch in Long An, Vietnam. Looking forward, Taishin Bank will continue to expand its international footprint and drive growth in overseas profits.

With regard to financial technology, to accelerate innovation in financial services, Taishin FHC has established a dedicated unit responsible for recruiting project planning talent and technical talent in the fields of AI and big data. The Company is developing a variety of AI applications and leveraging AI and big data analytics to create an innovative and smart financial environment. Recent examples include Richart's pre-login preview, cardless withdrawal, easy fund transfer, multi-payee transfer, time deposit for the KKBOX service, Richart sub-account for security and JKO cobrand, and innovative phishing warnings. By number, Taishin's fintech patents rank 2nd of all local private-sector banks, and the Group will retain its leading position by continuously increasing internal operation efficiency and providing an ever more convenient customer experience.

In the area of financial fraud prevention, Taishin Bank implemented the AI "War-God-Model" in early 2024 to enable the early detection of suspicious accounts, and the Company has promoted branch-level collaboration to protect clients' assets. Taishin Bank has worked with law enforcement, charitable foundations, and universities to conduct in-depth fraud prevention awareness campaigns targeting seniors, vulnerable groups, and young people. The Bank has also expanded its information reach through its website's fraud prevention section, mobile banking services, and the Richart app, strengthening public awareness of fraud prevention and financial security. Taishin Life Insurance has sought to improve customers' alertness and ability to prevent fraud by establishing a dedicated fraud prevention webpage and designing interactive experiences such as comics, micro-films, and brain teaser quizzes to integrate fraud prevention knowledge into everyday life and further enhance customers' fraud awareness. Additionally, Taishin Securities and Taishin Futures have organized financial literacy workshops in remote areas to educate children on financial management and fraud prevention.

In terms of cybersecurity, the Company's Security Operation Center (SOC) conducts round-the-clock event monitoring and correlation analyses throughout the year, enabling real-time oversight of subsidiaries' information systems' security status while horizontally integrating and strengthening the Group's joint defense and collaboration capabilities. Additionally, the Company supervises various cybersecurity drills for its subsidiaries to ensure the effectiveness of their protection and emergency response mechanisms as well as personnel training.

The overall operating performance of the Group's banking, insurance, securities, and investment trust subsidiaries for the previous year is summarized as follows:

a. Bank subsidiary

The Bank's total pre-tax net profit in 2024 was NT$22 billion, a 23% YOY growth, which is a better performance than the banking industry's overall 12% pre-tax net profit growth. Net profit after tax in 2024 was NT$18.5 billion, a 24.6% YOY growth, with EPS 1.90, common-shares-ROE 9.39%, and book value per share NT$20.68, these three representing 18%, 14%, and 4% YOY growth, respectively. Total deposit was NT$2,352.2 billion, and total lending balance was NT$1,674.8 billion, with 10.24% and 8.86% YOY growth, respectively. Credit asset quality remain at a satisfactory level, with nonperforming loan (NPL) ratio at 0.13% and NPL coverage ratio at 985.59%. The capital-adequacy-ratio was 15.52%, tier1 capital ratio was 13.61%, and core tier1 capital ratio was 11.95%; all were capital adequate.

1. Retail Banking Services

For more than 30 years, Taishin Bank has been developing the retail market in Taiwan. The Bank has delivered extraordinary performance everywhere, from retail banking and payment solutions to wealth management and digital finance.

As of the end of 2024, Taishin Bank's secured lending balance stood at NT$816.8 billion, representing 6% in YOY growth; the unsecured lending balance totaled NT$119.2 billion, representing a growth of approximately 14% compared to the previous year-end. Overall, the total consumer lending balance represented a 7% YOY growth.

Credit cards in circulation exceeded 6.58 million, representing a 1% YOY growth, with an 11% market share ranking 5th in the market. The number of credit card merchants exceeded 174,000, representing a 3% YOY growth, with a 20% market share that again ranked 1st in the market.

Ever since becoming, in 2003, the first domestic financial institution to open a wealth management flagship branch, Taishin has implemented a sophisticated customer segmentation process, through which it is able to provide a wide range of exclusive financial services, addressing client needs in areas such as professional financial advice, exclusive offers and experiences, and one-stop financial solutions. Guided by a commitment to sustainability and customer-centricity, Taishin Bank has introduced the "Wealth Management Family Membership Program," expanding wealth management from individual clients to family units. This program provides tailored financial advice for every stage of a family's financial journey and offers comprehensive membership benefits to meet clients' asset needs.

In response to digital financial trends, Taishin Bank has integrated its physical branches with online and mobile banking channels, creating an omnichannel service ecosystem under the concept of a lifestyle financial ecosystem. Upholding the spirit of "Dedication, Professionalism, and Understanding," Taishin Bank continues to safeguard clients' wealth growth and has received numerous prestigious domestic and international awards in recognition of its achievements.

In terms of digital finance, Taishin Bank is the leading digital banking solutions brand in Taiwan. The Bank is committed to integrating banking into daily life and providing customers with a user-friendly digital platform comprising a diverse range of products and services. For example, Taishin

Bank collaborated with Dcard to launch the "Richart X Dcard Mastercard Co-Branded Debit Card," featuring a limited-edition card design, exclusive benefits, and high-interest savings incentives to attract young customer groups and help them learn about daily financial management. In partnership with JKOS, Taishin Bank introduced the "JKOS x Richart Account," which combines deposit tasks with spending rebates to encourage continuous customer engagement, further deepening the digital payment ecosystem. Additionally, Taishin Bank continues to expand its digital platform investment services, collaborating with Taishin Securities to offer U.S. stock sub-brokerage account opening services and a recurring investment feature. By providing ultra-low investment entry thresholds and diverse investment options, the service offers a one-stop solution to meet customers' investment needs across different markets.

The Bank is committed to pursuing stable business growth and financial innovation while meeting customer needs and implementing proper risk control. In the future, it will continue striving, through the provision of high-quality services, digital innovation, and risk control, to become a smarter partner to customers and a leading brand of full-aspect retail banking solutions in Taiwan.

2. Wholesale Banking Services

As of the end of December 2024, the corporate loan balance was NT$ 738.9 billion, representing a 10.9% annual growth rate. To fulfill corporate funding needs, the Bank has developed Automated Clearing House (ACH) in collaboration with the Taiwan Clearing House. In 2024, the Bank continued to lead the market in terms of the number of payment-receiving transactions. With a focus on customer relationships, competitive pricing, and risk management, the factoring business volume for 2024 reached NT$ 123.1 billion, ensuring that the Bank maintained its position among the top three in the market.

In terms of the system platform, the Bank continues to optimize the Global Digital Corporate Banking Network (GB2B), the Taishin Wholesale Banking Mobile App, and the Corporate API Platform (iHub). Through system integration, Taishin offers a wide range of products and services, including collection and payment, transaction financing, and corporate financial management. These efforts significantly enhance the efficiency of financial services, giving corporate enterprises easy and rapid access to comprehensive financial solutions.

To support government initiatives targeting SME development, Taishin Bank offers financial solutions to help SMEs acquire funds. The Bank's SME lending portfolio was NT$304.3billion, representing 8% in YOY growth. The "Green Customer Loan" initiative focused on green technologies and the circular economy, offering privileged and tailor-made terms. Additionally, the Bank continues to collaborate with the Ministry of Economic Affairs and the Small and Medium Enterprise Credit Guarantee Fund to provide credit guarantees for the Low-Carbon, Smart Transformation, and Managed Factory Project, helping SMEs implement digital transformations. Meanwhile, the Bank launched its "Taishin Green Financial Service Platform," enabling customers to submit loan applications online, reducing paper usage and lowering carbon emissions throughout the lending process.

Taishin Bank aims to be a smart partner for SMEs. It actively engages in cross-industry cooperation, establishing strategic alliances with partners to jointly build a sustainable ecosystem, promoting social prosperity and creating a win-win future.

3. Financial Market Business

In financial product transactions, to meet different hedging or investment needs and offer up-to-date market information and professional advice, Taishin Bank continues to provide a wide range of financial products, including exchange rate, interest rate, equity, credit, gold account, derivatives, and structured products linked to commodity types. Through the transaction platform and with a complete line of financial products, the Bank helps customers monitor market changes and assess risks, meeting the financial needs of both onshore and offshore institutional and retail clients.

Throughout 2024, Taishin was one of the five leading banks in the countryof derivative trading (NT$17,049.9 billion, +10% in YOY growth), and bond underwriting volume was NT$23.8 billion. In addition to being an active participant in bond issuance and planning for the financing of onshore and offshore companies, the Bank brings in a wide range of bonds by overseas issuers to give Taiwanese investors more investment choices. In the future, Taishin will continue to explore underwriting opportunities around the world.

For the purpose of providing better financial services for overseas customers, Taishin is dedicated to the integration and coordination of domestic and foreign trading platform resources, helping cultivate overseas financial business opportunities. Meanwhile, in response to developments in digital banking platforms, the Bank has been working to put financial products on online platforms, thereby providing customers with easy-to-use transaction services and allowing them to trade domestic structured notes, using digital platforms designed to meet the demand for easy and real-time financial investing and other transactions.

b. Insurance subsidiary

After acquiring its life insurance subsidiary in June 2021, the Company directed its resources to expand this business area. Services offered by the subsidiary currently include life insurance coverage, retirement planning, wealth accumulation, medical protection, and accident coverage. In 2024, Taishin Life continued to implement a multi-channel strategy, expanding its life advisor channel, improving the development of the bancassurance channel, and accelerating the expansion of the insurance brokers channel. By adopting a customer-centric approach, Taishin Life continues to introduce a variety of products that meet the insurance needs of customers at every stage of life. By increasing the pace of digital technology development, the Company aims to bring more efficient and better quality services to its customers, thereby improving their lives.

In 2024, ongoing concerns about the wide interest rate gap between Taiwan and the U.S., along with geopolitical risks, continued to impact Taiwan’s life insurance market. However, optimism in the capital market increased, and after the U.S. Federal Reserve initiated its interest rate cut cycle in September, life insurance policy sales picked up. Total premium revenues for the entire life insurance market amounted to NT$2,440.2 billion, up 11.5% from the previous year, whereas first-year premium revenues totaled NT$841.8 billion, up 25.4% from the previous year.

Taishin Life reported a total net profit after tax of NT$1.24 billion in 2024, reflecting a YOY increase of NT$0.99 billion (+400% YOY). Therefore, ROE increased sharply, from 1.5% to 5.83%. As the overall economic environment showed steady growth in 2024, Taishin Life’s business operations developed rapidly: in 2024, it generated a total premium income of NT$37.1 billion, representing a 42% YOY growth; investment-linked insurance premium reached NT$10.5 billion, representing a 200% YOY growth; first-year premium revenues (including investement-linked insurance) amounted to NT$25.9 billion, representing a 104% YOY growth; and first-year premium equivalents grew 54% YOY. In terms of asset management, aside from the exchange gains resulting from the depreciation of the New Taiwan Dollar, profitable stock trades and strong performance in recurring income have led to net investment income reaching 10.1 billion NT dollars, marking an approximately 29% growth compared to 2023. Regarding capital structure performance, at the end of 2024, Taiwan Life Insurance's capital adequacy ratio was 349%, and the equity ratio to the total assets excluding investment-linked insurance designated account books was 8.54%. The strength of the capital structure remains robust.

c. Securities and Investment Trust Subsidiaries

1. Securities subsidiary:

With the rapid growth of generative AI and the increasing demand for high-performance computing, the investment boom in related technology stocks continued. As a result, the TWSE reached a record-high total trading value of NT99.81 trillion. Taishin Securities reported operating revenues of NT$6.66 billion for 2024, with after-tax profits of NT$2.36 billion, the highest in its history and a figure that represents a 53% YOY growth. Net worth per share amounted to NT$17.23. The year-end capital adequacy ratio is 281%.

Securities brokerage service: 2024 operating revenues of NT$4.26 billion, and pre-tax profits totaling NT$2.256 billion, representing a 62% YOY growth. The brokerage service market share of Taiwan's equity market was 2.24%, while the brokerage financing market share was 3.57%. Additionally, Both the cumulative number of accounts opened and monthly active accounts showed steady growth. Given the rapid evolution of AI technology, Taishin Securities' information and digital development team are continuously enhancing the trading platform and service functions, moving toward the goal of one-stop digital financial services.

Proprietary trading business: 2024 operating revenues of NT$1.632 billion, and pre-tax profits totaling NT$665 million, representing a 78% YOY growth. Taishin Securities implements dynamic portfolio management based on market movements and leveraging hedge instruments while issuing products designed to balance customers' return and risk tolerance for more consistent returns and risk diversification.

Securities underwriting services: 2024 operating revenues of NT$769 million, and pre-tax profits totaling NT$390 million. The capital markets division is focused on serving well-managed companies and actively exploring IPO cases on TWSE/TPEx. By the end of 2024, Taishin Securities had served as the lead underwriter for 34 cases, ranking second in the market, and the total underwriting amount reached NT$17.9 billion, an increase of NT$2.48 billion compared to the previous year.

2. Taishin Securities Investment Trust subsidiary:

The after-tax earnings per share in 2024 was NT$3.53. In 2024, the asset management scale of public, private placement, and discretionary investment was NT$372.4 billion (+NT$62.1 billion YOY); of this, publicly offered funds amounted to NT$203.8 billion (achieving a 2.12% market share and a market ranking of 10th). As for money market funds, Taishin Securities Investment Trust holds the number one market share position, with 15.54%. The subsidiary will develop customer services and strengthen product designs to achieve even greater synergies.

To sum up, in 2024, Taishin Holdings' performance in various professional fields—banking, insurance, securities, and investment trust—was outstanding. In addition to being committed to financial innovation and development, it rigorously controls risk while pursuing business growth. These efforts have been widely recognized by domestic and international professional institutions with 112 awards.

Taishin Bank has continuously pushed innovation and breakthroughs in wealth management, inclusive finance, digital transformation, and service experience enhancement. Through the integration of digital banking services, including online banking, mobile banking, ATMs, and mobile payments, Taishin Bank was awarded The Taiwan Banking and Finance Best Practice Award for "Best Consumer Finance." Additionally, its efforts to comprehensively upgrade wealth management services through the active integration of digital platforms and AI earned it The Taiwan Banking and Finance Best Practice Award for "Best Wealth Management." The Bank's commitment to financial innovation and AI applications was recognized with the "Outstanding Digital CX in FX Services" award from The Digital Banker, as well as the "Best Application of Data Analytics" and "Best Retail Bank in Taiwan" from Retail Banker International. Taishin's private banking services, recognized for their diverse product offerings, comprehensive services, and global perspectives, received the "Taiwan's Best for HNW" award from Euromoney and PBI. In corporate finance, the Bank has actively aligned with government policies and has received the "Gold Award of Credit Guarantee" from the Ministry of Economic Affairs for 12 consecutive years. Additionally, its "Taishin Green Financial Service Platform" earned the "Best Corporate SME Banking/SME Platform – Asia-Pacific Region" and "Best Corporate SME Banking/SME Platform – Taiwan" awards from Global Finance. It was also honored with the "Taiwan Domestic SME Partnership Initiative of the Year" award by Asian Banking & Finance.

Taishin Life Insurance has rapidly expanded its corporate organization and business scale, earning the title of "The Fastest Growing Life Insurance Company" from The Global Economics and The Global Business Outlook, reflecting its outstanding business management performance and strong brand recognition. Furthermore, in the areas of corporate sustainability investment, talent development, insurance expertise, service quality, and public welfare, it received dual recognitions from the Taiwan Sustainable Investment Awards, including the "Gold Award in the Case Influences – Sustainability Themed Investments" and the "Bronze Award in the Case Influences – Shareholder Action." It also won the "Insurance Appraisal Excellent Professional Team" award and "Insurance Appraisal Excellent Service Quality" award from Excellence Magazine, along with the "Faith, Hope and Love Awards of Insurance." Taishin Securities was recognized with "The Best Products" award and "The Most Popular Brands" award by The National Brand Yushan Award. Additionally, it successfully obtained 14 patent approvals. In the underwriting and warrant business category, it received "1st Place in Emerging Stock Market Listing Performance of 2024" and "1st Place in Top Performance Award for Warrant Trading Volume Growth Award of 2024" from the Taipei Exchange. Taishin Securities Investment Trust has been dedicated to developing sustainable products. In 2024, it received the "Excellence Award" and the "Bronze Award in the Case Influences – ESG Fund" at the Taiwan Sustainable Investment Awards. Moreover, the Taishin China Equity Fund was honored with the "Best Fund Award 2024 for Foreign Funds – Greater China Funds (3-year)" at the TFF-Bloomberg BEST FUND AWARDS, with its outstanding performance receiving wide recognition.

C. Corporate Governance

Since TWSE announced the results of the first Corporate Governance Evaluation in 2015, Taishin has achieved excellent results every year. The consistent high rankings reflect a recognition for hard work done in the name of implementing effective corporate governance. Additionally, the Company continues to be one of the constituents of the TWSE Corporate Governance 100 Index.

The Company's 9th Board of Directors was re-elected in 2024, with the addition of one new female independent director. The current board now includes two female independent directors, enhancing corporate governance and promoting gender diversity within the board.

D. Corporate sustainable development

The Company pursues corporate sustainability from a proposition of "dedicated sustainability, living green." It does this in three key strategic directions: climate action, financial inclusion, and sustainable empowerment, proactively responding to climate change through its Task Force on Climate-related Financial Disclosures (TCFD).

THFC is a signatory to the Equator Principles (EP) and has adopted both the Stewardship Principles for Institutional Investors and the Principles for Responsible Banking. Additionally, the Company has passed the SBTi Science-Based Targets review, signed the Net Zero (SBT Net Zero) commitment, and become a member of the Partnership for Carbon Accounting Financials (PCAF).

For three consecutive years, the Net Zero Summit Forum has been held, and in 2024, experts from Taiwan, Japan, and Australia were invited to explore sustainable industry practices and enhance carbon reduction capabilities from the perspective of capital market innovation. Furthermore, Taishin Financial Holdings is actively leveraging its financial influence by organizing events such as the SME Innovation Forum and Client Net Zero Transition Seminars to continuously guide corporate clients towards low-carbon transformation.

Taishin's corporate sustainability continues to be highly recognized with domestic and foreign awards and by prestigious appraisal institutions. In 2025, the Company once again ranked in the Top 1% in the S&P Global Sustainability Yearbook 2025, marking its second consecutive year in the Top 1% of the banking sector worldwide. Additionally, it has been selected for seven consecutive years as a constituent of the "World" and "Emerging Markets" indexes of the Dow Jones Sustainability Index (DJSI). In 2024, TIME magazine named Taishin one of the "Global Top 500 Sustainable Companies," ranking 63rd globally across industries and 2nd in Taiwan. MSCI ESG has rated Taishin as AA-leader level for five consecutive years. In the 2024 CDP Carbon Disclosure Project Climate Change questionnaire, Taishin once again achieved the highest "A" rating and has been continuously selected for inclusion in various ESG indexes, including the "TWSE RAFI Taiwan High Compensation 100 Index," the "TIP Taiwan TPEx ESG Index," and the "FTSE4Good TIP Taiwan ESG Index." Additionally, Taishin has been recognized with the "Top 100 Corporate Sustainability Award," presented by the Taiwan Institute for Sustainable Energy; the "Excellence in Corporate Social Responsibility" award, presented by CommonWealth Magazine; and the "Top 36 Sustainability Leaders" award, presented by GlobalViewsMonthly.

Taishin will continue to focus on international trends and adhere to FSC's sustianbility guidelines. Upholding the "From Zero to Hero" spirit, Taishin will leverage its role as a key financial enabler, aiming to be an intelligent sustainability partner and collaborating across sectors for a better future.

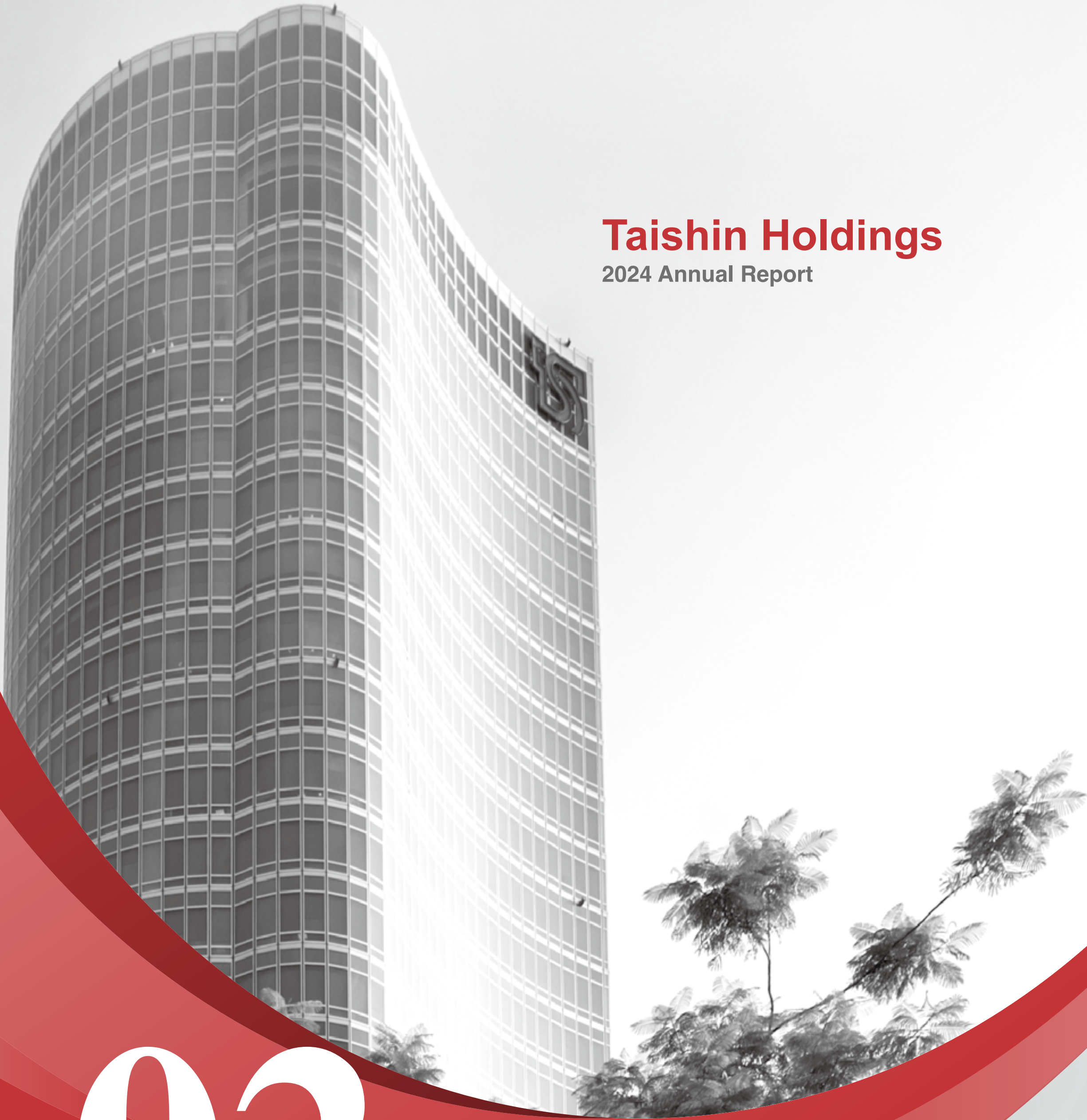
E. Future Prospects

In view of the changing financial environment, the Company will continue to uphold the perseverance and sustainability principle of prudent operation. The Company will continue to align with government policies to promote financial security, strengthen financial fraud prevention measures, drive FinTech innovation and development, and support the government's initiative to establish Taiwan as Asia's asset management hub. Through these efforts, it aims to foster economic growth and create social well-being.

Looking forward, the Company will commit to achieving the goals of its existing business activities while pursuing environmental sustainability (E), social inclusion (S), and outstanding corporate governance (G), and it will do so in accordance with the principle of "rigorous risk management, integrous law abidance, and proactive expansion." Moreover, it will do this while supporting government policies and complying with applicable regulations. The Group's business strategies and plans in 2025 include: (1) Expanding scale and market share through mergers, establishing three balanced engines of profit, and integrating financial holdings' resources to create operational synergies while prioritizing risk management and business growth; (2) Continuing to deepen the culture of sustainable business management and strong financial fraud prevention measures; (3) Adopting digital, data, and AI applications to build Fintech advantages and adopt innovative new business models to increase Richart's market share; (4) Implementing a customer-oriented product strategy to fulfill customer needs at all stages of life; (5) Supporting green-energy through sustainability lending and investment and assisting in the development of circular-economy, and renewable energy industries; (6) Optimizing IT resources, implementing strong cybersecurity, and building suitable IT environments to bolster business growth; and (7) Following major industry expansion trends to accelerate overseas business growth.

Taishin delivers the best services with "integrity, commitment, innovation, and cooperation" in the pursuit of continuous profitability and growth. It has demonstrated a leading position as regards innovation momentum and social responsibility. Looking forward, the Company will maintain its existing business management philosophy and will endeavor to generate more profit on top of the current baseline, thereby delivering on its promises to shareholders.

Chairman
Taishin Financial Holding co., Ltd.
April 2025



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II | Corporate Governance Report

II. Corporate Governance Report

A. Profiles of directors, president, vice presidents, assistant vice presidents, heads of departments and branches, and advisors

a. Information on board directors (I)

Title	Nationality	Name	Gender / Age	Date of getting elected (Date of appointment)	Term	Date of first getting elected	Shareholding upon election: Commom shares: Number of shares	Shareholding upon election: Commom shares: Share of stake	Shareholding upon election: Preferred shares: Number of shares	Shareholding upon election: Preferred shares: Share of stake	Current shareholding: Commom shares: Number of shares	Current shareholding: Commom shares: Share of stake	Current shareholding: Preferred shares: Number of shares	Current shareholding: Preferred shares: Share of stake
Chairman	R.O.C.	Chia Hao Co., Ltd.	-	2024/06/14 (2024/07/01)	Three years	2015/06/12	23,716,675	0.19	976,284	0.09	25,665,342	0.20	976,284	0.09
		Representative: Wu, Tong-Liang	Male Over 71			2001/12/07	-	-	-	-	13,143,600	0.10	589,789	0.05
Director	R.O.C.	TASCO Chemical Co., Ltd.	-	2024/06/14 (2024/07/01)	Three years	2018/06/08	486,412,916	3.90	9,371,667	0.85	505,869,432	3.90	9,371,667	0.85
		Representative: Wu, Cheng-Ching	Male Over 71			2001/12/07	-	-	-	-	0	0.00	0	0.00

Base date: Feb. 28, 2025 unit: %; share

Shareholding by spouse and minor children				Shareholding in the name of others				Principal experience and Education	Current jobs with other companies	Spouse or with in second degree kinship who serve managerial posts or board directors/supervisors of the company			Note
Commom shares		Preferred shares		Commom shares		Preferred shares							
Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake			Title	Name	Relationship	
0	0.00	0	0.00	0	0.00	0	0.00	•Chairman of Taishin Holdings and Taishin Bank •Chairman of Taishin Charity Foundation, Chairman of CNAIC •Chairman and Director of Taishin Venture Capital Investment •Chairman and President of Shinkong Synthetic Fibers •Vice Chairman of Teco Electric and Machinery •Director, Managing Director and Supervisor of First Commercial Bank, Taipei Business Bank and Hua Nan Bank •Managing Director of Shinkong Insurance and Shin Kong Life Insurance MBA, University of California, Los Angeles (UCLA), CA, USA	Note 1	Director Senior Vice President	Kuo, Jui-Sung Wu, Shin-Hau	Brother in law Son	None
10,626,010	0.08	134,778	0.01	23,666,598	0.18	10,066,656	0.92						
0	0.00	0	0.00	0	0.00	0	0.00	•Director and Supervisor of Taishin Holdings and Taishin Bank •Chairman and President of TASCO Chemical •Managing Director and Director of Chang Hwa Bank •Managing Director of Petrochemical Industry Association of Taiwan •Chairman of Taiwan Chemical Industry Association •Director of Pacific Cultural Foundation •Member of Steering Committee, China Youth Corps •Director of Teacher Chang Foundation •Professor of Department of Chemical Engineering, National Taiwan University Ph.D., Engineering, Tokyo University, Tokyo, Japan	Note 2	None	None	None	None
8,118,599	0.06	227,823	0.02	0	0.00	0	0.00						

Title	Nationality	Name	Gender / Age	Date of getting elected (Date of appointment)	Term	Date of first getting elected	Shareholding upon election				Current shareholding			
							Commom shares		Preferred shares		Commom shares		Preferred shares	
							Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake
Director	R.O.C.	Hsiang-Chao Co., Ltd.	-	2024/06/14 (2024/07/01)	Three years	2007/06/15	11,800,950	0.09	498,864	0.05	12,272,988	0.09	498,864	0.05
		Representative: Kuo, Jui-Sung	Male Over 71			2010/06/18	-	-	-	-	755,149	0.01	0	0.00
Director	R.O.C.	Santo Arden Co., Ltd.	-	2024/06/14 (2024/07/01)	Three years	2013/06/21	7,009,070	0.06	304,820	0.03	7,289,432	0.06	304,820	0.03
		Representative: Wang, Chu-Chan	Male Over 71			2001/12/07	-	-	-	-	13,633,057	0.11	0	0.00
Independent Director	R.O.C.	Wang, Mei-Hua	Female 61~70	2024/06/14 (2024/07/01)	Three years	2024/06/14	0	0.00	0	0.00	0	0.00	0	0.00
Independent Director	R.O.C.	Kuan, Kuo-Lin	Male 51~60	2024/06/14 (2024/07/01)	Three years	2018/06/08	0	0.00	0	0.00	0	0.00	0	0.00
Independent Director	R.O.C.	Chang, Min-Yu	Female 61~70	2024/06/14 (2024/07/01)	Three years	2018/06/08	0	0.00	0	0.00	0	0.00	0	0.00

Note 1: Representative Wu, Tong-Liang is concurrently acting as Chairman of Taishin Bank, Chairman of CNAIC, Director of Taishin Real Estate Management, Director of Taishin Asset Management, Director of Shin Kong Mitsukoshi Department Store, Director of Shin Kong Lohas, Director of Shin Kong Construction and Development, Director of Shin-Yun Enterprise, Director of Rui-Xiang Investment, Director of Kuei-Yuan Investment, Director of Shin Kong Recreation, Director of Everbright Biofund, Supervisor of Shin Kong Agriculture & Animal husbandry, Supervisor of Shin Kong Ocean Enterprise, Supervisor of Chin-Shan Investment.

Note 2: Representative Wu, Cheng-Ching is concurrently acting as Chairman of TASCO Chemical, Chairman of EXCEL Chemical, Chairman of Ming-Xing Chemical, Chairman of Tuntex Petrochemical, Chairman of SAFEWAY Gas, Chairman of Ho-Shin, Chairman of Chang-Feng Logistics, Chairman of Shun Li Tung Logistics, Director of China Investment and Development.

Base date: Feb. 28, 2025 unit: %; share

Shareholding by spouse and minor children				Shareholding in the name of others				Principal experience and Education	Current jobs with other companies	Spouse or with in second degree kinship who serve managerial posts or board directors/supervisors of the company			Note
Commom shares		Preferred shares		Commom shares		Preferred shares							
Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake			Title	Name	Relationship	
0	0.00	0	0.00	0	0.00	0	0.00	•Director of Taishin Holdings and Taishin Bank •Professor of Department of Information Science, Business School, Soochow University •Professor of Department of Electrical Engineering, National Taiwan University •Chairman of TECO Technology Foundation •Director of TECO Image Systems •Supervisor of Sercomm •Director of International Bank of Taipei Ph.D., Physics, New Hampshire University, NH, USA	Note 3	Chairman	Wu, Tong-Liang	Brother in law	None
1,764,078	0.01	0	0.00	2,792,461	0.02	10,000,000	0.91						
0	0.00	0	0.00	0	0.00	0	0.00	•Director and Standing Supervisor of Taishin Holdings and Taishin Bank •Director of TITAN II Venture Capital, Shinkong Investment Trust, Shin Kong Security and Taishin Bills Finance •Director of The China-Europe Creativity Cultural and Educational Foundation •Director and Supervisor of The Great Taipei Gas BA, Pharmaceutical Dept., Kaohsiung Medical College, Kaohsiung, TW	Note 4	None	None	None	None
6,148,032	0.05	0	0.00	0	0.00	0	0.00						
0	0.00	0	0.00	0	0.00	0	0.00	•Independent Director of Taishin Holdings and Taishin Bank •Minister of Ministry of Economic Affairs •Deputy Minister of Ministry of Economic Affairs •Vice Minister of Ministry of Economic Affairs •Director-General of Intellectual Property Office, Ministry of Economic Affairs Bachelor of Laws, National Taiwan University, Taipei, TW	Note 5	None	None	None	None
0	0.00	0	0.00	0	0.00	0	0.00	•Independent Director of Taishin Holdings and Taishin Life Insurance •Senior Consultant of McKinsey •Chairman and President of Citibank Taiwan •Country Business Manager, Consumer Banking, Citibank N.A. Taiwan •Director of Citi Insurance Agency and Citi Property Insurance Agency MBA, University of Southern California, CA, USA	Note 6	None	None	None	None
0	0.00	0	0.00	0	0.00	0	0.00	•Independent Director of Taishin Holdings and Taishin Bank •Executive CPA of Zhongxin United CPA Firm •Supervisor of Leo Systems •Director of Chang Hwa Bank •Reorganizer of First International Telecom •Director of Chi-Tun Consulting MBA, National Taiwan University, Taipei, TW	Note 7	None	None	None	None

Note 3: Representative Kuo, Jui-Sung is concurrently acting as Chairman of Jui-Fang, Chairman of Fengyuan Foundation, Director of Taishin Bank, Director of An-Long Enterprise, Director of Zhao Feng Solar Power, Supervisor of Xing An Enterprise.
Note 4: Representative Wang, Chu-Chan is concurrently acting as Chairman of Santo Arden, Chairman of Pan City, Chairman of Hsien-Shun Enterprise.
Note 5: Wang, Mei-Hua is concurrently acting as Independent Director of Taishin Bank, Chairman of the Textile Industry Research Institute.
Note 6: Kuan, Kuo-Lin is concurrently acting-as Independent Director of Taishin Life Insurance.
Note 7: Chang, Min-Yu is concurrently acting as Independent Director of Taishin Bank, Independent Director of Microloops, Supervisor of Multilite International.

Major shareholders of institutional shareholders

Base date: Feb. 28, 2025

Names of Institutional shareholders	Major shareholders of institutional shareholders
Chia Hao Co., Ltd.	Wu, Tong-Liang 99.177%, Peng, Hsueh-Fen 0.823%
TASCO Chemical Co., Ltd.	Tai-Ho Investment Co., Ltd. 58.20%, He-Cheng Investment Co., Ltd. 19.55%, Fong-He Development Co., Ltd. 9.94%, Da-Jan Investment & Development Co., Ltd. 1.72%, He-Fong Investment Co., Ltd 1.16%, Wu, Shang-Pin 1.34%, Fong-He Investment Co.,Ltd. 1.01%, Wu, Cheng-Ching 0.99%, Wu, Pei-Rong 0.97%, Wu, Pei-Jyuan 0.95%
Hsiang-Chao Co., Ltd.	Wu, Tong-Liang 81.00%, Bo-Rui Co.,Ltd.19.00%
Santo Arden Co., Ltd.	Chang, Li-Wan 51.85%, Wang, Wei-Ren 23.51%, Wang, Wei-Hao 23.51%, Wang, Chu-Chan 1.13%

Major shareholders of major institutional shareholders

Base date: Feb. 28, 2025

Names of major Institutional Shareholders	Major shareholders of major institutional shareholders
Tai-Ho Investment Co., Ltd.	Wu, Shang-Pin 26.09%, Fong-He Development Co.,Ltd. 19.96%, He-Cheng Investment Co.,Ltd. 18.15%, Da-Jan Investment & Development Co.,Ltd. 18.00%, Yang, Su-Yue 7.02%, Wu,Pei-Jyuan 5.07%, Fong-He Investment Co., Ltd. 2.50%, He-Fong Investment Co., Ltd. 2.50%, Wu, Pei-Rong 0.72%
He-Cheng Investment Co., Ltd.	Yang, Su-Yue 30.19%, Wu, Shang-Pin 30.19%, Wu, Pei-Jyuan 18.87%, Wu, Pei-Rong 18.87%, Fong-He Development Co., Ltd.1.89%
Fong-He Development Co., Ltd.	Tai-Ho Investment Co., Ltd. 19.86%, He-Cheng Investment Co., Ltd.19.72%, Wu, Shang-Pin 17.31%, Wu, Pei-Jyuan 17.31%, Yang, Su-Yue 13.00%, Wu, Pei-Rong 12.80 %
Da-Jan Investment & Development Co., Ltd.	He-Cheng Investment Co., Ltd. 32.85%, Fong-He Development Co., Ltd. 19.64%, Fong-He Investment Co., Ltd. 19.41%, He-Fong Investment Co., Ltd. 19.41%, Yang ,Su-Yue 7.72%, Wu, Shang-Pin 0.46%, Wu, Pei-Rong 0.26%, Wu, Pei-Jyuan 0.25%
He-Fong Investment Co., Ltd.	(BVI) PRECISION MASTER Co., LTD. 99.01%, Wu, Pei-Rong 0.99%
Fong-He Investment Co., Ltd.	(BVI) ALL BEST CO., LTD. 99.01%, Wu, Pei-Jyuan 0.99%
Bo-Rui Co., Ltd.	Ching-Wei Co., Ltd. 51.92%, Wu, Shin-Wei 24.04%, Hu, I-Lien trust account 24.04%

Information on board directors (II)

1. Disclosure of Director Qualifications and Independence of Independent Directors:

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Wu, Tong-Liang (Chairman)	Industry experience/Professional training: Financial holding, banking, insurance, securities, asset management, risk management Principal Experience: · Chairman of Taishin Holdings and Taishin Bank · Chairman of Taishin Charity Foundation, Chairman of CNAIC · Chairman and Director of Taishin Venture Capital Investment · Chairman and President of Shin Kong Synthetic Fibers · Vice Chairman of Teco Electric & Machinery · Director, Managing Director and Supervisor of First Bank, Taiwan Business Bank Taipei District, and Hua Nan Bank · Managing Director of Shin Kong Insurance and Shin Kong Life Insurance Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the company or any of its affiliates. (2) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (3) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (4) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. (5) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Wu, Cheng-Ching (Director)	Industry experience/Professional training: Financial holding, banking, industry, and risk management Principal Experience: · Director and Supervisor of Taishin Holdings and Taishin Bank · Chairman and President of TASCO Chemical · Managing Director and Director of Chang Hwa Bank · Managing Director of Petrochemical Industry Association of Taiwan · Chairman of Taiwan Chemical Industry Association · Director of Pacific Cultural Foundation · Member of Steering Committee, China Youth Corps · Director of Teacher Chang Foundation · Professor of Department of Chemical Engineering, National Taiwan University Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (3) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (4) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (5) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (6) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Kuo, Jui-Sung (Director)	Industry experience/Professional training: Financial holding, banking, information technology, risk management Principal Experience: · Director of Taishin Holdings and Taishin Bank · Professor of Department of Information Science, Business School, Soochow University · Professor of Department of Electrical Engineering, National Taiwan University · Chairman of TECO Technology Foundation · Director of Teco Image Systems · Supervisor of Sercomm · Director of International Bank of Taipei Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (3) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (4) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (5) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (6) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Wang, Chu-Chan (Director)	Industry experience/Professional training: Financial holding, banking, securities, risk management Principal Experience: · Director and Standing Supervisor of Taishin Holdings and Taishin Bank · Director of TITAN II Venture Capital, Shinkong Investment Trust, Shin Kong Security and Taishin Bills Finance · Director of The China-Europe Creativity Cultural and Educational Foundation · Director and Supervisor of The Great Taipei Gas Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the persons listed below: a) a managerial officer of the Company or any of its affiliates. b) a director or supervisor of the Company or any of its affiliates. c) a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (3) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (4) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (5) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (6) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Wang, Mei-Hua (Independent director)	Industry experience/ Professional training: Financial holding, banking, law, commerce, risk management Principal Experience: · Independent Director of Taishin Holdings and Taishin Bank · Minister of Ministry of Economic Affairs · Deputy Minister of Ministry of Economic Affairs · Vice Minister of Ministry of Economic Affairs · Director-General of Intellectual Property Office, Ministry of Economic Affairs Do any of the conditions stated in Article 30 of the Company Act apply: None	During the two years before being elected or during the term of office, the director has been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a director or supervisor of the Company or any of its affiliates. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (4) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, relative within the second degree of kinship, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (5) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the persons listed below: a) a managerial officer of the Company or any of its affiliates. b) a director or supervisor of the Company or any of its affiliates. c) a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (6) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (7) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (8) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (9) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (If the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company, it does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (10) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Kuan, Kuo-Lin (Independent Director)	Industry experience/ Professional training: Financial holding, banking, insurance, risk management Principal Experience: · Independent Director of Taishin Holdings and Taishin Life Insurance · Senior Consultant of McKinsey · Chairman and President of Citibank Taiwan · Country Business Manager, Consumer Banking, Citibank N.A. Taiwan · Director of Citi Insurance Agency and Citi Property Insurance Agency Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a director or supervisor of the Company or any of its affiliates. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (4) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, relative within the second degree of kinship, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (5) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the persons listed below: a) a managerial officer of the Company or any of its affiliates. b) a director or supervisor of the Company or any of its affiliates. c) a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (6) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (7) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (8) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (9) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (If the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company, it does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (10) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	0

Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as an Independent Director in other public companies
Chang, Min-Yu (Independent Director)	Industry experience/ Professional training: Financial holding, banking, accounting, information technology, risk management Principal Experience: · Independent Director of Taishin Holdings and Taishin Bank · Executive CPA of Zhongxin United CPA Firm · Supervisor of Leo Systems · Director of Chang Hwa Bank · Reorganizer of First International Telecom · Director of Chi-Tun Consulting Does any of the conditions stated in Article 30 of The Company Act apply: None	During the two years before being elected or during the term of office, the director have been or be any of the following: (1) Not an employee of the Company or any of its affiliates. (2) Not a director or supervisor of the Company or any of its affiliates. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (4) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, relative within the second degree of kinship, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (5) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the persons listed below: a) a managerial officer of the Company or any of its affiliates. b) a director or supervisor of the Company or any of its affiliates. c) a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. (6) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (7) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (8) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (9) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (If the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company, it does not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent.) (10) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	1

Board membership diversification and independence

1. Board of Directors Diversification:

The company values that everyone is different and the contributions made by various skills and viewpoints derived from these differences, regardless of race, ethnicity, gender, sexual orientation, nationality, language, religion, cultural background or other factors that have nothing to do with work needs, and believe that an appropriate diversity structure will bring significant benefits to the Company and is necessary to ensure a better long-term shareholder value.

According to Article 22 of the Company's corporate governance principle, the composition of the Company's board of directors should consider diversity and professional knowledge and skills, and include gender, age, nationality, professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience and other factors into consideration. In addition, the structure of the Company's board of directors should consider the actual operation needs based on the scale of business development and the shareholding of major shareholders, and determine the appropriate number of directors in accordance with laws and regulations and the Articles of Incorporation.

The 9th board of directors consists of 7 members, including 3 independent directors (2 being female and 1 qualified accountant). The members were selected with an emphasis on diversity. The membership consists of elite talents from banking, industries and the academia, including 2 Ph.D. degree holders and 3 Masters degree holders. The members have an extensive range of expertise from business administration, accounting, law, physics, engineering, to pharmaceuticals.

In addition, the Company devotes attention to gender equality in the composition of the board of directors. In the 9th Board of Directors, Ms. Min-Yu Chang continuing to serve as independent director of the Company and of the subsidiary Taishin Bank. In addition, Ms. Mei-Hua Wang newly serves as independent director of the Company and of the subsidiary Taishin Bank. As a result , the number of female directors of the Company has increased from 1 to 2. To achieve an idea level of corporate governance, the board of directors is equipped with the following abilities:

(1) Ability to make sound business judgments

(2) Ability to conduct accounting and financial analysis

(3) Ability to manage a business

(4) Ability to respond to a crisis

(5) Industry knowledge

(6) An understanding of international markets

(7) Leadership ability

(8) Decision making abilities

(9) Risk management knowledge and skills

Diversity of the board of directors																				
Title	Name (Note 1)	Gender	Term of service(years)			Professional capabilities										Professional qualifications (Note 2)				Industry experience
			< 3	3~6	>6	Accounting	Finance	Legal	Commerce	Investment and mergers	Fintech	IT/cybersecurity	Risk Management	Operational Management	Marketing	Financial holding	Banking	Insurance	Securities	GICS Level 1 Industry experience
Chairman	Wu, Tong- Liang	Male			V		V		V	V			V	V	V	V	V	V	V	Financials, Industrials, and Consumer Discretionary
Director	Wu, Cheng- Ching	Male			V		V		V				V	V		V	V			Financials, Energy, and Industrials
Director	Kuo, Jui-Sung	Male			V		V		V		V	V	V	V		V	V			Financials, Industrials, and Utility
Director	Wang, Chu- Chan	Male			V		V		V				V	V		V	V		V	Financials and Industrials
Independent director	Wang, Mei-Hua	Female	V					V	V				V			V	V			Energy,Industrials,Utility
Independent director	Kuan, Kuo-Lin	Male			V		V		V				V		V	V	V	V		Financials
Independent director	Chang, Min- Yu	Female			V	V	V		V		V	V	V			V	V			Financials and Communication

Note 1: All directors are nationals of The Republic of China.
Note 2: Conform with Article 9 of "Regulations Governing Qualification Requirements for the Promoter or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company."

2. Board of Directors Independence:

Taishin FHC elects its board members according to the "Taishin FHC Director Election Rules." Diversity is also one of the factors. The member criteria are not confined to gender, age, ethnicity or nationality. Professional knowledge and skills of each candidate are also considered. Board members serve a term of three years. The 9th board of directors comprises 7 members, who were elected on Jun 14, 2024 to serve a term from July 1, 2024 to June 30, 2027. There are three independent directors, and two are female and one of them is a CPA. The independent directors make up 42.85% of the directors.

All independent directors of the Company meet the independence requirements of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". Independent director candidates are nominated and qualified by the "Nomination Committee". In addition to requiring all independent directors to submit an "Independent Director Nominee Statement", the Company has adopted relevant procedures to confirm their professionalism and independence, and after passing the resolution of the board of directors, they will be sent to the shareholders' meeting for election.

Among all the directors (7 seats) of the Company, there are 2 seats with spouses and relatives within the second degree of relationship, which conforms to Paragraph 3 of Article 26-3 of the Securities and Exchange Act that more than half of the directors should not have spouses or second relatives. In addition, the Company does not have a supervisor, so matters specified in Paragraph 4 of Article 26-3 of the Securities and Exchange Act do not apply.

b. President, senior vice-presidents and department heads

Title	Nationality	Gender	Name	Date of getting elected	Current shareholding				Stake of single, spouse and offspring before age of majority			
					Commom shares	Share of stake (%)	Preferred shares	Share of stake (%)	Commom shares	Share of stake (%)	Preferred shares	Share of stake (%)
President	R.O.C	Male	Welch Lin	2018/03/09	6,552,412	0.05%	0	0.00%	0	0.00%	0	0.00%
Chief Auditor	R.O.C	Female	Amy Hsia	2022/05/12	430,690	0.00%	40,000	0.00%	0	0.00%	0	0.00%
Chief Financial Officer	R.O.C	Female	Carol Lai	2018/01/01	1,789,674	0.01%	0	0.00%	0	0.00%	0	0.00%
Chief Information Officer	R.O.C	Male	Steve Sun	2017/03/01	131,620	0.00%	0	0.00%	0	0.00%	0	0.00%
Chief Risk Officer	R.O.C	Male	Jeremy Gong	2022/05/03	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Chief Information Security Officer	R.O.C	Male	Jeff Chen	2024/01/01	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Chief Digital & Technology Officer	USA	Male	Shen Zhang	2024/10/16	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Senior Executive Vice President	R.O.C	Female	Amy Tsao	2024/04/01	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Executive Vice President	R.O.C.	Male	Sam Lin	2023/02/01	1,953,243	0.02%	80,314	0.01%	0	0.00%	0	0.00%
Executive Vice President	R.O.C.	Male	Frank Lin	2011/02/03	832,456	0.01%	210,667	0.02%	79,137	0.00%	49,843	0.00%
Senior Vice President	R.O.C.	Male	Masson Li	2022/03/01	0	0.00%	14,000	0.00%	0	0.00%	0	0.00%
Senior Vice President	R.O.C.	Female	Ting Ning Yu	2019/09/01	514,340	0.00%	25,000	0.00%	0	0.00%	20,000	0.00%

Base date: Feb. 29, 2024

Shareholding in the name of others				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
Commom share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
0	0	0	0	Chief Financial Offcer of Taishin Financial Holding Co.,Ltd.; President, ABN AMRO Asia Limited, Taipei Branch.; University of California, Los Angeles (UCLA), Master of Business Administration.; George Washington University Master of Science.	Vice Chairman of Taishin Insurance Co., Ltd Director of Taishin Securities Co., Ltd.; Director of Taishin Venture Capital Investment Co., Ltd.; Supervisor of Taishin Asset Management Co., Ltd.; Supervisor of Taishin Real-Estate Management Co., Ltd.; Director of Taishin D. A.Finance Co., Ltd.; Supervisor of Tehlin Co., Ltd.; Supervisor of Tehlin Investment Co., Ltd.; Supervisor of An-Chieh Investment Co., Ltd.	None	None	None	None
0	0	0	0	Chief Auditor of Taishin International Bank Co.Ltd.; Chinese Culture University, Department of Law	-	None	None	None	None
0	0	0	0	Chief Investment Officer of Taishin Financial Holding Co.,Ltd.; Senior Vice president of Chang Hwa Commercial Bank.; Chief Financial Offcer of Taishin Financial Holding Co., Ltd.; Department of Accounting National Taiwan University.	Senior Executive Vice President of Taishin Bank. Director of Cosmos Foreign Exchange Intl. Co., Ltd. Director of Metro Consulting Service Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice president of IBM china.; National Chengchi University, Executive Master Business Administration Advanced Management.	Executive Vice President of Taishin Bank.	None	None	None	None
0	0	0	0	Vice President of the Asia Pacific Risk Management Division.; University of Minnesota: Carlson School Master of Finance.	-	None	None	None	None
0	0	0	0	Chief of Criminal Information Division, Investigation Bureau, National Police Agency, Ministry of the Interior; Master of Computer Science and Information Engineering, National Taiwan University of Science and Technology	Chief Information Security Officer, Taishin International Bank Co., Ltd.	None	None	None	None
				Chief Risk Officer of Retail Banking and Chief Data Officer of Ping An Bank Ph.D. in Statistics from The Ohio State University	Executive Vice President of Taishin International Bank Co., Ltd.				
				President of KGI Bank Boston University Master of Laws and Finances	-				
0	0	0	0	President of UBS Global Asset Management; Executive Vice President of Taishin Bank; Claremont McKenna College,Master of Accounting.	Vice Chairman of Taishin Securities Investment Trust Co., Ltd.; Chairman of Taishin Sports Entertainment Co., Ltd. Director of Young Sun Chemtrade Co.,Ltd.	None	None	None	None
0	0	0	0	Executive Vice President of Taishin Financial Holding co., Ltd.; University of Southern California, USA, Master of Public Administration.	Executive Vice President of Taishin Bank.	None	None	None	None
0	0	0	0	President of Taishin Securities Investment Advisory Co., Ltd; University of Wisconsin-Madison, Doctor of Philosophy in Economics.	Vice Chairman of Taishin Securities Investment Advisory Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice President of Taishin Financial Holding co., Ltd.; Fu Jen Catholic University, Department of Law.	-	None	None	None	None

Title	Nationality	Gender	Name	Date of getting elected	Current shareholding				Stake of single, spouse and offspring before age of majority			
					Commom shares	Share of stake (%)	Preferred shares	Share of stake (%)	Commom shares	Share of stake (%)	Preferred shares	Share of stake (%)
Senior Vice President	R.O.C	Male	David Chang	2012/08/17	1,276,404	0.01%	-	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C	Female	Janice Liang	2025/02/01	420,748	0.00%	-	0.00%	225,933	0.00%	-	0.00%
Senior Vice President	R.O.C.	Female	Christy Shyy	2023/05/01	691,896	0.01%	-	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C	Male	Vincent Tsai	2018/10/01	589	0.00%	52,137	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C.	Female	Adeline Jai	2021/06/16	384,895	0.00%	46,142	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C	Female	Avon Fan	2020/03/27	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C.	Male	Shin-Hau Wu	2022/07/01	-	0.00%	-	0.00%	427,949	0.00%	6,952	0.00%
Senior Vice President	R.O.C	Male	Keng Shi	2023/10/02	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Senior Vice President	R.O.C	Male	Michael Liao	2024/07/01	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%
Senior Manager	R.O.C	Female	Eva Wu	2023/05/04	-	0.00%	-	0.00%	-	0.00%	-	0.00%

c. Consultants who are retired chairmen and presidents of the company or affiliates

Consultants who are retired chairmen and presidents

Title	Nationality	Name	Gender	Previous position		Date of appointment	Purpose	Roles and responsibilities
				Company and title	Date of retirement			
None								

Base date: Feb. 29, 2024

Shareholding in the name of others				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
Commom share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
0	0	0	0	Senior Vice President of Taishin Financial Holding Co.,Ltd; National Chung Hsing University, Master of Business Management.	Senior Vice President of Taishin Bank.; Supervisor of Hsiang Chao Investment Co., Ltd.; Supervisor of Weifeng Co., Ltd.; Supervisor of Chiahao Co., Ltd.; Supervisor of Yiheng Co., Ltd.; Supervisor of Chingwei Co., Ltd.; Supervisor of Protrade Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice President of Taishin International Bank Co., Ltd. University of Southern California, USA, Master of Science in Education	Senior Vice President of Taishin International Bank Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice President of Taishin International Bank Co., Ltd. Western Michigan University Master of Accounting	Senior Vice President, Taishin International Bank Co., Ltd. Director of Taishin Securities Investment Advisory Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice President of Taishin International Bank Co., Ltd. Department of Accounting, National Taiwan University.	Senior Vice President of Taishin Bank.; Supervisor of Taishin Securities Investment Trust Co., Ltd. Supervisor of Taishin Sports Entertainment Co., Ltd.	None	None	None	None
0	0	0	0	Senior Vice President of Taishin Financial Holdings; Legal Science, Department of Law, Natioanl Taiwan University.	-	None	None	None	None
0	0	0	0	Chief Financial Offcer of Nan San Life Insurance Co. Ltd.; George Washington University, Master of Business Administration.	-	None	None	None	None
0	0	0	0	Director of Taishin Bank; Director of Taishin Securities; Director of Taishin Insurance; Director of Taishin Capital; Director of Taishin Sports Entertainment Co., Ltd; Director of Shin Kong Financial Holding; Director of Shin Kong Life Insurance; Director of Shinkong Insurance; Co-founder and CEO of Dynasty Holding International Limited; MBA, Waseda University, Tokyo, Japan.	Vice Chairman of Taishin Life Insurance Co., Ltd. Director of Taishin International Bank Co., Ltd. Director of Taishin Capital Co., Ltd. Director of Taishin Securities Co., Ltd. Director of Taishin Sports Entertainment Co., Ltd. Vice Chairman of Jhao Fong Solar Power Co., Ltd. Director of Diamond Capital Inc. Director of Anshin Escrow Co. Director of An-Sin Real Estate Management Ltd. Director of Taixu & Dachan Foods Co., Ltd.	None	None	None	None
0	0	0	0	Head of Financial Planning for South Asia Region, Citibank; Master of Bioengineering, University of Pennsylvania, USA.	-	None	None	None	None
0	0	0	0	Vice President of Taishin Financial Holding Co., Ltd. New York University Master of Science in Real Estate	Director of Taishin Asset Management Co., Ltd. Director of Taishin Real-Estate Management Co., Ltd.	None	None	None	None
0	0	0	0	Senior Manager of Accounting and Taxation Department, Finance Division; Next Bank Department of Accounting, National Taiwan University.	Senior Manager, Taishin International Bank Co., Ltd.	None	None	None	None

d. Compensation for directors, president, vice presidents, and consultants for last year

1. Latest year compensations for directors (including independent directors)

Title	Name	Compensations for directors							
		Compensations (A)		Job-leaving and retirement payment (B)		Compensations from distribution of earnings (C)		Expense for business execution (D)	
		The company	All companies in the financial statement.	The company	All companies in the financial statement	The company	All companies in the financial statement	The company	All companies in the financial statement
Chairman	Chia Hao Co., Ltd.	56,900	83,425	-	-	119,952	119,952	616	3,573
	Representative: Wu, Tong-Liang								
Director	Hsiang-Chao Co., Ltd.								
	Representative: Kuo, Jui-Sung								
Director	TASCO Chemical Co., Ltd.								
	Representative: Wu, Cheng-Ching								
Director	Santo Arden Co., Ltd.								
	Representative: Wang, Chu-Chan								
Independent Director	Lin, Yi-Fu (2024/07/01 resign)	14,708	16,424	-	-	30,845	30,845	837	2,102
Independent Director	Wang, Mei-Hua (2024/07/01 on board)								
Independent Director	Kuan, Kuo-Lin								
Independent Director	Chang, Min-Yu								

Note 1: The individuals on this form include those who served as director, newly appointed or resigned notwithstanding, during 2024; numeration for them is disclosed according to their term in office.

Note 2: Compensations of the driver is NT 2,280,000.

Note 3: All recipients of director remuneration, except for independent directors, are institutional directors. The actual amount of remuneration in 2024 was as decided by the board of directors.

Note 4: Please specify the policy, system, standard, and structure of independent director remuneration, and describe the factors, including responsibilities, risks, and time invested, and their links to amounts of remuneration: Taishin has a director (including independent director) remuneration policy and guidelines for director compensation in place. Payments of individual items will be based on a director's participation in and contribution to the company's business, industry average, and management remuneration. The scope of evaluation of director performance includes the company's overall performance, board performance, personal performance, and contribution. Director remuneration is performance includes the company's overall performance, board performance, personal performance, and contribution. Director remuneration is reviewed by the Remuneration Committee and paid with board approval. In addition, in the interest of creating links with future business risks, Taishin will make separate plans for reservation and deferral mechanisms for director remuneration.

Note 5: Except as disclosed above, remuneration received by directors in the latest year for servies rendered to any company in the financial statement(e.g. acting as an non-employee consultant for the parent company/any company in the financial statement/investees): None

Note 6: Information on remuneration in the form of stock appreciation rights (SARs) in 2024 is the amount expected to be settled after the vesting period.

Base date: Dec. 31, 2024 Unit: NT$1,000

	Combination of A,B,C and D and share in after-tax net profit		Remuneration as an employee								Combination of A.B.C.D.E.F and G and share in after-tax net profit		Compensations from investeees other than subsidiaries or from parent company
			Salary, bonus, and special allowance (E)		Job-leaving and retirement payment (F)		Employee dividend-sharing (G)						
	The company	All companies in the financial statement	The company	All companies in the financial statement	The company	All companies in the financial statement	The company		All companies in the financial statement		The company	All companies in the financial statement	
							Cash dividend	Stock dividend	Cash dividend	Stock dividend			
	177,468 (0.88%)	206,950 (1.03%)	-	-	-	-	-	-	-	-	177,468 (0.88%)	206,950 (1.03%)	-
	46,390 (0.23%)	49,371 (0.25%)	-	-	-	-	-	-	-	-	46,390 (0.23%)	49,371 (0.25%)	-

Compensation brackets of directors

Compensation brackets of board directors	Names of directors			
	The combined compensation of (A+B+C+D)		The combined compensation of (A+B+C+D+E+F+G)	
	The company	All companies in the consolidated financial statement	The company	All companies in the consolidated financial statement
Lower than NT$1 M.	Wu, Cheng-Ching	Wu, Cheng-Ching	Wu, Cheng-Ching	Wu, Cheng-Ching
NT$1 M. (inclusive) - NT$2 M. (exclusive)				
NT$2 M. (inclusive) - NT$3.5 M. (exclusive)				
NT$3.5 M. (inclusive) - NT$5 M. (exclusive)	Wang, Chu-Chan / Kuo, Jui-Sung	Wang, Chu-Chan	Wang, Chu-Chan / Kuo, Jui-Sung	Wang, Chu-Chan
NT$5 M. (inclusive) - NT$10 M. (exclusive)	Yi-Fu Lin , Mei-Hua Wang	Jui-Sung Kuo ,Yi-Fu Lin , Mei-Hua Wang	Yi-Fu Lin , Mei-Hua Wang	Jui-Sung Kuo ,Yi-Fu Lin , Mei-Hua Wang
NT$10 M. (inclusive) - NT$15 M. (exclusive)				
NT$15 M. (inclusive) - NT$30 M. (exclusive)	SANTO ARDEN CO., LTD. / Hsiang-Chao Co., Ltd/ TASCO Chemical Co., Ltd./ Kuo-Lin Kuan / Min-Yu Chang	SANTO ARDEN CO., LTD. / Hsiang-Chao Co., Ltd/ TASCO Chemical Co., Ltd./ Kuo-Lin Kuan / Min-Yu Chang	SANTO ARDEN CO., LTD. / Hsiang-Chao Co., Ltd/ TASCO Chemical Co., Ltd./ Kuo-Lin Kuan / Min-Yu Chang	SANTO ARDEN CO., LTD. / Hsiang-Chao Co., Ltd/ TASCO Chemical Co., Ltd./ Kuo-Lin Kuan / Min-Yu Chang
NT$30 M. (inclusive) - NT$50 M. (exclusive)	Wu, Tong-Liang		Wu, Tong-Liang	
NT$50 M. (inclusive) - NT$100 M. (exclusive)	Chia Hao Co., Ltd.	Wu, Tong-Liang/ Chia Hao Co., Ltd.	Chia Hao Co., Ltd.	Wu, Tong-Liang/ Chia Hao Co., Ltd.
Over NT$100 M.				
Total	12	12	12	12

Note: Compensations in the table are different from incomes for income tax law. Therefore, figures in the table are mainly for information disclosure and cannot be used as the basis for taxation.

2. Compensations for president and vice presidents

Base date: Dec.31, 2024 Unit: NT$1,000

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name</th><th colspan="2">Salary (A)</th><th colspan="2">Job-leaving or retirement payment (B)</th><th colspan="2">Bonus and special allowance (C)</th><th colspan="4">Employee dividend-sharing (D)</th><th colspan="2">Combination of A,B,C and D and share in after-tax net profit</th><th rowspan="3">Compensations from investees other than subsidiaries or from parent company</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial statement</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial statement</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial statement</th><th colspan="2">The Company</th><th colspan="2">All companies in the financial statement</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial statement</th></tr>
<tr><th>Cash dividend</th><th>Stock dividend</th><th>Cash dividend</th><th>Stock dividend</th></tr>
<tr><td>President</td><td>Welch Lin</td><td rowspan="15">43,770</td><td rowspan="15">73,535</td><td rowspan="15">22,595</td><td rowspan="15">23,093</td><td rowspan="15">82,823</td><td rowspan="15">107,978</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">-</td><td rowspan="15">149,188
(0.74%)</td><td rowspan="15">204,606
(1.02%)</td><td rowspan="15">24</td></tr>
<tr><td>Chief Auditor</td><td>Amy Hsia</td></tr>
<tr><td>Chief Financial Officer</td><td>Carol Lai</td></tr>
<tr><td>Chief Information Officer</td><td>Steve Sun</td></tr>
<tr><td>Chief Investment Officer</td><td>Eric Chien (2024/08/10 resign)</td></tr>
<tr><td>Chief Information Security Officer</td><td>Jeff Chen</td></tr>
<tr><td>Chief Risk Officer</td><td>Jeremy Gong</td></tr>
<tr><td>Chief Digital & Technology Officer</td><td>Shen Zhang (2024/10/16 on board)</td></tr>
<tr><td>Senior Vice President</td><td>David Chang</td></tr>
<tr><td>Senior Vice President</td><td>Ting-Ning Yu</td></tr>
<tr><td>Senior Vice President</td><td>Vincent Tsai</td></tr>
<tr><td>Senior Vice President</td><td>Frank Lin</td></tr>
<tr><td>Senior Vice President</td><td>Andy Chang (2024/02/01 resign)</td></tr>
<tr><td>Senior Vice President</td><td>Christy Siyy</td></tr>
<tr><td>Vice President</td><td>Mason Li</td></tr>
</table>

Note 1: The individuals on this form include those who served as President or Vice President, newly appointed or resigned notwithstanding, during 2024; numeration for them is disclosed according to their term in office.
Note 2: Compensations of the driver is NT$2,252,000.
Note 3: Information on remuneration in the form of stock appreciation rights (SARs) in 2024 is the amount expected to be settled after the vesting period.

Compensation brackets for the company's president and senior vice presidents

Compensation brackets for the company's president and vice presidents	Names of president and vice presidents	
	The Company	The parent company and all invested companies
Under NT$1 M.	Eric Chien / Jeff Chen / David Chang / Vincent Tsai / Andy chang / Christy Shyy	Andy chang
NT$1 M. (inclusive)-NT$2 M. (exclusive)		
NT$2 M. (inclusive)-NT$3.5 M. (exclusive)		
NT$3.5 M. (inclusive)-NT$5 M. (exclusive)		
NT$5 M. (inclusive)-NT$10 M. (exclusive)	Steve Sun / Mason Li /Zhang Shen	Eric Chien / Jeff Chen / Vincent Tsai / Christy Shyy / Mason Li / Zhang Shen
NT$10 M. (inclusive)-NT$15 M. (exclusive)	Carol Lai/Jeremy Gong/ Tingning Yu/Frank Lin	Carol Lai /Steve Sun / Jeremy Gong / David Chang / Tingning Yu /Frank Lin
NT$15 M. (inclusive)-NT$30 M. (exclusive)		
NT$30 M. (inclusive)-NT$50 M. (exclusive)	Welch Lin/ Amy Hsia	Welch Lin/ Amy Hsia
NT$50 M. (inclusive)-NT$100 M. (exclusive)		
Over NT$100 M.		
Total	15	15

Note: Compensations in the table are different from incomes for income tax law and the figures are mainly for information disclosure and cannot be used as the basis for taxation.

3. Compensation for consultants who are retired chairmen and presidents: None.

4. Manager's name and the distribution of employee bonus payout: None.

e. Analytical comparisons of the shares of company's compensations for board directors, president, and vice presidents in the after-tax net profits in the recent two years, as listed in the company's financial statement and the consolidated financial statement, and explanation of the compensation policy, standards, and makeup, the procedure for setting compensations, and their association with business performance and risk of future follow.

1. In 2024, total compensations for directors, president, and vice presidents accounted for 1.86% of the after-tax net profit and the percentage in the consolidated financial statements was 2.30%. In 2023, total compensations for directors, supervisors, president, and vice presidents accounted for 1.83% of the after-tax net profit and the percentage in the consolidated financial statements was 2.57%.
2. The company's remuneration policy and reasonableness of pay are reviewed by the remuneration committee and the board of directors. In addition, the remuneration system is reviewed with respect to the company's business performance and relevant laws and regulations in order to maintain a balance between sustainable development for the company and risk management.

Position / Item	Directors	The managers
Compensation policy	To provide a basis for the director remuneration policy, the Company has, pursuant to the Articles of Incorporation, established the Guidelines for Director Compensation and the Guidelines for Director Remuneration after they have been reviewed by the Remuneration Committee and passed by the board of directors. The level of director remuneration shall be based on the Company's business performance, competition, experience of representative of institutional director, and involvement in management of the Company and contribution to business results as well as the Company's risk appetite and potential risks to be expected in the future in order to have directors and the Company share future business risks. The company has established the Board Performance Appraisal Guidelines to ensure effective corporate governance and improve performance of the board of directors. The scope of appraisal includes evaluation of the performance of directors and that of the board.	1. The Company has established the Performance Evaluation and Bonus Guidelines to ensure a fair performance evaluation process. Managers' performance are evaluated from two aspects: Achievement of targets, including financial indicators, e.g., profit/customer/department growth rate/market share/asset quality, and cost control, and non-financial indicators, For example: process improvement, internal control, ESG promotion (such as reduction of carbon emission, green purchase, sustainability-related projects) etc.: managerial competency (e.g., decision-making ability, communication and coordination, talent development, and regulatory compliance). The purpose is to create an all-win situation for the Company and its employees and shareholders. 2. The remuneration of managers is mainly based on responsibilities, business performance of the company, and personal performance, and takes into account industry averages and links to future risks in order to offer competitive remuneration to attract and retain talent.
Standard for actual allowances	According to Article 25 and Article 40 of the Articles of Incorporation, 1. Remuneration: to be received for performing the duties of a director or supervisor of the company. 2. Business expenses: to be received to compensate for expenses incurred during business activities, including travel expenses for personally attending or be present at board meetings. 3. Bonus: to be received when the company makes a profit in the current year and the board of directors decides to pay no more than 1% of the profit to the directors as a bonus, which will be allocated by the degree of involvement and responsibility of each director.	Remuneration for managers is described as follows: 1. Remuneration: to be determined by roles and responsibilities and subject to market environment. 2. Bonuses: to be divided into a Chinese New Year bonus and a yearend bonus. The size of a bonus depends mainly on the company's results, the corresponding division's results, and the individual's performance evaluation. 3. Employee benefits: include the pension plan, the employee shareholding trust program, physical examinations and allowances. 4. Long term incentive plan: To avoid putting too much emphasis on short term performance and to encourage employees to develop long term relationships with the company and enjoy long term growth together, the company has designed a long term incentive plan that offers the "Taishin Appreciation Rights Plan" as a means of employee retention.

B. Status of corporate governance

a. Information on the operation of the board of directors

1. In the recent fiscal year (2024), the board of directors convened 15 times and status of attendance by directors follows:

Term	Title	Name	Attendance in Person	Attendance by proxy	Actual attendance rate (%)	Note
The 8th board	Chairman	Chia Hao Co., Ltd. Representative: Wu, Tong-Liang	7	0	100.00	Left office (The 9th board of directors were re-elected on June 14, 2024, and the term of the 8th board of directors ended on June 30, 2024)
	Director	TASCO Chemical Co., Ltd. Representative: Wu, Cheng-Ching	7	0	100.00	
	Director	Hsiang-Chao Co., Ltd. Representative: Kuo, Jui-Sung	7	0	100.00	
	Director	Santo Arden Co., Ltd. Representative: Wang, Chu-Chan	6	1	85.71	
	Independent Director	Lin, Yi-Fu	7	0	100.00	
	Independent Director	Chang, Min-Yu	7	0	100.00	
	Independent Director	Kuan, Kuo-Lin	6	1	85.71	
The 9th board	Chairman	Chia Hao Co., Ltd. Representative: Wu, Tong-Liang	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Director	TASCO Chemical Co., Ltd. Representative: Wu, Cheng-Ching	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Director	Hsiang-Chao Co., Ltd. Representative: Kuo, Jui-Sung	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Director	Santo Arden Co., Ltd. Representative: Wang, Chu-Chan	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Independent Director	Wang, Mei-Hua	8	0	100.00	Newly serving (Re-elected June 14, 2024, on board since July 1, 2024)
	Independent Director	Kuan, Kuo-Lin	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Independent Director	Chang, Min-Yu	8	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)

Note : The attendance rate (%) of a director is calculated by his/her actual number of attendance and the number of meetings of the board of directors during his/her term.

Other items of mandatory registration:

(1) In the event of any of the circumstances occurring while the Board of Directors conducts its activities, details including the date, session, and agenda of the board meeting, all opinions of the independent directors, and the Company's responses to the independent directors' opinions should be provided.

A. Matters listed in Article 14-3 of the Securities and Exchange Act: Not applicable as the Company has established an audit committee.

B. In addition to matters above, other objections or qualified opinions from the independent directors to resolutions made by the Board of Directors on-record or in writing: None.

2. Details, including names of directors, resolutions, reasons for conflict of interest, and voting results, of circumstances where directors absented themselves due to conflict of interest:

Details of directors absenting themselves due to conflict of interest in 2024				
Date	Agenda	Director names	Reason for conflict of interest	Voting results
2024/01/25	Approval for the number of months paid to directors in 2023	Tong-Liang Wu, Cheng-Ching Wu, Jui-Sung Kuo, Chu-Chan Wang, Yi-Fu Lin, Min-Yu Chang, Kuo-Lin Kuan	Where there exists a conflict of interest between the agenda and a director, Article 206 of the Company Act shall apply and the director shall recuse him/herself from the meeting in accordance with Article 178 of the same act.	Recusal during discussions and voting
2024/03/28	Adjustment of monthly remuneration for the chairman	Tong-Liang Wu		Recusal during discussions and voting
2024/05/02	Candidates for the 9th board of directors (and independent directors)	Tong-Liang Wu, Cheng-Ching Wu, Jui-Sung Kuo, Chu-Chan Wang, Min-Yu Chang, Kuo-Lin Kuan		Recusal during discussions and voting
2024/05/02	Release of restrictions on competitive activities of the company's 9th board of directors	Tong-Liang Wu, Cheng-Ching Wu		Recusal during discussions and voting
2024/07/01	Appointment of members to the 13th board of directors of Taishin International Bank	Tong-Liang Wu, Cheng-Ching Wu, Jui-Sung Kuo, Mei-Hua Wang, Min-Yu Chang		Recusal during discussions and voting
2024/07/01	Appointment of members to the 10th board of directors for Taishin Life Insurance	Tong-Liang Wu, Kuo-Lin Kuan		Recusal during discussions and voting
2024/07/01	Appointment of members to the 6th Remuneration Committee	Mei-Hua Wang, Kuo-Lin Kuan, Min-Yu Chang		Recusal during discussions and voting
2024/07/01	Appointment of members to the 4th Risk Management Committee	Mei-Hua Wang, Kuo-Lin Kuan, Min-Yu Chang		Recusal during discussions and voting
2024/07/01	Appointment of members to the 3rd Nomination Committee	Jui-Sung Kuo, Kuo-Lin Kuan, Min-Yu Chang		Recusal during discussions and voting
2024/07/01	Appointment of members to the 2nd Corporate Sustainability Committee	Tong-Liang Wu, Mei-Hua Wang, Kuo-Lin Kuan		Recusal during discussions and voting

3. Board evaluation status

Frequency	Period	Scope	Method	Description
Triennially	2023/01/01~2023/12/31	Board of directors	Hired external professional institutions (EY Advisory Services)	Evaluation Aspects and Content: The three aspects are "Structure", "People", and "Process and Information"; and the scope covers eight items, which are board and committee structure and process, board and committee composition, legal person and organizational structure, roles and function, culture and behavior, directors' training and development, risk control governance, and reporting, disclosure, and performance management. Evaluation methods: document review, director self-assessment questionnaire, and onsite interview.
Annually	2023/07/23~2024/06/30	Board of directors and functional committees	Internal board self assessment, director self assessment, and functional committee member self assessment (including the Audit Committee, the Remuneration Committee, the Risk Management Committee, the Nomination Committee and the Corporate Sustainablity Committee)	Board of directors: Items on the director self-assessment checklist include A. Understanding of company goals and missions; B. Understanding of director duties and functions; C. Involvement in the company's business activities; D. Internal relations management and communication; E. Director expertise and continuing education; F. Internal control. Items in the performance assessment include the following: A. Involvement in the company's business activities; B. Improving quality of the board's decisions; C. Composition and structure of the board of directors; D. Election and continuing education of the directors; E. Internal control. Functional committees: Items on the member self assessment checklist include A. Involvement in the company's business activities; B. Understanding of a functional committee's role; C. Improvement of decision quality for functional committees; D. Functional committee composition and appointment of members; E. Internal control.

4. Evaluation of targets to enhance the role of the board and performance in the current year and last year:

(1) Board of Directors Meeting Policy have been established for the purpose of strengthening board governance. For better transparency on the board of directors, important resolutions of the board of directors will be published in the annual reports and on the corporate website. In addition, board meeting attendance will be disclosed on the Market Observation Post System.

(2) In 2007, Taishin started appointing two independent directors; and in late 2007, the company started purchasing directors and key persons liability insurance policies to cover such persons in the process of performing their duties during the terms of their offices. In order to strengthen corporate governance and risk management, these functional committees are set up as follows:

(a) The Remuneration Committee was established in 2011.

(b) The Audit Committee established in 2015 with three independent directors elected to replace the supervisors.

(c) The Risk Management Committee was established in 2017 with participation of more than half of the independent directors.

(d) The Nomination Committee was established in 2020 with participation of more than half of the independent directors.

(e) The Corporate Sustainablity Committee was established in 2022.

(3) Regulation of the Board Performance Evaluation were established on December 22, 2016, and requires a board performance evaluation be completed internally at least once a year and by a team of external experts at least once every three years. Regulation of the Board Performance Evaluation and the results are disclosed on the corporate website. Furthermore, the performance appraisal mechanisms for functional committees Since November 28, 2019.

A. Internal evaluation:

◆ Should be conducted at least once a year.

◆ Internal assessments of the board of directors and functional committees are conducted by having respective member complete self-assessment forms. Then the responsible unit will collect and summarize the results and submit them to the Nomination Committee for approval. Those who receive an average score of 90% or higher will be rated "target exceeded", those between 80% and 90% "target met", and those below 80% "need improvement".

◆ The internal evaluation of the board of directors and functional committees has been completed for 2024 (for the period between July 23, 2023 and Jun 30, 2024). All results were rated "target exceeded". The result above has been submitted to the 6th meeting of the 9th board of directors on Sep 26, 2024 and disclosed in the annual report and on the corporate website under "Corporate Governance". The objective assessment system is in place to improve director performance.

B. External evaluation:

◆ Should be performed by an outside expert team at least once every three years

◆ The 2024 evaluation(for the period between January 1, 2020 and December 31, 2020) was completed by EY Advisory Services (hereinafter referred to as "external expert", with Andrew Fuh as the chairman). The external expert is independent and not a related party to the company.

◆ The external expert's conclusions are shown below, and have been submitted to the 6th meeting of the 9th board of directors on Sep.26, 2024. Result: to enhance concrete management goals for board member diversity strategy, to keep functional committees assisting the board to ensure the appropriateness and effectiveness of medium -term/long-term risk management and resource allocation, to gradually establish a talent pool for directors through various channels, to keep evaluating the business and financial influence of ESG, and to establish an advanced plan for directors' training and development. The company will follow the conclusions and strengthen the roles and responsibilities of the board of directors on an ongoing basis.

Note: The external evaluation rates results as “Basic” (the practice matches basic requirements of the competent authorities and the related regulations), “Advanced” (the practice matches requirements of the competent authorities and the related regulations. In addition, the board has established a set of effective practice methodology or the board proactively enhances the performance of that aspect), and “Excellence” (the practice is not only better than the requirements of the competent authorities and the related regulations, but also deemed as excellence model).

b. Operation of the audit committee or the participation of supervisors in the operation of board of directors

1. Information on the operation of audit committee:

(1) The authorities and responsibilities of the audit committee are as follows:

The Audit Committee consists of 3 independent directors. The mission of the Audit Committee is to assist the board of directors in performing its duty to oversee the accounting, audit, and financial reporting processes in The Company and the quality and integrity of financial management.

The Audit Committee reviewed matters include:

A. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.

B. Assessment of the effectiveness of the internal control system.

C. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets or derivatives trading.

D. Matters in which a director is an interested party.

E. Asset transactions or derivatives trading of a material nature.

F. The offering, issuance, or private placement of equity-type securities.

G. The hiring or dismissal of a certified public accountant, or their compensation.

H. The appointment or discharge of a financial, accounting, or internal audit officer.

I. Annual and semi-annual financial reports.

J. Other material matters as may be required by the Company or by the competent authority.

2. In the recent fiscal year (2024) audit committee convened 15 times and status of attendance:

Term	Title	Name	Actual number of attendance	Attendance by Proxy	Attendance rate (%)	Note
The 3rd committee	Independent Director	Chang, Min-Yu	5	0	100.00	Left office (Re-elected on June 14, 2024; term of the 3rd committee members ended on June 30, 2024)
	Independent Director	Lin, Yi-Fu	5	0	100.00	
	Independent Director	Kuan, Kuo-Lin	4	1	80.00	
The 4th committee	Independent Director	Chang, Min-Yu	10	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)
	Independent Director	Wang, Mei-Hua	10	0	100.00	Newly serving (Re-elected June 14, 2024, on board since July 1, 2024)
	Independent Director	Kuan, Kuo-Lin	10	0	100.00	Serving consecutive terms (Re-elected June 14, 2024, on board since July 1, 2024)

Note 1: The Audit Committee is made up of all independent directors.

Note 2: The attendance rate(%) of a director is calculated by his/her actual number of attendance and the number of meetings of the audit committee during his/her term.

- Financial statement review
  The board of directors has prepared the business report, financial statements and earnings distribution proposal for Taishin FHC. The financial statements have been audited and certified by CPA Han-Ni Fang and CPA Ching-Cheng Yang of Deloitte Taiwan, who have also issued an opinion. The reports above have been reviewed by the Audit Committee as correctly portraying the company's business activities.
- Appointment of certifying CPA
  To ensure independence of the CPA firm, the Company has followed Article 47 of the Certified Public Accountant Act and the rules regarding integrity, impartiality, and independence in No. 10 Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China and devised an independence evaluation form. The form is intended to assess the independence, professional training, and competence of CPAs and whether they are related parties to or share business or financial interest with Taishin FHC. On December 26, 2024, it was reviewed and passed in the 10th meeting of the 4rd Audit Committee and the 8th meeting of the 9th board of directors that CPA Han-Ni Fang and CPA Ching-Cheng Yang of Deloitte Taiwan met the independence criteria and were sufficiently qualified to perform financial and tax accounting certification for Taishin FHC.

3. Other items which should be disclosed:

(1) In the event of any of the circumstances occurring while the Audit Committee conducts its activities: details of the date, session, agenda, the independent directors' objections, reservations or major recommendations and all resolutions of the Audit Committee, and the Company's responses to the Audit Committee's opinions:

A. Matters listed in Article 14-5 of the Securities and Exchange Act

Audit Committee Date and Session	Audit Committee Agenda	Audit Committee Resolutions	Contents of the objections/ considerations / major suggestions of the independent directors	The Company's response to Audit Committee's opinions
2024/01/25 29th meeting of the 3rd Audit Committee	Subscription of all new ordinary shares issued by the subsidiary Taishin Life Insurance in a private placement.	Amendment approved	None	N/A
	Appointment and remuneration of the CPAs attesting the 2024 financial statements.	Approved	None	N/A
2024/02/22 30th meeting of the 3rd Audit Committee	2023 consolidated financial statements	Approved	None	N/A
2024/02/28 31th meeting of the 3rd Audit Committee	2023 audited financial statements	Approved	None	N/A
	2023 Statement on the Internal Control System	Approved	None	N/A
	Amendments to "Audit Committee Foundation Principles"	Amendment approved	None	N/A
2024/05/02 32th meeting of the 3rd Audit Committee	2023 Business Report	Approved	None	N/A
	2023 earnings distribution plan	Approved	None	N/A
	Issuance of new common shares from earnings	Approved	None	N/A
	Release of restrictions on competitive activities of the company’s 9th board of directors.	Approved	None	N/A
2024/05/23 33th meeting of the 3rd Audit Committee	2024 Q1 consolidated financial statements	Approved	None	N/A
	Subscription of all new ordinary shares issued by the subsidiary Taishin Bank in a private placement.	Amendment approved	None	N/A
	Adjustment of cost-sharing principle for shared IT resources within the Group	Approved	None	N/A

Audit Committee Date and Session	Audit Committee Agenda	Audit Committee Resolutions	Contents of the objections/ considerations / major suggestions of the independent directors	The Company's response to Audit Committee's opinions
2024/07/01 1st meeting of the 4th Audit Committee	Appointment of Tong-Liang Wu, Jui-Sung Kuo, Shang-Pin Wu, Shin-Hau Wu, Mei-Hua Wang and Min-Yu Chang as the 13th representative of institutional director and Independent Directors of Taishin Bank, respectively	Approved	None	N/A
	Appointment of Shin-Hau Wu and Kuo-Lin Kuan as the 10th representative of institutional director and Independent Director of Taishin Life Insurance, respectively.	Approved	None	N/A
2024/07/18 2nd meeting of the 4th Audit Committee	Subscription of all new ordinary shares issued by the subsidiary Taishin Venture Capital in a private placement.	Approved	None	N/A
2024/07/26 3rd meeting of the 4th Audit Committee	Proposal to appoint an independent expert to assist in providing opinions on the reasonableness of the share exchange ratio, to facilitate review of the merger between the Company and Shin Kong Financial Holdings.	Amendment approved	None	N/A
2024/08/22 4th meeting of the 4th Audit Committee	Evaluation on the fairness and reasonableness of the proposed merger between the Company and Shin Kong Financial Holdings	Amendment approved	None	N/A
2024/08/29 5th meeting of the 4th Audit Committee	2024 H1 consolidated financial statements	Approved	None	N/A
2024/09/05 6th meeting of the 4th Audit Committee	Adjustment of service fees for independent expert Lin, Chin-Feng of Crowe (TW) CPAs	Approved	None	N/A
2024/09/11 7th meeting of the 4th Audit Committee	Adjustment of consideration for the merger between the Company and Shin Kong Financial Holdings, and evaluation on the fairness and reasonableness of the merger plan	Amendment approved	None	N/A
2024/11/28 9th meeting of the 4th Audit Committee	2024 Q3 consolidated financial statements	Approved	None	N/A
2024/12/26 10th meeting of the 4th Audit Committee	Appointment and remuneration of the CPAs attesting the 2025 financial statements	Approved	None	N/A
	Amendment of "Internal control system"	Approved	None	N/A
	2025 audit plan	Approved	None	N/A

B. In addition to matters above, other resolutions that have not been approved by the Audit Committee but have been passed by a vote of two-thirds or more of the entire Board of Directors: None.

(2) With respect to execution of cases in which the Independent Directors abstain themselves on the ground of conflict of interest, the name of the independent Directors, contents of motion, reasons for abstention and participation in voting should be clearly stated:

Any independent directors who had to excuse themselves in 2024 to prevent conflicts of interest				
Date of Audit Committee meeting	Agenda	Name of independent director	Reason for conflict of interest	Voting result
2024/07/01 1st meeting of 4th Audit Committee	Appointment of Tong-Liang Wu, Jui-Sung Kuo, Shang-Pin Wu, Shin-Hau Wu, Mei-Hua Wang and Min-Yu Chang as the 13th representative of institutional director and Independent Director of Taishin Bank, respectively	Mei-Hua Wang, Min-Yu Chang	Where there exists a conflict of interest between the agenda and a director, the director shall recuse him/herself from the meeting in accordance with Article 10 of Audit Committee Charter	Recusal during discussions and voting
	Appointment of Shin-Hau Wu and Kuo-Lin Kuan as the 10th representative of institutional director and Independent Director of Taishin Life Insurance	Kuo-Lin Kuan		Recusal during discussions and voting

(3) Between independent directors and internal auditors and CPAs

A. Between independent directors and internal auditors in 2024

(a) The committee consists of all independent directors, who have regular meetings with the chief auditor. Instructions made in such meetings will be implemented by the audit office. Minutes of the meetings will be submitted to the board of directors for review.

(b) The board of directors and chief auditor will attend the meetings. Independent directors and the chief auditor will exchange views on the agenda during board meetings or prior to their own meetings.

(c) The audit report of the company and its subsidiaries will be presented to the independent directors.

(d) The audit office will present regular audit reports to the board of directors and the audit committee every quarter. The reports will contain information such as a summary of audit practices at the subsidiaries and key items in internal and external audits.

(e) Each independent director will discuss the aforementioned item with chief auditor if necessary.

Communications between the Independent Directors and the internal audit supervisors are as follows:

Date	Communication Mechanisms	Issues to communicate	Result
2024/2/22	The Chief Auditor communication conference with Independent Directors.	Penalties imposed by the competent authorities on the Company and its subsidiaries,major extraordinary events, primary examination findings, and material findings and improvements in internal audit reports during 2023 Q3 and Q4.	Duly noted. Proceeded as recommended.
2024/2/22	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2023 Q4.	Duly noted. Proceeded as recommended.
2024/5/23	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2024 Q1.	Duly noted. Proceeded as recommended.
2024/8/22	The Chief Auditor communication conference with Independent Directors	Penalties imposed by the competent authorities on the Company and its subsidiaries, major extraordinary events, primary examination findings, and material findings and improvements in internal audit reports during 2024 Q1 and Q2.	Duly noted. Proceeded as recommended.
2024/8/29	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2024 Q2.	Duly noted. Proceeded as recommended.
2024/11/28	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2024 Q3.	Duly noted. Proceeded as recommended.

Note: Other proposals that should be submitted for review by the Audit Committee are handled in accordance with Article 14-5 of the Securities and Exchange Act.

B. Between independent directors and CPAs

The company's CPAs report audit plans, findings and results to the audit committee and discuss the company's financial and general business conditions by meetings.

Summarized discussion results between independent directors and CPAs as follows:

Date	Communication method	Audience	Content	Recommendations and actions
2024/02/22	Forum	Auditors	1. Presented results of the 2023 financial statement audit. 2. Reported on key audit items. 3. Reported on other important issues.	No objection
2024/05/23	Forum	Auditors	1. Presented results of the Q1 2024 financial statement audit. 2. Reported on other important issues.	No objection
2024/06/27	Forum	Auditors	1. Reported of the key audit items of the H1 2024 financial statement. 2. Reported on other important issues.	No objection
2024/08/22	Forum	Auditors	1. Presented results of the H1 2024 financial statement audit. 2. Reported on key audit items. 3. Reported on other important issues.	No objection
2024/11/28	Forum	Auditors	1. Presented results of the Q3 2024 financial statement audit. 2. Reported on other important issues.	No objection
2024/12/26	Forum	Auditors	1. Reported of the key audit items of the 2024 financial statement. 2. Reported on other important issues.	No objection
2025/02/20	Forum	Auditors	1. Presented results of the 2024 financial statement audit. 2. Reported on key audit items. 3. Reported on other important issues.	No objection

c. Disclosure information in accordance with the guidelines of the practical corporate governance of the holding industry Please refer to the company's website at: https://www.taishinholdings.com.tw/tsh/.

d. Status and deviations from the Corporate Governance Best-Practice Principles for Financial Holding Companies and the reasons.

Evaluation item	Yes	No	Implementation status Summary description	Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons
1. Shareholding Structure and Shareholders' Rights.				
(1) Does the financial holding company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?		✓	Taishin Holdings has set a "Contact us" platform on the Taishin Holdings website and discloses the "IR Contact" for shareholders that may use the platform to submit suggestions or report issues to the company. The company will have the relevant department handle suggestions, disputes, and legal matters appropriately.	No deviation
(2) Does the financial holding company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	✓		The shareholder services department is responsible for gathering information on Taishin's major shareholders. This information is also disclosed in Taishin's annual reports.	No deviation
(3) Has the financial holding company built and implemented a risk management system and a firewall between the Bank and its affiliates?			Risk management practices and firewalls that Taishin has established and implemented in affiliated companies: Taishin Holdings has established a Related Party Transaction Policy and rules of implementation to regulate transactions with stakeholders. Taishin Holdings and its main subsidiaries (including Taishin Bank, Taishin Life Insurance and Taishin Securities) have implemented security policies to protect their information systems. Access to sensitive information is protected by firewalls and is permitted only for risk management purposes and when instructed by the competent authority.	

Evaluation item	Yes	No	Implementation status: Summary description	Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons
2. Composition and responsibilities of the board of directors				
(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	✓		In accordance with Article 22 of the Corporate Governance Principles of the Company, the members of the Company's board of directors shall be selected with an emphasis on diversity, profession knowledge and skills, and taken gender, age, nationality, professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience into consideration; the board of directors of Taishin Bank shall determine the appropriate number of directors based on the scale of business development, the practical operational needs, the law, and the Articles of incorporation. The 9th board of directors consists of 7 members, including 3 independent directors (2 being female and 1 is a certified accountant). The members were selected with an emphasis on diversity. The membership consists of elite talents from banking, industries and academia, including 2 Ph.D. degree holders and 3 Masters degree holders. The members have an extensive range of expertise from business administration, finance, accounting, legal, physics, chemical and public administration. They possess the general knowledge, skills and competencies required to perform duties. In addition, the Company devotes attention to gender equality in the composition of the board of directors. In the 9th Board of Directors, Ms. Min-Yu Chang continuing to serve as independent director of the Company and of the subsidiary Taishin Bank. In addition, Ms. Mei-Hua Wang newly serves as independent director of the Company and of the subsidiary Taishin Bank. As a result, the number of female directors of the Company has increased from 1 to 2.	No deviation
(2) Has the financial holding company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	✓		In addition to the Remuneration Committee and the Audit Committee, which have been set up according to law, Taishin Holdings established the Risk Management Committee on December 28, 2017. Committee members shall be appointed by the board meeting, and the number of members shall be no less than three, and more than half of which shall be independent directors. The current term of committee members spans from July 1, 2024 to June 30, 2027; as of December 31, 2024, 4 committee meetings have been held and the attendance rate was 100%. Moreover, Taishin Holdings established the Nomination Committee on September 24, 2020, which is made up of two Independent Directors and one Director. The current term of committee members spans from July 1, 2024 to June 30, 2027; as of December 31, 2024, 3 committee meetings have been held. Taishin Holdings established the Corporate Sustainability Committee on November 17, 2022. Committee members shall be directors of either the Company or one of the Company's subsidiaries, and members shall be appointed to the Committee through a resolution from the Company's Board of Directors. The Committee shall be composed of at least three members, at least one of whom is an independent director of the Company. The current term of committee members spans from July 1, 2024, to June 30, 2027. Two committee meetings were held in 2024 and the attendance rate was 100%. Furthermore, Taishin Holdings has established administrative committees, including the Policy Committee, Asset and Liability Management Committee, Investor Relationship Committee, and Staff Conduct Review and Staff Performance Appraisal Committee, to review and oversee our business operations and strengthen corporate governance.	
(3) Has the TWSE/TPEx-listed financial holding company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	✓		In order to implement corporate governance, the Board of Directors of Taishin Holdings approved the enactment of the Board Performance Appraisal Guidelines on December 22, 2016, and requires a board performance evaluation be completed internally at least once a year and by a team of external experts at least once every three years. Regulation of the Board Performance Evaluation and the results are disclosed on the corporate website. Furthermore, the board of directors approved the addendums to the performance appraisal mechanisms for functional committees on November 28, 2019. The result above have been submitted to the 6th meeting of the 9th board of directors on September 26, 2024, and disclosed in the annual report and on the corporate website under "Corporate Governance". The objective assessment system is in place to improve director performance.	

<table>
<tr><th rowspan="2">Evaluation item</th><th rowspan="2">Yes</th><th rowspan="2">No</th><th>Implementation status</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons</th></tr>
<tr><th>Summary description</th></tr>
<tr><td>(4) Does the financial holding company regularly evaluate its external auditors' independence?</td><td>✓</td><td></td><td>Pursuant to Taishin Holdings's Corporate Governance Principles and Guidelines for Assessing Independence and Suitability of CPAs, Taishin Holdings conducts annual assessments of the independence of its CPAs. The results were submitted to and underwent deliberation in the 10th meeting of the 4rd Audit Committee and the 8th meeting of the 9th Board of Directors on December 26, 2024. Taishin Holdings deems that CPA Han-Ni Fang and Ching-Cheng Yang of Deloitte Taiwan meet Taishin Holdings' independence requirements (Note) and are sufficiently qualified to be Taishin Holdings' CPAs.
Note:
<table>
<tr><th>Assessment area</th><th>Assessment result</th><th>Compliance with independence</th></tr>
<tr><td>Not a stakeholder under Articles 44 or 45 of the Financial Holding Company Act.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>Does not have significant financial interest in the Company or any family member with significant financial interest in the Company that may affect independence.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>Has not served as a Director or Supervisor of the Company or held any other key positions at the Company that may have affected the audit services in the last two years.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>Does not concurrently conduct routine work for the Company while receiving a regular salary.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>Does not receive any business-related commissions.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>Has not served a term of more than seven consecutive years as the Company's CPA and has not returned to same position in two years after rotation or resignation.</td><td>Yes</td><td>Yes</td></tr>
<tr><td>The provision of non-assurance services by the CPA firm does not impair its independence in relation to the assurance services</td><td>Yes</td><td>Yes</td></tr>
</table>
</td><td>No deviation</td></tr>
<tr><td>3. Does the financial holding company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?</td><td>✓</td><td></td><td>Taishin Holdings appoints competent corporate governance personnel in an adequate number. On March 28, 2019, the Board of Directors approved the appointment of Executive Vice President Frank Lin, head of the Secretariat Division, as the Chief Corporate Governance Officer to be . Executive VP Lin has work experience related to management of public companies' meeting procedures for over eight years.
Main responsibilities of the Company's Chief Corporate Governance Officer include:
1. Handling matters relating to board meetings and shareholders meetings according to laws.
2. Producing minutes of board meetings and shareholders meetings.
3. Assisting in onboarding and continuous development of directors and supervisors.
4. Furnishing information required for business execution by directors and supervisors.
5. Assisting directors and supervisors with legal compliance.
6. Other matters set out in the articles of incorporation or contracts.
<table>
<tr><th>Date</th><th>Organizer</th><th>Course name</th><th>Training hours</th></tr>
<tr><td>9/6</td><td>Securities and Futures Institute</td><td>2024 Insider Trading Prevention Seminar</td><td>3</td></tr>
<tr><td>9/19</td><td>Taishin International Bank Co., Ltd.</td><td>Internal Ratings-Based Approach (IRB) - Quantification Model for Personal Banking</td><td>0.5</td></tr>
<tr><td>10/7</td><td>Chinese National Association of Industry and Commerce</td><td>2024 Taishin Net Zero Summit Towards a Low Carbon Future</td><td>3</td></tr>
<tr><td>10/17</td><td>Chinese National Association of Industry and Commerce</td><td>Fair Customer Treatment Principles and Financial Consumer Protection Act</td><td>2</td></tr>
<tr><td>10/17</td><td>Chinese National Association of Industry and Commerce</td><td>Friendly and Inclusive Finance</td><td>1</td></tr>
<tr><td>11/7</td><td>Chinese National Association of Industry and Commerce</td><td>International Norms and Domestic Regulations on Anti-money Laundering, Counter Terrorism Financing, and Anti-proliferation of Arms</td><td>2</td></tr>
<tr><td>11/7</td><td>Taishin International Bank Co., Ltd.</td><td>ESG and Corporate Sustainability in Cybersecurity Governance Strategies of TWSE/TPEX Listed Companies</td><td>1</td></tr>
</table>
</td><td>No deviation</td></tr>
</table>

Evaluation item	Yes	No	Implementation status Summary description	Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons
4. Has the financial holding company established channels for communicating with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	✓		1. Taishin Holdings complies with laws in the disclosure of financial, business and material information in the Market Observation Post System. This information is made publicly available simultaneously on our website. Taishin Holdings also has a designated spokesperson and investor relations mailbox available to serve as communication channels with stakeholders. 2. Taishin Holdings created a Stakeholders section on its website in 2015 as a means to communicate and compile queries and opinions from stakeholders (e.g., employees, suppliers, consumers, investors or customers), so that we can gain a better understanding of stakeholders' expectations, concerns, and needs. We have several teams responsible for communicating with stakeholders of different kinds and actively responding to topics that are of concern to them, and present the engagement results with stakeholders to the board of directors since 2018.	No deviation
5. Information Disclosure				
(1) Has the financial holding company established a website to disclose information regarding its financials, business, and corporate governance status?	✓		Taishin Holdings discloses financial, business and other information relevant to corporate governance on its website. This information is also reported online according to related regulations on material disclosure and public information.	No deviation
(2) Does the financial holding company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?			Taishin Holdings has established an English website and assigned various departments to gather and disclose information on a regular basis. In addition, a public information reporting system has also been created with personnel assigned to gather and disclose information via the system. Taishin Holdings has a spokesperson mechanism in place to facilitate external communications. All material information relevant to investors' interests are announced using the Market Observation Post System and press releases. The spokesperson provides further elaboration where deemed necessary. Taishin Holdings prepares its Sustainability Report in both Chinese and English. This report is made accessible at our website and on the Market Observation Post System (MOPS). Taishin Holdings holds quarterly investor conferences in principle; conference proceedings are recorded and uploaded onto our website and the MOPS on the same day.	
(3) Does the financial holding company publish and report its annual financial report within the time limit after the end of the fiscal year according to the Financial Holding Company Act and the Securities Exchange Act, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?			1. Taishin Holdings made public and filed its 2024 annual financial statements early, within two months after the end of the fiscal year. 2. Taishin Holdings made public and filed its financial statements for Q1, Q2, and Q3 of 2024 before the deadline, and made public and filed monthly operating status before the deadline. In 2025, we intend to make public and file our financial statements for Q1, Q2, and Q3, as well as monthly operating status before the deadline.	

Evaluation item	Yes	No	Implementation status Summary description	Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons
6. Has the financial holding company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, purchasing liability insurance for directors and supervisors and donation to political parties, stakeholders, and charity organizations)?	✓		1. Employee rights and care for employees: Taishin Holdings places emphasis on the rights and interests of employees and on harmonious employer-employee relationships. For this reason, an employee relations unit has been created to instantly respond to employee queries. Taishin Holdings believes that satisfied employees are the key to satisfied customers. The Chairman and the management have long dedicated themselves to building a work environment characterized by respect, care, support and self-motivated growth. By organizing various events and providing communication channels and learning resources, employees are given the chance to work in a humane, respectful and progressive environment, and to grow simultaneously with Taishin Holdings free from any unnecessary worries. (1) Offering of competitive remuneration and welfare packages A. Remuneration: Taishin Holdings offers competitive salary levels in order to recruit and retain top talents. B. Employee assistance program: Taishin Holdings engages specialists from Teacher Chang Foundation to help employees resolve their problems outside of work. C. Employee Welfare Committee: The Committee organizes a variety of events such as birthday celebrations, trips, hiking events, and ball games and competitions to enrich employees' lifestyles and enhance teamwork. D. Taishin Stress Relief Workshop: Taishin Holdings hires blind masseurs and masseuses to help employees relieve work stress, creating a happy and healthy work environment while contributing towards charity. (2) Taishin Holdings respects the opinions of its employees and has smooth communication channels in place. A. Employee Engagement Survey: All employees are invited to participate in online surveys as a means of formal employer-employee communication. The survey also helps to raise the level of employee engagement within Taishin Holdings. B. Regular morning meetings: These meetings are organized to discuss business process re-engineering, key projects, and to recognize employees who have displayed the values of Taishin in their work. Through the use of two-way communication, employees are able to align themselves with the corporate culture and values. 2. Investor relations: In addition to organizing quarterly corporate investors' conferences and participating in domestic and overseas investor forums and road shows from time to time, through its Investor Relations Department, Taishin Holdings also communicates with investors regarding relevant issues via various channels including e-mail, telephone, or face-to-face meetings. Moreover, information disclosure is made through Taishin's website. 3. Protection of consumers' interests/Customer policy: Taishin Holdings and all its subsidiaries adopt stringent measures to protect customer information. The group has adopted personal information management policies, information security policies, firewalls, and customer information confidentiality measures in accordance with the Financial Holding Company Act, Guidelines for Cross Marketing Among Subsidiaries of Financial Holding Companies, Personal Data Protection Act and other relevant regulations stipulated by the competent authority, so as to fulfill our duties of keeping customer information confidential and safeguarding customer information security. 4. Risk management policy and risk assessment standards: Taishin Holdings and each of its main subsidiaries have independent risk management units. We have also committed substantial resources to the development of risk management mechanism, and implement our risk management policy to control the overall credit, market and operational risks through qualitative and quantitative methods. Such methods include, but not limited to, the continuous strengthening of the subsidiary's operating risk detection mechanism, investment/post-investment management mechanism, and a risk management empowerment mechanism for the first line of defense. 5. Status of Directors' continuing education: Taishin Holdings' Directors have all completed the required training hours; the progress of their training has been updated onto the Market Observation Post System according to regulations. 6. Taishin Holdings has purchased liability insurance for Directors. These insurance policies are reviewed on a yearly basis to ensure adequate coverage.	No deviation
7. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the bank was not included among the companies evaluated for the given recent year, this item does not need to be completed.)	✓		1. Taishin Holdings performed splendidly in Taiwan Stock Exchange's 11th Corporate Governance Evaluation, and has been chosen as one of the constituent stocks of the TWSE CG100 Index since June 2015. 2. Taishin FHC is committed to providing support in four areas, which are : charity and welfare, arts and culture, sports sponsorship, and financial education. Taishin FHC is dedicated to supporting the development of domestic culture, and discloses its support methods and achievements though its official website, annual report, and sustainability report.	No deviation

Note 1: Provide details in the comments regardless of the answer.

e. Status of structure, responsibilities and operations of the Remuneration Committee

1. Members of the Remuneration Committee

Position	Qualifications / Name	Professional Qualification and Experiences	Independence Criteria	Number of positions as Remuneration Committee member in other public companies
Independent Director (Convener)	Chang, Min-Yu	Industry experience/Professional training: Financial holding, banking, accounting, information technology, risk management Principal Experience: · Independent Director of Taishin Holdings and Taishin Bank · Executive CPA of Zhongxin United CPA Firm · Supervisor of Leo Systems · Director of Chang Hwa Bank · Reorganizer of First International Telecom · Director of Chi-Tun Consulting Does any of the conditions stated in Article 30 of The Company Act apply: None	(1) Conforming to Articles 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (2) Not in violation of Article 4-1 of the Regulations Governing Qualification Requirements for the Founder or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company.	1
Independent Director	Wang, Mei-Hua	Industry experience/Professional training: banking, accounting, information technology, risk management Job Experience: · Independent Director of Taishin FHC and Taishin Bank · Ministry of Economic of Affairs, Minster · Ministry of Economic of Affairs, Deputy Minster · Ministry of Economic of Affairs, Vice Minster · Intellectual Property Office, Director General Does any of the conditions stated in Article 30 of The Company Act apply: None	(1) Conforming to Articles 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (2) Not in violation of Article 4-1 of the Regulations Governing Qualification Requirements for the Founder or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company.	0
Independent Director	Kuan, Kuo-Lin	Industry experience/Professional training: banking, insurance, risk management Job Experience: · Independent Director of Taishin FHC · Independent Director of Taishin Life Insurance · Senior Consultant of McKinsey · Chairman and CEO of Citibank Taiwan · Head of Retail Banking of Citibank Taiwan · Director of Citibank Insurance Brokerage and Citibank Property Insurance Brokerage Does any of the conditions stated in Article 30 of The Company Act apply: None	(1) Conforming to Articles 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (2) Not in violation of Article 4-1 of the Regulations Governing Qualification Requirements for the Founder or Responsible Persons of Financial Holding Companies and Concurrent Serving Restrictions and Matters for Compliance by the Responsible Persons of a Financial Holding Company.	0

2. Status of Operations of the Remuneration Committee

(1) The fifth term of the company's remuneration committee consists of three members.

Term of service: From July 23, 2021 until June 30, 2024. The remuneration committee had held 3 meetings between Jan. 1, 2024, and June 30, 2024.

(A) details of members' attendance are as follows:

Title	Name	Actual Attendance (B)	Proxy Attendance	Actual attendance rate (%) (B/A)	Remarks
Convener	Lin, Yi-Fu	3	0	100	
Member	Chang, Min-Yu	3	0	100	
Member	Kuan, Kuo-Lin	3	0	100	

The duties of the Committee are as follows, and its recommendations will be presented to the board of directors for discussion.

· Stipulate and review regularly the compensation policies, systems, standards and structures, and performance of directors and managers.

· Regularly review and adjust director and manager remuneration.

(2) The sixth term of the company's remuneration committee consists of three members.

Term of service: From July 1, 2024 until June 30, 2027. The remuneration committee hadn’t held meeting between July 1, 2024, and Dec. 31, 2024

(A) details of members' attendance are as follows:

Title	Name	Actual Attendance (B)	Proxy Attendance	Actual attendance rate (%) (B/A)	Remarks
Convener	Chang, Min-Yu	0	0	-	
Member	Wang, Mei-Hua	0	0	-	
Member	Kuan, Kuo-Lin	0	0	-	

The duties of the Committee are as follows, and its recommendations will be presented to the board of directors for discussion.

· Stipulate and review regularly the compensation policies, systems, standards and structures, and performance of directors and managers.

· Regularly review and adjust director and manager remuneration.

(3) Remuneration Committee practices

Remuneration Committee	Agenda and follow-up	Resolutions	Company reaction base on the opinion of Remuneration Committee
8th meeting of 5th- term committee on Jan. 11, 2024	1. Proposal for the 2023 year-end bonus plan of the Company. 2. Proposal for the 2023 Taishin Stock Appreciation Rights Program. 3. Proposal for the number of months paid to Taishin FHC directors for 2023. 4. Proposal to pay the compensation of Taishin FHC directors reserved and deferred in 2022.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
9th meeting of 5th- term committee on Jan. 25, 024	1. Proposal for the year-end bonus of the chief consultant of Taishin Financial Holdings and Taishin Bank in 2023. 2. Proposal for the year-end bonus of the senior consultant of the Company in 2023	Passed by a unanimous vote	
	3. Proposal for distribution of Taishin FHC director and employee remuneration for 2023.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote

Remuneration Committee	Agenda and follow-up	Resolutions	Company reaction base on the opinion of Remuneration Committee
10th meeting of 5th- term committee on March 14, 2024	2023 performance appraisal results for the persons assigned by Taishin FHC to perform specific duty in subsidiaries.	Noted	-
	1. Proposal for review of Taishin FHC's director remuneration policies. 2. Proposal for review Taishin FHC's manager remuneration policies. 3. Proposal for 2024 salary adjustment of Taishin FHC's Executives. 4. Proposal for adjustment of monthly remuneration for the chairperson of Taishin FHC.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote

Other remarks:
1. In the event where a Remuneration Committee proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the agenda, the board's resolution, and the way the company processed the Remuneration Committee's proposals (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.
2. Should any member object or express qualified opinions to a resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the agenda, the entire members' opinions, and how their opinions were addressed: None.

f. Member Information and Operations of the Nomination Committee

1. Describe the eligibility requirements and responsibilities of members of the Nomination Committee:

The Company appoints at least three directors to serve on the Nomination Committee, among whom at least half should be independent directors.

The role and responsibilities of the Committee are as follows:

(1) To recommend a list of director candidates for nomination to the Board.

(2) To establish and to review the continuing education programs for directors.

(3) To examine the Regulation of the Board Performance Evaluation and to evaluate the Regulation of the Board Performance Evaluation's implementation results.

(4) To examine the Company's Ethical Corporate Management Best Practice Principles and to evaluate the Ethical Corporate Management Best Practice Principles' implementation results.

2. Professional Qualifications and Experiences and Operations of the Nomination Committee:

(1) The Nomination Committee consists of 3 members.

(2) Current term (the 3rd committee) of office: From July 1, 2024 to June 30, 2027. The Nomination Committee met 3 times in the last year (2024). The professional qualifications and experiences, attendance, agenda items are as follows:

Term	Title	Name	Professional qualifications and experiences	Actual Attendance	Attendances by proxy	Attendance rate (%)	Notes
The 2nd committee	Convener	Kuo, Jui-Sung	Financial holding, banking, information technology, risk management	2	0	100.00	Left office (The Board of Directors appointed members for the 3rd committee members on July 1, 2024; the term of the 2nd committee members ended on June 30, 2024)
	Committee Members	Lin, Yi-Fu	Financial holding, banking, accounting, risk management	2	0	100.00	
	Committee Members	Chang, Min-Yu	Financial holding, banking, accounting, information technology, risk management	2	0	100.00	
The 3rd committee	Convener	Kuo, Jui-Sung	Financial holding, banking, information technology, risk management	1	0	100.00	Serving consecutive terms (Appointed and commenced duty on July 1, 2024)
	Committee Members	Kuan, Kuo-Lin	Financial holding, banking, insurance, risk management	1	0	100.00	Newly serving (Appointed and commenced duty on July 1, 2024)
	Committee Members	Chang, Min-Yu	Financial holding, banking, accounting, information technology, risk management	1	0	100.00	Serving consecutive terms (Appointed and commenced duty on July 1, 2024)

Note 1: The actual attendance rate (%) is calculated by the number of Nomination Committee meetings and the number of times the members actually attended the meetings during a term.

Note 2: Please refer to Director Information 2 for details on the members' experiences.

Other items of mandatory registration:

Describe the date, session, and agenda of the meeting involving major agenda, members' suggestions or objections, resolutions of the Nomination Committee, and the company's responses to the Nomination Committee's opinions:

Nomination Committee Date and Session	Nomination Committee Major agenda items	Nomination Committee Resolutions	Nomination Committee members' suggestions or objections	The company's responses to the Nomination Committee's opinions
2024/03/28 7th meeting of the 2nd Nomination Committee	Status of ethical corporate management in 2023	Approved	None	N/A
2024/05/02 8th meeting of the 2nd Nomination Committee	Nomination for the 9th board of directors (and independent directors)	Approved	None	N/A
2024/09/26 1st meeting of the 3rd Nomination Committee	Performance evaluation reports on the board of directors and functional committees	Approved	None	N/A
	2025 continuing education plan for directors	Approved	None	N/A

g. Fulfillment of social responsibilities

<table>
<tr><th rowspan="2">Assessment area</th><th colspan="3">Practices (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td>1. Does the company have a unit that specializes (or is involved) in Sustainable Development practices? Is the Sustainable Development unit run by senior management and does it report its progress to the board of directors?</td><td>✓</td><td></td><td>Taishin established the Corporate Sustainability Committee to strengthen the Company's sustainable development governance. In principle, the Committee convenes two scheduled meetings a year, while unscheduled meetings may be held when necessary. Furthermore, a dedicated unit for promoting sustainable development, the Corporate Sustainability Office, was also set up. It consists of functional teams including corporate governance, responsible finance, smart services, employee care, green operations, and social inclusion. The functional teams are responsible for proposing the annual sustainability plan for the year, reviewing the implementation results of the previous year, tracking the implementation results of each plan every six months, and reporting to the Corporate Sustainability Committee every six months and report to the Board of Directors at least once a year. These measures allow the company to implement its sustainability development plan. In 2024, the Corporate Sustainability Committee convened two meetings, including the 2025 ESG project plan, internal control systems for sustainability information management, corporate clients' low-carbon transformation, implementation of inclusive finance, intellectual property management plan, and stakeholder communication. Corporate Sustainability Report, annual sustainability results and major plans are submitted to the Board of Directors of Financial Holdings for approval.</td><td>No deviation</td></tr>
<tr><td>2. Does the company follow the materiality principle when conducting the risk assessment of environmental, social and corporate governance topics relevant to its business activities and devise risk management policies and strategies accordingly? (Note4)</td><td>✓</td><td></td><td>Taishin FHC refers to the recommended steps of the GRI Standards and the concept of double materiality to identify material topics and consolidate the sustainability themes related to the Company's operations. Sustainability topics relevant to the company were assessed by the level of stakeholder concern and the impact on the environment, economy, and society. Taishin FHC followed the materiality principle and assessed risks associated with key topics, and devised risk management policies, strategies, and responses accordingly.
The company's climate-related risk strategy is also explained in detail in "8. Climate-related information of financial holding companies".
<table>
<tr><th>Topics</th><th>Risk assessment items</th><th>Risk Policy / Strategies / Response methods / Opportunities</th></tr>
<tr><td>Environment</td><td>Green Operations Management</td><td>◆ Formulated the "Internal Carbon Pricing Guidelines" to promote the low-carbon operation transformation plan of the whole financial holding, and apply the internal carbon pricing mechanism to the company's capital expenditure decision-making.
◆ Establishment of the "Environmental Sustainability Policy" and ongoing execution of environmental protection, energy conservation, carbon reduction, and energy efficiency improvement measures for lowering environmental impact.
◆ To ensure that all energy conservation and environment-related activities are compliant with laws, and to mobilize employees into pollution prevention, energy conservation, and carbon reduction activities.
◆ Adopt ISO 14001, ISO 14064-1:2018 and ISO 50001 standards and expand the scope of inventories each year."</td></tr>
<tr><td>Society</td><td>Talent Recruitment and Cultivation</td><td>◆ Establishment of the "Employee Training Guidelines", "Employee Self-development Subsidy Guidelines", and "Employee OJT Subsidy Guidelines", and the use of the Kirkpatrick Model for assessing training outcome.
◆ Direct attention towards diversity, fairness and employees' rights, and provide abundant and diverse learning channels. Recruit the most suitable and talented employees through diversified channels.
◆ Design learning programs for different stages of career development, and introduce diverse learning solutions that conform with changes in the financial environment. Ensure zero difference in recruitment and promotion based on gender to implement Taishin's policy of diversity and non-discrimination.</td></tr>
<tr><td>Corporate governance</td><td>Sustainable Finance</td><td>◆ Formulated the "Sustainable Finance Policy", actively managed environmental, social and governance-related risks, and incorporated them into consideration in transaction decisions, and implement the Taishin FHC and its subsidiaries to promote the development of sustainable finance.
◆ Formulate the "Guidelines for Loan Applications Applicable to the Equator Principles" and the "Environmental and Social Risk Assessment Form"
◆ Establish the ""Announcement of Environmental and Social Risk Management Sector Guidelines"" to understand the appropriateness of the partner's management of major environmental and social issues to improve the basis for decision-making.
◆ Follow the "Stewardship Principles for Institutional Investors" in accordance with the PRI to create voting policies for the management.</td></tr>
</table></td><td>No deviation</td></tr>
</table>

<table>
<tr><th rowspan="2">Assessment area</th><th colspan="3">Practices (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td colspan="5">3. Environmental issues</td></tr>
<tr><td>(1) Does the company have in place a suitable environmental management system based on the characteristics of the industry?</td><td>✓</td><td></td><td>In accordance with the"Taishin Financial Holding Company Environmental Sustainability Management Manual", the company has formulated the "Environmental Sustainability Policy", and continues to conduct ISO14064-1 Greenhouse Gas Inventory, ISO 14001 Environmental management systems, and ISO 50001 Energy Management System, and the company also has followed "Energy Review, Baseline and Performance Indicator Management Operation Procedures" to inspect progress on the environmental targets, analyze energy usage in different periods, and, given the nature of business, set necessary performance benchmarks. In 2024, the Company expanded the boundary of ISO14064-1 certification (assurance) to include domestic and foreign subsidiaries under its consolidated financial statements, and at the same time complied with the Financial Supervisory Commission's " Sustainable Development Roadmap for TWSE- and TPEx-Listed Companies" by strengthening control over carbon emissions of the entire financial holding company and evaluating, on a regular basis, the attainment rate of science-based targets (SBT).

In 2024, all 151 business locations of the Company (including 101 branches of the subsidiary bank) passed the MOE green living and green office certification. The Company continues internally to follow the MOE green office standards and raises the number of supporting measures in order to create a low carbon environment and implement a comprehensive environmental sustainability management policy that works both inside and outside the Company.

Taishin Environmental Management Process

<table><tr><th>ISO international standards</th><th>Scope of 2024 inventory</th><th>Future plans</th></tr><tr><td>ISO 14064-1
Greenhouse Gas Inventory</td><td>Taishin FHC
(including subsidiaries and Second-tier subsidiary)</td><td>Continuously execution</td></tr><tr><td>ISO 14001
Environmental Management System</td><td>Taishin FHC
(including subsidiaries)</td><td>Continuously execution</td></tr><tr><td>ISO 50001
Energy Management System</td><td>Taishin FHC
(including subsidiaries)</td><td>Continuously execution</td></tr></table></td><td>No deviation</td></tr>
</table>

Assessment area	Practices (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)
	Yes	No	Summary (Note 2)	
(2) Does the company work to improve resource utilization efficiency and use recycled materials that have a low impact on the environment?	✓		1. Resource recycling and waste management The company continues to support the Taipei City Government's ban on disposable and melamine tableware and require employees to bring their own environmental friendly cups, print double-sided and recycle paper, and set up stationery recycling boxes to create a green office environment. The company also hires a qualified professional cleaning service provider to recycle and process waste. In 2023, the Company was first to introduce smart recycling machines, which were installed in 10 of the Company's offices in northern, central, and southern Taiwan and made available to employees and the public. These machines serve as stationary points of recycling for PET bottles and batteries 24 hours a day. In 2024, the Company installed additional smart recycling machines at 12 locations, including 9 university campuses across northern, central, and southern Taiwan and 3 MRT stations in New Taipei City. Furthermore, these machines have been configured with additional function to recycle aluminum cans for greater convenience. As of 2024, these 22 locations across Taiwan recycled a total of 55,616 batteries, 65,099 PET bottles, and 6,630 aluminum cans, reducing carbon emissions from plastic recycling by approximately 550,020 kgCO2, equivalent to the annual carbon absorption capacity of 45,835 trees. 2. Green procurement In order to reduce carbon footprint of items purchased, the company states in the "Supplier Maintenance and Management Guidelines" that priority should be given to purchasing products with environmental protection, water-saving, energy-saving, or green building materials labels or meeting other green procurement requirements. The percentage of green procurement has also been made part of executive performance evaluation. The sum of green procurements in 2024 amounted to NT$226 million (up 20.6%), representing 6.5% of total procurement. The sum of green procurements had multiplied year after year, and in August, the Company was awarded the Outstanding Unit of Green Procurement of NT$50 million or more by the Environmental Protection Administration. The Company's green procurement efforts started with IT products, energy-saving appliances, office supplies, electric vehicles, and renewable energy; in 2024, new items such as employee uniforms made of environmentally friendly materials and FSC-certified business cards were added. The Company will continue looking for new green procurement opportunities in the future. 3. Products and services Combined with the digital development strategy, Taishin is committed to reducing paper consumption in the operation process through innovative proposals and Business Process Management (BPM), and actively promotes paperless through system update and optimization, paperless business, and electronic billing. In recent years, we have continued to improve customer digital services, allowing customers to fill in electronic forms or directly handle various financial services online through physical and virtual channels, effectively reducing the number of physical paper applications, inquiries, printing, delivery, publicity and other operations, while improving the quality of customer service and the processing time of banks. By the end of 2024, our efforts resulted in the conservation of 11,198,110 sheets of paper, which is equivalent to a reduction of 72 tons.	No deviation

<table>
<tr><th rowspan="2">Assessment area</th><th colspan="3">Practices (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td>(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?</td><td rowspan="2">✓</td><td rowspan="2"></td><td>1. Taishin considers the types of climate risks and opportunities recommended by the TCFD and regularly evaluates its own operations, investments, credit , collateral, and the insured based on business characteristics and relevance. From each aspect, 16 climate risk and opportunity issues are selected. These are then assessed using a materiality matrix based on three dimensions: "probability of occurrence," "degree of impact," and "controllability." This process helps identify the impact scope across the value chain and categorize the risks and opportunities into short-, medium-, and long-term horizons.
2. Based on the above process, Taishin has identified the following as material climate risks: increased climate/environmental regulations, more frequent and severe natural disasters, and fluctuations in energy/resource prices. Key climate opportunities include: the trend of digital finance, green offices/energy-saving buildings, and building a low-carbon brand image. Taishin further quantifies the financial impacts of these items and, to mitigate climate-related impacts, has formulated two major strategic pillars: “net-zero carbon emissions in financial services” and “environmental sustainability in its own operations,” under which concrete action plans have been developed.</td><td rowspan="2">No deviation</td></tr>
<tr><td>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on greenhouse gas reduction, water reduction, or waste management?</td><td>GHG Emissions, Water consumption and Waste in last 2 years
1. GHG Emissions in last 2 years:
In 2023, the boundaries of inventory included Taishin FHC and its subsidiaries. In 2024, the boundaries of inventory were expanded to include domestic and foreign subsidiaries (include second-tier subsidiaries) under the consolidated financial statements of Taishin FHC. Complete assurance information has been disclosed in the Taishin FHC Sustainability Report.
<table>
<tr><th>Year</th><th>Scope1 (tCO2e)</th><th>Scope2 (tCO2e)(Note 1)</th><th>Intensity (tCO2e/NT$ million revenue)</th></tr>
<tr><td>2023</td><td>1,465</td><td>16,466</td><td>0.26</td></tr>
<tr><td>2024</td><td>1,932</td><td>16,450</td><td>0.21</td></tr>
</table>
Note 1: Scope 2 is disclosed on a market-based approach.
2. Water consumption in last 2 years:
The original water withdrawal was calculated based on Taishin Bank and Taishin FHC, and was estimated based on the percentage of employees. From 2024 onwards, the scope of water withdrawal statistics was expanded to include domestic and foreign subsidiaries (include second-tier subsidiaries) under the consolidated financial statements of Taishin FHC (excluding Taishin bank’s 15 branches, Taishin Financial Leasing and other overseas offices that were unable to separate water consumption). Therefore, figures in 2024 were used to retrospectively estimate water withdrawal in 2023.
<table>
<tr><th>Year</th><th>Total water consumption: (Kiloliter)</th><th>Intensity (Kiloliter/NT$ million revenue)</th></tr>
<tr><td>2023</td><td>224,542</td><td>3.21</td></tr>
<tr><td>2024</td><td>240,852</td><td>2.78</td></tr>
</table>
3. Waste in last 2 years:
The Company calculated per capita waste based on the total waste generated from its main buildings—Neihu Building, Taishin Tower, Jianbei Building, Ren’ai Building (added in 2024), and the Life Insurance Building—and then estimated total waste based on the per capita waste and the number of employees of the Company.
<table>
<tr><th>Year</th><th>Total waste (ton)</th><th>Intensity (ton/NT$ million revenue)</th></tr>
<tr><td>2023</td><td>795.04</td><td>0.01</td></tr>
<tr><td>2024</td><td>745.54</td><td>0.01</td></tr>
</table>
The company has included its environmental protection measures and statistics, as well as its quantitative management targets for the coming years in the Taishin FHC Sustainability Report in accordance with Article 16 and Article 17 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. The report is made available on the Taishin FHC website (Taishin Holdings/CSR/). Please visit https://www.taishinholdings.com.tw/human/human_07.jsp.</td></tr>
</table>

Assessment area	Practices (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)
	Yes	No	Summary (Note 2)	
4. Social issues				
(1) Does the company have adequate management policies and procedures in place pursuant to the applicable regulations and the International Bill of Human Rights?	✓		Taishin is committed to protection of human rights and values; compliance with the Universal Declaration of Human Rights, the International Labor Organization, the UN Guiding Principles on Business & Human Rights, and the Equator Principles; and adherence to the laws of the Republic of China as well as local laws and regulations applicable to different offices. In addition to complying with the conventions and recommendations of the International Labor Organization (ILO) on prohibition of forced or compulsory labor, minimum age of admission to employment, regulation of working time, and weekly rest periods, Taishin devises reasonable work rules and employment guidelines in accordance with the Labor Standards Act, Gender Equality in Employment Act, the Employment Service Act, and other labor laws promulgated by the competent authorities, and discloses the above rules after they are filed with the competent authorities in order to protect the rights of its employees. Taishin also takes steps to ensure that all overseas locations (including branches, offices and preparatory offices) are able to comply with local labor regulations and set reasonable work terms to protect the interests of local employees. Furthermore, Taishin not only ensures equality in pay, employment policy, training, and promotion opportunities, but also implements measures to protect female employees and creates a friendly workplace of equality. In addition, Taishin takes action to support international human rights regulations by releasing employment and human right protection statements on its private and public websites, and providing real or virtual training courses. We aim to raise awareness of human rights and gender equality in the workplace. There's no human rights violation by the Company in 2024.	No deviation
(2) Does the company establish and implement reasonable employee benefits (including remuneration, leave, and other benefits), and ensure business performance or results are reflected adequately in employee remuneration?			Taishin participates in market-wide salary surveys annually, and designs a fair and incentive compensation system. Each year, Taishin plans year-end bonuses based on company performance and individual performance to reward employees for their effort and contributions. In addition, to avoid putting too much emphasis on short-term performance, and to encourage employees to develop long-term collaboration and enjoy long-term growth together, Taishin utilizes long-term incentive plans - Employee Share Ownership Trust Program and Taishin Stock Appreciation Rights Program - as a means of employee retention. Meanwhile, Taishin provides benefits above the requirements of the Labor Standards Act. These benefits include an employee stock ownership trust, physical examinations, and rank-based holidays superior to statutory requirements. The Company has rewarded its employees with competitive compensation and welfare packages and has been one of the constituent stocks of of TWSE Taiwan High Compensation 100 index since 2014.	

<table>
<tr><th rowspan="2">Assessment area</th><th colspan="3">Practices (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td>(3) Does the company provide a safe and healthy work environment and organize regular health and safety training for employees?</td><td>✓</td><td></td><td>To prevent occupational disasters and maintain employee health and safety, the company has implemented the Taishin FHC Occupational Health and Safety Policy and the Health and Safety Guidelines. The company, guided by Diligence and Sustainability, sets out to create a well-constructed zero occupational accident and low risk workplace of health and safety. The company is committed to putting people first and establish an essentially safe and healthy work environment.The company's occupational safety and health work is divided into five major categories as below.
1. The structure of workplace safety and health management:
The Taishin Bank Neihu Building passed ISO 45001 occupational health and safety management systems in 2020. ISO 45001 remains valid and continues to be effectively implemented in 2024. Taishin Bank follows ISO 45001 hazard identification and assessment of risks, compliance, internal audit, management review, and nonconformity and health and safety corrective action procedures to perform regular risk assessments and hazard identification for the work environment. The company has created the Occupational Health and Safety Committee that meets quarterly to review occupational health and safety policies and management plans, results of health and safety training, results of work environment monitoring, occupational accident surveys and other health and safety proposals. The committee is dedicated to providing a zero harm workplace.
2. Providing a healthy and safety work environment:
To provide a healthy and safety work environment, the company, in addition to work environment monitoring of carbon dioxide and illuminance, fire exist maintenance reporting, and public safety inspection for buildings as required by law, has AED equipment, and AED Equipped certification in all major buildings. Committed to providing a legally compliant and safety work environment, the company promotes a smoke free workplace on an ongoing basis. All offices in the country prohibit employees and suppliers to smoke in smoke free places.
3. Occupational health and safety training courses:
The company, as required by law, provides on-the-job health and safety training for new hires and active employees. Road safety campaigns, various safety awareness seminars, information sessions on the Tobacco Hazards Prevention Act, and fire drills are organized as needed. The company also take initiative to send employees to receive training for fire safety managers, first aid attendants, and occupational health and safety managers and obtain certification. The goal is to improve general knowledge of occupational health and safety, emergency response (and first aid) management and practical hazard prevention among employees in order to bring all employees to supporting a corporate culture of occupational health and safety.
4. Occupational injury prevention:
By analyzing the types of hazards causing employees' occupational injuries and incidents, Taishin did not incur any fire hazards or major occupational hazards in 2024. All applications for occupational injury leaves made by Taishin employees involved injuries caused by traffic accidents and not occupational hazards defined by the Occupational Safety and Health Act. From time to time, Taishin Bank arranges for officers of the Taipei City Police Department to give seminars on handling traffic accidents, right of way and road safety. The purpose of these course is to reduce the frequency of traffic accidents for employees through information.
5. The healthy service of employee:
With regards to regular health checks, the company offers benefits that exceed legal requirement standards, and subsidizes health checkups once every two years for general staff and once per year for managerial staff. The Company started trial run of an innovative measure called "cumulative deferral of health checkup subsidy" in 2023, and the measure was later expanded to cover all subsidiaries in 2024, thereby allowing more than 10,000 employees to enjoy cumulative deferral of health check-up subsidies; meanwhile, the amount of health checkup subsidy for entry-level employees has also been increased, so that employees may take up broader and more comprehensive range of health checkups. With on-site medical consultation services to carry out health management, health education and four major hazard prevention programs, the Company also conducts health promotion courses, such as office stretching, infectious diseases and chronic diseases, etc. In order to lower the impact of infection diseases and provide a healthy and safe work environment, the company encourages employees to get flu vaccines and provides an allowance. Corporate flu vaccination events are organized every year. In addition, the company won the Gold Award for Epidemic Prevention from the Corporate Epidemic Prevention Alliance in 2024.</td><td>No deviation</td></tr>
</table>

Assessment area	Practices (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)
	Yes	No	Summary (Note 2)	
(4) Does the company have in place effective tools to help employees with career planning and development?	✓		In addition to planning a complete orientation for new recruits, and conducting annual training needs inventory and course arrangement for each division, the Bank also uses the individual development plan (IDP) and the ten-thousand-point training credit system to meet the needs of employees' self-learning and career development.	No deviation
(5) Does the Company comply with relevant laws and international standards in relation to customer health and safety, customer privacy, marketing, and labeling of products and services, and does it establish relevant consumer protection policies and grievance procedures?	✓		The company established a customer complaint processing procedure according to the Fair Customer Treatment Principles for Financial Institutions in order to protect customers' rights and contribute to a corporate culture that upholds fair customer treatment. Taishin Bank, one of the company's subsidiaries, is used as an example as follows: 1. Implementing polices and procedures: The Taishin International Bank Fair Customer Treatment Policy and the Taishin International Bank Consumer Dispute Resolution System have been established to provide a basis for handling customer disputes. The aims are resolving customer disputes as soon as possible, improving the quality of solutions of customer grievance, and implementing fair customer treatment. 2. Appointing units and personnel: To provide adequate response to customer complaints, a representative should telephone the customer within one working day after a complaint is accepted to find out details of the complaint. The representative should also, within the prescribed time limit, reach a consensus with the customer, and resolve the complaint as appropriate. 3. Creating different feedback channels: The company has a comprehensive list of channels, including "the customer feedback form" in branches, "the customer feedback hotline" and "complaint mailbox" at the head office, "the 24-hour customer service hotline", and the "Contact me" message board on the corporate website. The company always responds to customer feedback or suggestions in a timely manner.	No deviation
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		The Company observes internal policies such as "Supplier Management Regulations" and "Supplier Maintenance and Management Guidelines" to ensure that suppliers are able to provide products and services in line with requirements, deliver consistent quality, and duly adopt ESG practices. These internal policies help enhance sustainability management over suppliers. All suppliers that the Company has procurement relationship with must sign the "Supplier Commitment Statement" or furnish a copy of its "Supplier Principles" (that contains the same terms as the Supplier Commitment Statement) when signing the contract, and abide by corporate ethics and integrity, risk management, labor and human rights, social welfare, and environmental protection principles. 100% of suppliers had signed the Supplier Commitment Statement. In addition, we evaluate suppliers through methods such as "satisfaction survey," "supplier self-assessment questionnaire," "Supplier Human Rights Risk Assessment questionnaires," "supplier assessment," and "supplier conference." The Company has been hosting supplier conferences for six consecutive years since 2019 to address issues such as "Sustainable Procurement and Carbon Management Trends," "Human Rights Management," "Sustainability and Net Zero," and "Internal Carbon Pricing," and continues to promote and enhance suppliers' knowledge toward sustainability. The 2024 conference centered around the theme - "Green Procurement" and saw participation from nearly 100 suppliers and purchasers. The conference introduced participants to the history of the Company's green procurement efforts, the reporting method, the common standards, as well as the process by which participants may apply green labels to products that meet the standards. The conference not only promotes environment-friendly practices, but also helps add value to suppliers' brands and products.	No deviation
5. Does the company prepare sustainable development reports and other reports that disclose non-financial information by following international reporting standards or guidelines? Does the company obtain third-party assurance or qualified opinion for the reports above?	✓		Information of Taishin FHC Sustainability Report has been disclosed in accordance with Global Reporting Initiative (GRI)'s sustainability reporting standards (GRI Standards), the Commercial Banks (CB) issued by the Sustainability Accounting Standards Board (SASB) and "Sustainability indicators disclosed by listed companies within the financial and insurance industry and "Climate change related information disclosed by TWSE/TPEx companies" required by "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies." Taishin FHC regularly publishes Sustainability Report every year in accordance with the regulations of the competent authority, and complies with the framework spirit of the Integrated Reporting (IR) of the International Integrated Reporting Council (IIRC), including corporate governance, environmental sustainability, and social care prospects. Taishin FHC entrusted BSI Taiwan for verification in accordance with the GRI Standards and the AA1000AS v3 Type 2 Medium Level Assurance. The Company has entrusted KPMG Taiwan to conduct limited assurance on specific performance indicators in accordance with ISAE3000.	No deviation

<table>
<tr><th rowspan="2">Assessment area</th><th colspan="3">Practices (Note 1)</th><th rowspan="2">Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reasons (Note 3)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td colspan="5">6. Describe the difference, if any, between actual practice and the sustainable development principles, if the company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies: No deviation.</td></tr>
<tr><td colspan="5">7. For more corporate sustainability projects and results, please refer to:
Taishin FHC Sustainability Report: https://www.taishinholdings.com.tw/tsh/responsibility/report/
Taishin website: https://www.taishinholdings.com.tw/tsh/responsibility/overview/</td></tr>
</table>

Note 1: If "Yes" is checked under implementation, please describe the key policies, strategies, and measures and results adopted. If "No" is checked under implementation, please give reasons and describe relevant strategies and measures to be adopted in the future.

Note 2: Where the company has prepared a corporate social responsibility (CSR) report, implementation may be replaced by referral to the CSR report and the respective page numbers.

Note 3: Non-TWSE/TPEx-listed financial holding companies are not required to complete the column "Deviation from Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons for deviation".

Note 4: The materiality principle refers to environmental, social, or corporate governance issues that have a material impact on the investors or other stakeholders of the company.

8. Climate-related information of financial holding companies

<table>
<tr><th>Items</th><th>Implementation status</th></tr>
<tr><td>(1) Describe how the board of directors and the management exercise supervision and governance over climate-related risks and opportunities.</td><td>● The board of directors is the highest governance unit on climate and sustainability-related issues. It has functional committees including the "Risk Management Committee" and the "Corporate Sustainability Committee" established beneath, which are responsible for the supervision and management of climate and sustainability-related issues.
● An inter-department and inter-subsidiary climate task force and a corporate sustainability unit have been assembled under the President to integrate the group resources and ensure proper implementation of climate actions and sustainability strategies.
<table>
<tr><td rowspan="2">Climate Task Force</td><td>TCFD
Task Force Team</td><td>The Chief Risk Officer serves as the convener, whose responsibilities are to coordinate scenario analysis for climate-related risks and opportunities, gather execution results, and regularly present them to the Risk Management Committee and the board of directors.</td></tr>
<tr><td>SBT
Task Force Team</td><td>The CEO of wholesale banking serves as the convener, whose responsibilities are to coordinate carbon inventory, gather results, enforce carbon reduction (short, medium and long term) goals and work items, and present yearly progress to the Sustainability Committee and the board of directors depending on the issue of concern.</td></tr>
<tr><td colspan="2">Corporate sustainability unit</td><td>In order to promote the demand for sustainable development, cross-company and cross-responsibility corporate sustainability task forces were formed within the Group. The Corporate Sustainability Office coordinates and facilitates the collaboration of the cross-functional task forces, which are required to make regular reports to the President, the Sustainability Committee, and the Board of Directors.</td></tr>
</table></td></tr>
<tr><td>(2) Describe how the climate risks and opportunities identified affect the entity's businesses, strategies, and financial position (short, medium, and long-term).</td><td>● Taishin takes into consideration the types of climate risks and opportunities recommended by the TCFD, and regularly evaluates its own operations, investment, credit, collateral, and the insured etc. based on business characteristics and relevance before selecting 16 climate risk and opportunity issues for each aspect of concern. The climate matrix following the "materiality" is used to rank these risks and opportunities by "probability of incidence," "degree of impact" and "controllability", and identify the scope of impact in the short, medium and long term and along the value chain.
● From the aforementioned process, Taishin has identified cost of increased climate/environmental regulations, growing frequency and severity of natural disasters, and risk of energy price fluctuations. Material climate opportunities include: the digital finance movement, green office/energy saving building, and low carbon brand image, Taishin further quantified the financial impacts based on the results, and in order to reduce climate-related impacts, it adopts "Financial services "net-zero carbon emission in financial business" and " environmental sustainability of own operations " as the two major strategies and developed action plans accordingly.
For more details on the identification process, please refer to the company's annual TCFD (climate-related financial disclosure) report.</td></tr>
</table>

<table>
<tr><th>Items</th><th>Implementation status</th></tr>
<tr><td>(3) Describe the financial impact of extreme weather events and transformative actions.</td><td>To quantify the impact of climate-related risks on Taishin FHC and its main subsidiaries, we first identified material climate-related risks and then used the climate change scenario analysis method to assess the potential financial impacts of these risks. We measured climate-related loss on our investment and financing positions under different scenarios in the next 1 year (short-term), 2030 and 2050 based on NGFS and IPCC scenario assumptions and by following the “Climate Change Scenario Analysis Planning for Domestic Banks (2024 Edition)” promulgated by the Bankers Association of the Republic of China. Furthermore, by breaking down the climate risks affecting our exposures by industry, we identified industry-specific climate risk level and sampled members of high climate risk industries for assessment. Here is a brief overview of our risk assessment:
<table>
<tr><th>Risk category</th><th>Risk factors</th><th>Climate Scenario</th><th>Evaluation Scope</th><th>Analysis</th></tr>
<tr><td rowspan="2">Transition risks</td><td>Increased climate/ environmental regulations</td><td rowspan="4">◆ Short-term scenario (Impact of severe typhoons and carbon fee collection in the next 1 year)
◆ Net Zero 2050 scenario (global warming below 1.5°C by the end of the century)
◆ Disorderly transition scenario (IPCC SSP1-2.6)
◆ Fragmented World scenario (IPCC SSP2-4.5)</td><td>Corporate credit position of the banking to certian industries, namely, “Electricity and Gas Supply”, “Manufacture of Chemical Material and Fertilizers”, “Manufacture of Basic Metals”, and “Textiles”.</td><td>For the expected loss rate of the high-climate risk industries in the analyzed targets under the short-term scenario, the "electricity and gas supply industry" has a higher proportion of domestic credit positions than other industries, resulting in an increase of average loss rate by about 3~4 basis points (BP) compared with the baseline scenario. In addition, under the 2050 long-term scenario, the average loss rate of high climate risk industries, such as the "Electricity and Gas Supply ", "Manufacture of Basic Metals ", "Textiles ", and "Manufacture of Chemical Material and Fertilizers ", in the three scenarios increases by about 49~130 basis points compared with the baseline scenario. With respect to the Fragmented World scenario, due to slow policy transformation and expected failure to achieve the warming target, enterprises are exposed to severe risks, with a significant increase in the loss rate.</td></tr>
<tr><td>Risk of energy price fluctuations</td><td>Bills, bonds and equity securities positions of banking, life insurance and securities to certain industry, namely, “Electricity and Gas Supply”, “Manufacture of Chemical Material and Fertilizers”, “Manufacture of Basic Metals”, “Non-Metallic Mineral Products Manufacturing” and “Textiles”.</td><td>In the short-term scenario, the average loss rate of the three scenarios increases by about 23-25 basis points compared with the baseline scenario. In the 2030 long-term scenario, due to the government's strong promotion of carbon-related policies, which exert a significant impact on the macro economy, the expected loss under the disorderly transition scenario is the most significant among the three scenarios, increasing by 27 basis points compared with the baseline scenario. Looking at the 2050 long-term scenario, the Fragmented World scenario brings the greatest impact, with an increase of about 50 basis points compared with the baseline scenario.</td></tr>
<tr><td rowspan="2">Physical risks</td><td rowspan="2">Growing frequency and severity of natural disasters</td><td>Loss of collateral value due to extreme climate impact on the banking unit’s mortgage position</td><td>Under the short-term scenario with intensity adjustment, by simulating the scenario of increased intensity and rainfall brought about by Typhoon Morakot, the results show that the loss of collateral value increases, causing a sharp rise in the expected loss rate. In addition, the results of the long-term scenario analysis show that under net zero 2050 scenario, assuming gradual progress towards net zero by 2050, the expected loss rate will first increase by 2030 and then slightly decrease by 2050. Under the disorderly transition scenario, delayed transition results in a rise in the expected loss rate by 2030, without a significant decrease by 2050. Under the Fragmented World scenario, delayed transition and failure to achieve carbon reduction targets leads to more serious warming, and the expected loss rate gradually increases over time.</td></tr>
<tr><td>Locations of Taishin FHC and its subsidiaries’ own assets (the scope of analysis covers 100% of existing and new business premises), and locations of suppliers</td><td>A total of 35 sites (76%) of Taishin FHC's own assets are not exposed to potential flooding, mudslides, or landslides under climate change scenarios, and are therefore classified as no risk. The remaining 11 sites (24%) are identified as having a risk factor of flooding. Among them, the number of low-risk and medium-risk sites remains at 2 and 9 respectively under different climate change scenarios and periods. However, under the long-term scenario of SSP5-RCP8.5, the number of low-risk sites decreases to 1, and the number of medium-risk sites increases to 10, indicating the impact of extreme rainfall under climate change on physical risks of premises.

Taishin will continue to monitor changes in disaster potential at medium-risk premises, including regularly reviewing protective measures and safety at branches, strengthening disaster/flood prevention equipment, and developing backup plans.</td></tr>
</table>
For more details on the analytical process, please refer to the company's annual TCFD (climate-related financial disclosure) report.</td></tr>
</table>

Items	Implementation status
(4) Describe the procedures undertaken to identify, evaluate, and manage climate risks, and how they are integrated into the risk management system.	Integrated risk management system ● Taishin has incorporated climate risk into the existing risk management systems. The "Risk Management Policy" covers climate risk and has outlined the climate risk appetite statement. In addition, to effectively control impacts of climate change, Taishin has established a set of "Climate Risk Management Guidelines" that outlines management practices in detail from risk identification, monitoring of high-carbon emission industries, climate scenario analysis, reporting and disclosure mechanisms. ● Taishin has integrated climate risks into its overall risk management mechanism. Every year, it identifies, evaluates, and ranks the top three risks and opportunities through climate-related issues, analyzes their potential financial impact, as well as formulates management systems and response strategies. Risk management process ● Using the three lines of internal control, Taishin has divided the scope of responsibility and management on climate risk for each line of defense, and is able to maintain effective and appropriate implementation of the internal control system. ● Each responsible unit takes climate risk and impact into their review or decision-making process; for example: Taishin Bank carefully evaluates credit case through the "ESG Checklist" during the credit review process, or carefully evaluates the ESG and climate-related risks of trading customers by incorporating the ESG scoring mechanism into pre-investment evaluation. ● Investment and credit exposure to high-carbon emission industries are monitored on a regular basis and reported in monthly risk management meetings, Risk Management Committee meetings, and Board of Directors meetings.
(5) Where scenario analysis is used to evaluate resilience to climate change risk, describe the underlying scenarios, parameters, assumptions, factors, and key financial impacts.	● Investment and financing positions: Taishin conducts financial impact assessments in line with "Climate Change Scenario Analysis Planning for Domestic Banks (2024 Edition)," and estimates the impact of physical and transition risks on investment, wholesale banking, and retail banking positions under different scenarios for the next 1 year (short-term), 2030 and 2050. ● Own operations: Physical risks are assessed using the Sixth Assessment Report (AR6) produced by Intergovernmental Panel on Climate Change (IPCC) to determine disaster potential and sensitivity for domestic business premises. For transition risks, Taishin simulates Scope 1 and Scope 2 reduction for the various actions taken in response to relevant commitments, initiatives, regulatory requirements, and carbon reduction goals, in order to assess potential financial impacts and expected management costs. ● Suppliers: The four climate scenarios mentioned above are used to assess physical risks at suppliers' business location. For more details on the analytical process, please refer to the company's annual TCFD (climate-related financial disclosure) report.
(6) Where transition plans have been made to manage climate risks, explain plan details and the indicators and goals used for the identification and management of physical risks and transition risks.	● Metrics settings: After identifying material climate-related risks and opportunities, Taishin then sets metrics that correspond to its climate strategy. For the financial business, these metrics include: carbon emission of the investment/financing positions, exposures to high-carbon emission industries, and progress of low-carbon economy. For own operations, the metrics include: energy/carbon reduction action, the type of energy used, and greenhouse gas emission. ● Management of Targets: On a yearly basis, Taishin discloses its progress in meeting SBT reduction targets, actively decreasing scopes 1 and 2 emissions through energy management, renewable energy consumption, internal carbon pricing, and other measures. Scope 3 is committed to achieving carbon reduction goals by actively implementing low-carbon related investment and financing and managing high-carbon emission industries. For more details on metrics and targets, please refer to the company's annual TCFD (climate-related financial disclosure) report.
(7) For any internal carbon pricing used as a planning tool, provide details of the pricing basis.	The company adopts the shadow pricing model to promote low-carbon investment, improve energy efficiency, and reduce emissions in the upstream of the value chain, and implements internal carbon pricing as a way to analyze project cost effectiveness. After taking into consideration carbon prices from credible external sources and the costs committed into carbon reduction projects over the years, the carbon price is set at NT$2,400 per metric ton and is used as a reference for the group's internal management and low-carbon procurement decisions. This carbon price mainly applies to Scope 1 and Scope 2 reduction paths. When purchasing certain energy-intensive equipment, the procurement department not only evaluates equipment specifications and costs, but also takes into account the carbon cost of each item into capital expenditure decisions. In 2024, internal carbon pricing was applied to evaluate a total of 20 procurement cases, including items such as computer equipment, video conferencing equipment, air conditioning units, firewall equipment, and LED lighting, resulting in annual energy savings of 230,461 kWh.
(8) For any climate targets, provide details of the activities covered, scope of GHG emissions, proposed schedules, and progress every year. For any targets to be met by use of carbon offset or renewable energy certificates (RECs), provide details of the sources and quantities of carbon offsets and quantity of RECs.	In July 2022, the company passed the SBTi audit and followed the roadmap to limit the temperature rise within 1.5°C. With 2019 as the base year, Scope 1 and Scope 2 must reduce by 46%, which translate to 4.2% per year on average, by the target year 2030. As of 2024, the company achieved carbon reduction by 21%, which was mainly due to the purchase of 9,304,918 kWh of solar power and acquisition of 85 Renewable Energy Certificates to offset scope 2 emissions in 2024.

Items	Implementation status
(9) Status of Greenhouse Gas Inventory and Qualification	● GHG inventory and assurance in last two years

A. GHG inventory

Emission sources	Scope 1				Scope 2			
	2023		2024		2023		2024	
	Total emissions (tons CO2e)	Intensity (tons CO2e/ NT$mn)	Total emissions (tons CO2e)	Intensity (tons CO2e/ NT$mn)	Total emissions (tons CO2e)	Intensity (tons CO2e/ NT$mn)	Total emissions (tons CO2e)	Intensity (tons CO2e/ NT$mn)
Taishin FHC	-	-	-	-	57.7861	0.0038	35.3666	0.0017
Taishin Bank	1,346.8875	0.0299	1,426.0746	0.0276	13,531.3785	0.3008	12,871.5221	0.2488
Taishin Life Insurance	16.3068	0.0008	13.7950	0.0005	1,737.0455	0.0840	1,811.0689	0.0618
Taishin Securities	83.9744	0.0189	88.5714	0.0156	881.6226	0.1985	997.5391	0.1760
Taishin Securities Investment Trust	3.9427	0.0050	4.6175	0.0044	153.2003	0.1937	133.2793	0.1268
Taishin Securities Investment Advisory	-	-	-	-	71.4447	0.5723	43.7262	0.3374
Taishin Asset Management	14.1298	0.0474	11.7755	0.0378	17.1048	0.0573	33.4818	0.1075
Taishin Venture Capital	-	N/A	2.5348	N/A	16.0225	N/A	9.8058	N/A
Taishin Sports Entertainment	Included in ISO 14064-1 inventory scope from 2024		0.0007	0.0000	Included in ISO 14064-1 inventory scope from 2024		3.6902	0.0200
Taishin D.A. Finance			23.5794	0.0369			185.7624	0.2911
Taishin Financial Leasing			360.3989	1.7913			265.4341	1.3193
Taishin Futures			0.7197	0.0043			46.9774	0.2808
Taishin Securities Venture Capital			-	-			3.6959	0.0343
Taishin Capital			-	-			3.6297	0.0802
Taishin Health Investment			-	-			-	-
Taishin Real Estate Management			-	-			4.9986	0.0804

Note1: Scope 2 emissions are presented on a market basis.

Note2: In 2023 and 2024, the net revenue of Taishin Venture Capital Investment is negative. Therefore, the intensity is presented as N/A.

B. GHG assurance

For more details , please refer to the Taishin FHC Sustainability Report.

● GHG reduction targets, strategies, and action plans

The company adopts green building certification, carbon neutrality certification, solar panel installation, implementation of energy management systems, replacement of equipment with energy-saving alternatives, procurement of electric and hybrid vehicles, installation of EV charging stations, and ongoing purchases of renewable energy and certificates, in order to plan to achieve a 46% carbon reduction by 2030 under the SBT framework.

h. Status of the company in fulfilling management of integrity and measures

Item	Operating status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reason (Note 2)
	Yes	No	Summary description	
1. Establishment of ethical corporate management policy and plans				
(1) Has the company implemented a board-approved business integrity policy and stated in its regulations and external correspondence the business integrity policy and practices, as well as the active commitment of the board of directors and management towards enforcement of such policy?	✓		For the purpose of developing a culture of integrity and sound business practices, Taishin FHC has established the Ethical Corporate Management Best Practice Principles with board approval as part of the implementation of its core values, "Integrity, Commitment, Innovation and Cooperation". The code demonstrates Taishin FHC's business integrity policy and practices, as well as the active statement and commitment of Taishin's board of directors and management towards enforcement of such policy.	No deviation
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	✓		To ensure full implementation of business integrity, Taishin has implemented an unethical conduct risk assessment mechanism and established the Ethical Corporate Management Best Practice Principles, as well as relevant codes of conduct and prevention measures for business activities that are more likely to involve unethical conduct, such as those listed under Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies involving offering or taking of bribes; making illegal political donations, inadequate sponsorship or charity donations; and providing or receiving improper gifts, treatments, or other unjustified benefits.	No deviation
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		To ensure full implementation of its business integrity policy, Taishin has established the Ethical Corporate Management Best Practice Principles based on its core values of "Integrity, Commitment, Innovation and collaboration". The company has provided therein clear guidelines on the procedures for preventing unethical conduct, as well as the obligations and responsibilities of reporting. The Personnel Review Committee is responsible for executing disciplinary actions and handling appeals., as well as evaluating ethical risks. Taishin has the Employee Code of Conduct in place to regulate grievance procedures on illegal and unethical conduct. The code of conduct can be found on the company website under: Homepage/Corporate Governance/Internal Policies and Procedures. The URL is as follows: https://www.taishinholdings.com.tw/tsh/governance/regulations/	No deviation
2. Enforcement of ethical corporate management				

Item	Operating status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/ TPEx Listed Companies" and reason (Note 2)
	Yes	No	Summary description	
(1) Does the company assess business partners' records of integrity, and include a moral clause in the contracts with its business partners?	✓		Supplier selection and the tender process of Taishin are governed by the Supplier Maintenance and Management Guidelines to ensure products and quality consistently meet requirements. When selecting suppliers, the ethical standards of suppliers will be considered, including but not limited to ethical management, fair trade, disclosure of information, avoidance of illegitimate gains and false advertisements, and compliance with relevant regulations on intellectual property rights, etc. Furthermore, suppliers must sign the Supplier Commitment Statement or agree the Supplier Principles.	No deviation
(2) Does the company have a unit responsible for business integrity on a full-time basis under the board of directors which reports the business integrity policy and programs against unethical conduct regularly (at least once a year) to the board of directors while overseeing such operations?	✓		1. In 2020, Taishin established the Nomination Committee under the Board of Directors, which is responsible for auditing business integrity policies, as well as examining their implementation results. Furthermore, the Compliance Division is the unit responsible for implementing business integrity matters, including the planning, management, and execution of such. The Compliance Division reports on the implementation status of business integrity to the Nomination Committee and Board of Directors at the end of each year. 2. Taishin ensures effective implementation of the business integrity policy. Details of implementation in 2024, which has been reviewed by the Nomination Committee and presented to the board of directors on March 27, 2025, are as follow: (1) Training and education In 2024, we stepped up the implementation of group-wide business integrity. We organized online education and training courses on the Ethical Corporate Management Best Practice Principles with a 100% completion rate of the Group, and included common deficiencies in the public version of the teaching materials. Furthermore, new hire training incorporates important information to prevent unethical business practices, such as "forbidden concurrent employment and avoidance of conflicting interests", "gifts and entertainment policy", and "protection of intellectual property rights". (2) Communication channels Employees are able to give feedback to management and other departments through a wide range of open channels. Taishin actively discloses its business integrity policy and implementation on the company website, and in the annual reports and other public documents. (3) Regular review Unethical conduct is prevented from happening through evaluation of ethical risks, and the audit unit performs independent audits to ensure uninterrupted operation of the organization as a whole. The units work together to manage and prevent unethical conduct.	No deviation

Item	Operating status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reason (Note 2)
	Yes	No	Summary description	
(3) Does the company have a conflict of interest management policy in place, provide adequate reporting channels, and enforce the rules accordingly?	✓		Taishin FHC has established guidelines for avoiding conflict of interest under the Board of Directors Meeting Policy, Ethical Corporate Management Best Practice Principles and Employee Code of Conduct, and has reporting channels in place to accept verbal, written, or electronic reports of violations of such regulations.	No deviation
(4) Does the company have effective accounting and internal control systems in place to implement business integrity? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		Accounting and internal control systems 1. Accounting system: The company's accounting policies are formulated in accordance with the Securities and Exchange Act, the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies, the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Business Entity Accounting Act, and the Generally Accepted Accounting Principles (GAAP). These accounting policies have been designed to faithfully and thoroughly record the company's business activities, and to present the company's financial and business performance in ways that are consistent with laws and the GAAP, thereby achieving effective internal supervision and reflecting financial status and operational results so as to serve as reference in strategic decision-making. 2. Internal control system The company's internal control system has been created in accordance with Article 51 of the Financial Holding Company Act and Article 3 of the Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries. The system embodies the company's business activities and places integrity and moral values in the control environment. All employees are held accountable for negligence. Serious violations will be submitted for disciplinary procedures to the Staff Conduct Review and Staff Performance Appraisal Committee in accordance with the Employee Discipline Guidelines. 3. In accordance with Taishin FHC's Ethical Corporate Management Best Practice Principles, the Audit Division examined the compliance with such regulation based on ethical risks and did not find any major deficiencies. "Review compliance with the Ethical Corporate Management Best Practice Principles based on ethical risk assessment results" has been added as a major audit task on the 2024 audit plan.	No deviation
(5) Does the company organize internal or external training on a regular basis to maintain business integrity?	✓		The company arranges for its personnel to attend ethical corporate management courses both on a regular and ad hoc basis. In 2024, 100% of the workforce attended courses on ethical corporate management or related topics. In total, 39,518 people finished their training in 82,357.43 hours.	No deviation
3. Whistleblowing system				
(1) Does the company have a well established whistleblowing and reward system and an accessible reporting channel in place, and appoint suitable representatives for approaching accused individuals?	✓		Taishin has established the Taishin FHC Whistleblowing System to make clear the whistleblowing channels and procedures. All reports are handled and investigated by dedicated units. Any individual inside or outside the company who discovers any potentially criminal, corrupt, or illegal conduct may report the case by following the whistleblowing procedures. A report may be filed by any of the following means: 1. By Mail: Whistleblowing Mailbox, No. 118, Sec. 4, Ren'ai Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.) 2. By E-mail: whistling@taishinholdings.com.tw 3. By Telephone: (02) 2325-6076	No deviation

Item	Operating status (Note 1)			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and reason (Note 2)
	Yes	No	Summary description	
(2) Does the company have in place standard operating procedures for investigating and processing reports, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓		Taishin has established investigation procedures and follow-up handling mechanism for all reports it received, except for cases of conflict of interest, which should be investigated by a dedicated unit. The identity of the whistleblower should be kept strictly confidential. No information sufficient to identify the whistleblower may be released.	No deviation
(3) Has the company provided proper whistleblower protection?			Taishin's Whistleblowing System states explicitly that the following measures should be taken to protect whistleblowers: 1. The identity of the whistleblower shall be kept confidential. Information sufficient to identify a person shall not be disclosed. 2. Taishin shall not take any report made by a whistleblower and use it against the said whistleblower as cause for dismissal, discharge, demotion, pay reduction, damage to the rights to which said whistleblower is entitled by law, contract, or convention, or any other detrimental treatment.	
4. Enhancing information disclosure				
Does the company disclose the ethical corporate management best practice principles and its results on the company website and the Market Observation Post System?	✓		Taishin is a publicly listed company (TWSE stock code: 2887), and discloses its Ethical Corporate Management Best Practice Principles on the company website and the TWSE's Market Observation Post System. The URL of the “Market Observation Post System” is as follows: https://mopsov.twse.com.tw/nas/STR/288720210203PN001.pdf The company discloses its measures and implementation of business integrity on the company website: Homepage/Corporate Governance/Corporate Governance Practices. The URL is as follows: https://www.taishinholdings.com.tw/tsh/governance/other	No deviation
5. Describe the deviations, if any, between actual practice and the ethical corporate management principles, if the company has implemented such principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies: No deviation.				
6. Other useful information for explaining the status of ethical corporate management practices: Useful information (e.g., the company's review or revision of its ethical corporate management guidelines):Nil.				

Note 1: Provide details in the comments regardless of the answer.

Note 2: Non-TWSE/TPEx-listed financial holding companies are not required to complete the column "Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons for deviation".

i. Other important information conducive to the understanding of the corporate governance of the company

Please refer to the explanation of item d "Status of the Holding's corporate governance and its deviation from the guidelines for the practical corporate governance of the holdings industry and reasons."

j. Items concerning the implementation of Internal Control System which should be disclosed

1. Internal Control Statement

Taishin Financial Holding Co., Ltd.

Statement of Internal Control System

March 27, 2025

Financial Supervisory Commission,

On behalf of Taishin Financial Holding Co., Ltd.(the Company), we hereby declare that, for the fiscal year of 2024, the Company has established internal control policies and implemented risk management system in accordance with the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries". These policies and practices were also inspected by the independent Audit Division which reported regularly to the Company's Board of Directors and Audit Committee.

Following our diligent assessment, we concluded that the Company's internal control, legal and compliance practices for the fiscal year of 2024 were implemented effectively, the improvement items listed on the attachment are also being executed properly. This statement will constitute part of the company's annual report and prospectus and will be publicly disclosed.

We understand that we are legally bound to the "Securities and Exchange Act" Articles 20, 32, 171, and 174.

Sincerely yours,

Chairman: 吳東亮

President: 林維俊

Chief Auditor: 夏敏蘭

Compliance Officer:

Areas of Improvement and Rectification for the Internal Control System of Taishin Financial Holding Co., Ltd.

Base Date: December 31, 2024

Areas of improvement	Rectification	Expected time of rectification
Subsidiary - Taishin Bank		
The issue of abnormal addresses in collection letters for debit cards.	1. A comprehensive investigation has been conducted, and the accuracy of the physical mailing addresses generated by all relevant systems has been confirmed. 2. The verification mechanism prior to the dispatch of physical letters has been fully strengthened, and an automatic address matching function has been established before mailing.	Rectification completed.
Subsidiary - Taishin Securities		
I. The business personnel borrowed funds from clients and mislead clients into transferring funds into their personal accounts under the name of employee stock subscription.	1. Cancellation of dormant accounts has been implemented on an annual basis. 2. Managerial functions of managers have been strengthened, inspection of abnormal behaviors of business personnel has been enhanced, and care interviews of their customers has been conducted.	Rectification completed.
II. The Taiwan Stock Exchange discovered the following deficiencies during routine audits: 1. Inadequate tolerable service interruption time, scope of vulnerability scanning operations, and scope of monitoring of webpage and program anomaly detection tools for key business information systems. 2. Inadequate segregation mechanisms for the internal network. 3. Failure of monitoring, analyzing and handling abnormal and unknown IP connections; inadequate sharing and access control measures for accounts with high level access rights.	1. Relevant internal regulations have been adjusted to comply with the regulations. 2. The "Internet Security Management Guidelines" have been revised. Segregated transactions/OA segments of branches are expected to be completed by June 30, 2025. 3. Abnormal network connections and information security alerts have been inspected and handled on a daily basis. Accounts that were not included in the system of accounts with high level access rights have been deleted, and whether accounts with high level access rights are under management (including new accounts) have been regularly reviewed every six months.	1.Rectification completed. 2.This plan will be completed by June 30, 2025 3.Rectification completed.
III. The Taiwan Stock Exchange has audited reported information security incidents and discovered the following deficiencies: 1. Failure of conducting a network system vulnerability scanning for the employee warrant website system; inadequate segregation mechanism of the company's segments, failure of implementing the detection of webpage and program changes for the network system that provides external connection system. 2. Failure of the system to monitor, analyze and retain records regarding abnormal or unknown IP connections. Failure of including shared accounts of IT personnel and accounts with high level access rights in the control mechanism. 3. Failure of maintaining procedures for the collection, protection and proper management of digital evidence in computer audit records for at least three years.	1. System vulnerability scanning has been performed and relevant internal regulations have been revised. 2. Abnormal network connections and information security alerts have been inspected on a daily basis. Accounts that were not included in the system of accounts with high level access rights have been deleted, and whether accounts with high level access rights are under management (including new accounts) have been regularly reviewed every six months. Relevant inspection records will be retained for at least 3 years. 3. Relevant publicity and education and training have been strengthened.	Rectification completed.
IV. ETF market makers whose overseas futures transactions involved "wash trade" in the United States.	No more position transfers due to credit risk limits of counterparties will be implemented and prevention of self-trading will be conducted.	Rectification completed.

2. Report of independent auditor appointed to conduct special audit on the company's internal control system: Nil.

k. Major resolutions of the shareholder's meeting and the board of directors in the recent year and as of the date of the publication of the annual report.

1. Key resolutions of the 2024 shareholders' annual general meeting (2024/06/14) and execution progress:

Agenda	Result	Implementation status
1. Acknowledgment of the company’s 2023 business report and financial statements.	Acknowledged as proposed by voting.	The documents and reports have been disclosed and filed with the competent authority in accordance with the Company Act and the Securities and Exchange Act.
2. Acknowledgment of the company’s distribution of its 2023 earnings.	Acknowledged as proposed by voting.	Aug. 12, 2024 was set as the base date for distribution, and Aug. 29, 2024 was set as the distribution date(NT$0.60 per share in cash).
3. Issuance of new common shares from earnings.	Approved as proposed by voting.	Aug. 12, 2024 was set as the base date for distribution, and Aug. 29, 2024 was set as the distribution date(NT$0.40 per share in shares).
4. Amendment to the "Articles of Incorporation".	Approved as proposed by voting.	The amendment has been approved by the Minister of Economic Affairs on July 18, 2024, and published on the company's website.
5. Election of the 9th board of directors of the company.	List of elected directors: Wu, Tong-Liang (Representative of Chia Hao Co., Ltd.) Wu, Cheng-Ching (Representative of TASCO Chemical Co., Ltd.) Kuo, Jui-Sung (Representative of Hsiang-Chao Co., Ltd.) Wang, Chu-Chan (Representative of Santo Arden Co., Ltd.) List of elected independent directors: Wang, Mei-Hua Kuan, Kuo-Lin Chang, Min-Yu	Registration approved by the Ministry of Economic Affairs on July 18, 2024.
6. Release of restrictions on competitive activities of the company’s 9th board of directors.	Approved as proposed by voting.	None.

2. Key resolutions of the 2024 special shareholders' meeting (2024/10/09) and execution progress:

Agenda	Result	Implementation status
1. The merger of Taishin Financial Holding Co., Ltd. and Shin Kong Financial Holding Co., Ltd.	Acknowledged as proposed by voting.	Obtained approval from the Financial Supervisory Commission on March 31, 2025.
2. Amendment to the "Articles of Incorporation".	Acknowledged as proposed by voting.	Obtained registration approval from the Ministry of Economic Affairs on May 9, 2025, and announced on the Company's official website.

3. Major resolutions of the board of directors in 2024 and up to the date of the publication of the annual report:

2024/01/25 Passed the subscription of all new ordinary shares issued by the subsidiary Taishin Life Insurance.

2024/01/25 Passed the replacement of Xian-Ying Liao with Michael Liao as the institutional director for the 8th board of directors of Taishin Asset Management.

2024/01/25 Passed the appointment of Frank Lin as the director of Human Resources Division.

2024/02/22 Passed the 2023 consolidated financial statements.

2024/02/22 Passed the proposed calling of 2024 general shareholders' meeting on June 14, 2024.

2024/05/02 Passed the 2023 business report.

2024/05/02 Passed the 2023 earnings distribution proposal and Issuance of new common shares from earnings.

2024/05/02 Passed amendments to the "Articles of Incorporation".

2024/05/02 Passed nomination for the 9th board of directors (and independent directors).

2024/05/02 Passed the proposals for the shareholders meeting to elect the 9th board of directors and to release of restrictions on competitive activities of the company's 9th board of directors.

2024/05/07 Passed commencement of feasibility study on the merger with Shin Kong Financial Holdings.

2024/05/23 Passed the subscription of all new ordinary shares issued by the subsidiary Taishin Bank.

2024/05/23 Passed the replacement of Gary Liu with Perry Huang as the institutional director for the 9th board of directors of Taishin Securities Investment Trust.

2024/07/01 Elected Mr. Tong-Liang Wu as the chairman of the 9th board of directors.

2024/07/01 Passed the appointment of Tong-Liang Wu, Jui-Sung Kuo, Tong-Shung Wu, Chih-Shang Kao, Teh-Nan Hsu, Shang-Pin Wu, Shin-Hau Wu, Ruey-Chiang Shang, Mei-Hua Wang, Min-Yu Chang and Shyan-Yuan Lee to institutional directors and independent directors of the 13th board of directors of Taishin Bank.

2024/07/01 Passed the appointment of Welch Lin, Barry Tsai, Shin-Hau Wu, Eric Chien, Lai-Ping Chi, Kuo-Lin Kuan, Steve K. Chen and Shyan-Yuan Lee to institutional directors and independent directors of the 10th board of directors of Taishin Life Insurance.

2024/07/01 Passed the appointment of Teh-Nan Hsu, Chi-Pin Shih, Welch Lin and Tong-Shung Wu to institutional directors and institutional supervisors of the 8th board of directors of Taishin Venture Capital.

2024/07/01 Passed the appointment of Mei-Hua Wang, Kuo-Lin Kuan and Min-Yu Chang as members of the 6th Remuneration Committee.

2024/07/01 Passed the appointment of Mei-Hua Wang, Kuo-Lin Kuan and Min-Yu Chang as members of the 4th Risk Management Committee.

2024/07/01 Passed the appointment of Jui-Sung Kuo, Kuo-Lin Kuan and Min-Yu Chang as members of the 3rd Nomination Committee.

2024/07/01 Passed the appointment of Tong-Liang Wu, Mei-Hua Wang, Kuo-Lin Kuan and Welch Lin as members of the 2nd Corporate Sustainability Committee.

2024/07/18 Passed the subscription of all new ordinary shares issued by the subsidiary Taishin Venture Capital.

2024/07/18 Passed the replacement of Neng-Pai Lin with Su-Chen Hung and re-elected Long-Su Lin as the institutional director for the 12th board of directors of Taishin Securities Investment Advisory. Appointed Teng-Cheng Liu as the additional institutional director for the 9th board of directors of Taishin Securities Investment Trust.

2024/08/22 Passed the merger with Shin Kong Financial Holdings.

2024/08/22 Passed amendments to the "Articles of Incorporation".

2024/08/22 Passed the proposed calling of 2024 first extraordinary shareholders' meeting (for holders of ordinary shares, Class E preferred shares, and Class F preferred shares) on October 9, 2024.

2024/08/29 Passed the replacement of Teh-Nan Hsu with Yun-Peng Chang as representative of the institutional director for the 13th board of directors of Taishin Bank. Appointed Pan-Chyr Yang and Chi-Hsuan Liu as representative of the institutional directors for the 10th board of directors of Taishin Life Insurance. Passed the replacement of Kaung-Hsiung Wu with Cheng-Mount Cheng as representative of the institutional director for the 9th board of directors of Taishin Securities Investment Trust.

2024/09/11	Passed adjustment of consideration for the merger with Shin Kong Financial Holdings.
2024/09/11	Passed amendments to the "Articles of Incorporation".
2024/09/26	Passed the decision to hire Shen Zhang as Chief Digital Technology Officer.
2024/12/26	Passed the 2025 operating plan and budgets.
2025/01/16	Passed the decision to hire Janice Liang and replace David Chang as head of Administration Division.
2025/02/20	Passed the 2024 consolidated financial statements.

l. Different opinions of directors on record or in written statement on major resolutions passed by the board of directors in the recent year and as of the date of the publication of the annual report: None.

C. Information on CPA's fee

Base Date: Dec. 31, 2024 Unit: NT1,000

Name of accounting firm	Name of CPA	Auditing Period	Auditing fee	Non-Auditing fee	Total	Note
Deloitte & Touche	Han- Ni Fang Ching- Cheng Yang	2024/01/01~ 2024/12/31	5,500	7,048	12,548	Non-audit remuneration consists mainly of tax compliance audit, TCFD report, minimum tax system, merger, and Taishin FHC annual report review.

a. Replacement of accounting firm and the auditing fee for the replacement year decreases from the previous year which requires mandatory disclosure of the auditing fees of the two years and provision of reasons: Not applicable.

b. Auditing fee decrease over 10% from the previous year which requires mandatory disclosure of the reduction amount, percentage, and reason: Not applicable.

D. Replacement of CPA:

a. Concerning former CPA

<table>
<tr><td>Replacement date</td><td colspan="4">Not applicable</td></tr>
<tr><td>Reason for replacement and explanation</td><td colspan="4">Not applicable</td></tr>
<tr><td rowspan="3">Explain consigner or termination or refusal of consignment by CPA</td><td colspan="2">Status of related parties</td><td>CPA</td><td>Consigner</td></tr>
<tr><td colspan="2">Active terminate consignment</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="2">Refusal to accept (continue) consignment</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Certifiication auditing report other than report without reserved opinions in the recent two years and reason</td><td colspan="4">Not applicable</td></tr>
<tr><td rowspan="6">Existence of different opinions with the bank</td><td rowspan="4">Yes</td><td>Not applicable</td><td colspan="2">Accounting principle or practical affairs</td></tr>
<tr><td>Not applicable</td><td colspan="2">Disclosure of financial report</td></tr>
<tr><td>Not applicable</td><td colspan="2">Auditing scope or procedure</td></tr>
<tr><td>Not applicable</td><td colspan="2">Others</td></tr>
<tr><td>No</td><td>Not applicable</td><td colspan="2"></td></tr>
<tr><td colspan="4">Explanation: Not applicable</td></tr>
<tr><td>Other disclosed items
(Items which should be disclosed according to item 6-1-4, article 10 of the criteria</td><td colspan="4">Not applicable</td></tr>
</table>

b. Concerning succeeding CPA: Not applicable.

c. Reply of former CPA to item 6-1 and item 6-2-3, article 10 of the criteria: Not applicable.

E. Chairman, presidents, and financial or accountant managers who served at the accounting firm of the CPAs or its affiliates within the recent year: None.

F. Changes in shareholding transfer or shareholding pledge by directors or managers, and all parties that are subject to reporting under article 11 of regulations governing the ownership of the holding by single individuals or stakeholders, in the recent year and as of the date of the publication of the annual report.

a. Changes in shareholdings

Unit: share

Title	Name	2024				As of Feb. 28, 2025			
		Common Shares		Preferred Shares		Common Shares		Preferred Shares	
		Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding
Director	Chia Hao Co., Ltd.	1,948,667	0	0	0	0	0	0	0
Representative (Chairman)	Wu, Tong-Liang	505,523	0	0	0	0	0	0	0
Director Major shareholder (Note1)	TASCO Chemical Co., Ltd.	19,456,516	0	0	0	0	0	0	0
Representative	Wu, Cheng-Ching	0	0	0	0	0	0	0	0
Director	Hsiang-Chao Co., Ltd.	472,038	0	0	0	0	0	0	0
Representative	Kuo, Jui-Sung	29,044	0	0	0	0	0	0	0
Director	Santo Arden Co., Ltd.	280,362	0	0	0	0	0	0	0
Representative	Wang, Chu-Chan	524,348	0	0	0	0	0	0	0
Independent Director	Wang, Mei-Hua	0	0	0	0	0	0	0	0
Independent Director	Kuan, Kuo-Lin	0	0	0	0	0	0	0	0
Independent Director	Chang, Min-Yu	0	0	0	0	0	0	0	0
President	Welch Lin	348,169	0	0	0	0	0	0	0
Chief Auditor	Amy Hsia	16,565	0	0	0	0	0	0	0
Chief Financial Officer	Carol Lai	68,833	0	0	0	0	0	0	0
Chief Information Officer	Steve Sun	8,664	0	0	0	0	0	0	0
Chief Risk Officer	Jeremy Gong	0	0	0	0	0	0	0	0
Chief Information Security Officer	Jeff Chen	0	0	0	0	0	0	0	0
Chief Digital & technology Officer	Shen Zhang	0	0	0	0	0	0	0	0
Senior Executive Vice President	Amy Tsao	0	0	0	0	0	0	0	0
Executive Vice President	Sam Lin	75,124	0	0	0	0	0	0	0
Executive Vice President	Frank Lin	32,017	0	0	0	0	0	0	0

Unit: share

Title	Name	2024				As of Feb. 28, 2025			
		Common Shares		Preferred Shares		Common Shares		Preferred Shares	
		Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding
Senior Vice President	Mason Li	0	0	0	0	0	0	0	0
Senior Vice President	Ting Ning Yu	19,782	0	0	0	0	0	0	0
Senior Vice President	David Chang	49,092	0	0	0	0	0	0	0
Senior Vice President	Janice Liang	16,182	0	0	0	0	0	0	0
Senior Vice President	Christy Shyy	26,611	0	0	0	0	0	0	0
Senior Vice President	Vincent Tsai	22	0	0	0	0	0	0	0
Senior Vice President	Adeline Jai	14,803	0	0	0	0	0	0	0
Senior Vice President	Avon Fan	0	0	0	0	0	0	0	0
Senior Vice President	Shin-Hau Wu	0	0	0	0	0	0	0	0
Senior Vice President	Keng Shi	0	0	0	0	0	0	0	0
Senior Vice President	Michael Liao	0	0	0	0	0	0	0	0
Assistant Vice President	Harley Ho	0	0	0	0	0	0	0	0
Assistant Vice President	Teresa Hung	61,680	0	0	0	0	0	0	0
Principal Accounting Officer	Eva Wu	0	0	0	0	0	0	0	0
Same person or same related person Major shareholder (Note 1)	Yunteh Co., Ltd.	44,970,791	49,000,000			0	0		
Same person or same related person	Wangtien Woolen Textile Co., Ltd.	31,808,876	0			0	0		
Same person or same related person	Shi Hong Investment Co., Ltd.	734,333	0			0	0		
Same person or same related person	Taipei Solar Industry Co., Ltd.	219,701	0	Not applicable (Note 3)		0	0	Not applicable (Note 3)	
Same person or same related person Major shareholder (Note 1)	Taishin Leasing& Financing Co., Ltd.	85,728,632	101,865,751			0	0		
Same person or same related person	Taishin International Investment and Development Co., Ltd.	8,934,100	2,000,000			0	0		

Unit: share

Title	Name	2024				As of Feb. 28, 2025			
		Common Shares		Preferred Shares		Common Shares		Preferred Shares	
		Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding
Same person or same related person	Yung Kuang Co., Ltd.	4,800,000	0	Not applicable (Note 3)		0	0	Not applicable (Note 3)	
Same person or same related person	Zhao Heng Co., Ltd.	25,249,900	40,400,000			0	0		
Same person or same related person	An-Long Enterprise Co., Ltd.	420,989	0			0	0		
Same person or same related person	Wu, Ju-Yueh	67,849	0			0	0		
Same person or same related person	Wu, Ju-Ying	145,931	0			0	0		
Same person or same related person	Wu, Shin-Wei	5,420	0			0	0		
Same person or same related person	Wu, Shin-Hau	0	0			0	0		
Same person or same related person	Wu, Tong-Sheng	14,521	0			0	0		
Same person or same related person	Wu, Tong-Liang	505,523	0			0	0		
Same person or same related person	Wu, Tong-Hsien	0	0			0	0		
Same person or same related person	Wu, Chao-Tong	5,486	0			0	0		
Same person or same related person	Wu, Chao-Yi	5,486	0			0	0		
Same person or same related person	Wu, Chao-Yen	0	0			0	0		
Same person or same related person	Hong Tai Investment Co., Ltd.	-72,359	0			0	0		
Same person or same related person	Peng Chin Co., Ltd.	52,000	0			0	0		
Same person or same related person Major shareholder (Note1)	Tong Shan Investment Co., Ltd.	6,244,041	0			0	0		
Same person or same related person	Yi Huan Co., Ltd.	1,370,324	10,000,000			0	0		
Same person or same related person Major shareholder (Note 1)	Chaang Her Co., Ltd.	50,165,491	50,900,000			0	0		

Unit: share

Title	Name	2024				As of Feb. 28, 2025			
		Common Shares		Preferred Shares		Common Shares		Preferred Shares	
		Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding	Changes in shareholding	Changes in pledged shareholding
Same person or same related person	Shin Kong Wu Ho-Su Rescue Foundation	1,517	0	Not applicable (Note 3)		0	0	Not applicable (Note 3)	
Same person or same related person	Taishin Charity Foundation	29,698	0			0	0		
Same person or same related person	Shin Kong Wu Ho-Su Culture and Education Foundation	6,735	0			0	0		
Same person or same related person	Bo Si Co., Ltd.	544,985	0			0	0		
Same person or same related person	Bo-Rui Co., Ltd.	41,777,736	55,000,000			0	0		
Same person or same related person	Peng, Hsueh-Fen	1,937,538	0			0	0		
Same person or same related person	Hsiang-Chao Co., Ltd.	472,038	0			0	0		
Same person or same related person	Shin Kong Mitsukoshi Department Store Co., Ltd.	1,771,357	0			0	0		
Same person or same related person	Shinkong Synthetic Fibers Corp.	-9,347,779	0			0	0		
Same person or same related person	Shin Kong Recreation Co., Ltd.	3,462,284	0			0	0		
Same person or same related person	NER Victory Company Ltd.	50,000,000	0			0	50,000,000		
Same person or same related person	Ruixin Investment Co., Ltd.	168,974	0			0	0		
Same person or same related person	Chia Hao Co., Ltd.	1,948,667	0			0	0		
Same person or same related person	Shinkong Co., Ltd.	9,837,431	0			0	0		
Same person or same related person	Xing An Enterprise Co., Ltd.	107,402	0			0	0		
Same person or same related person	Ching-Wei Co., Ltd.	520,698	13,000,000			0	0		

Note 1: An entity that holds more than one percent of the shares in the Company.
Note 2: The changes in shareholding of people listed above are based on the information submitted during their term of service.
Note 3: Preferred shares issued by Taishin do not come with voting rights, and therefore Article 16 of the Financial Holding Company Act does not apply.
Note 4: As of February 28, 2025, the shareholding percentage of the issued shares with voting rights of the Company under Mr. Tong-Liang Wu and related parties is 14.591%. Please refer to MOPS (https://mops.twse.com.tw/mops/#/web/t142sb01) for detailed shareholding information.

b. Information of shareholding transfer: None.

c. Information of shareholding pledge: None.

G. Information regarding top ten shareholders who are related parties, spouses or blood relatives of second degree or closer

Information on the Relationship between the 10 largest Shareholders

Base date: April 25, 2025 unit: share; %

Number	Name	Current shareholding		Stake of single, spouse and offspring before age of majority		Shareholding in the name of others		Titles, names and relationships between top 10 shareholders who are related parties, spouses, or second-degree relatives to each other		Note
		Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Name	Relationship	
1	TASCO Chemical Co., Ltd. Representative: Wu, Cheng-Ching	515,241,099	3.66	0	0	0	0	None	None	
2	Taishin Leasing & Financing Co., Ltd. Representative: Zhong, Yong-Hong	507,244,451	3.60	0	0	0	0	None	None	
3	Bank of Taiwan in custody for Yuanta Taiwan High Dividend Low Volatility ETF	230,260,000	1.64	0	0	0	0	None	None	
4	Chaang Her Co., Ltd. Representative: Kao, Kuei-Mei	189,437,770	1.35	0	0	0	0	None	None	
5	Farglory Life Insurance Co., Ltd. Representative: Meng, Chia-Ren	181,832,520	1.29	0	0	0	0	None	None	
6	Yunteh Co., Ltd. Representative:Peng, Hsueh-Fen	181,015,633	1.29	0	0	0	0	No.7	Representative's relative within 2 tiers	
7	Tong Shan Investment Co., Ltd. Representative: Wu, Guei-Lan (Note)	163,945,076	1.16	0	0	0	0	No.6	Representative's relative within 2 tiers	
8	Taishin International Bank Trust Account for Taishin Holdings Employee Stock Ownership Trust	151,583,430	1.08	0	0	0	0	None	None	
9	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	149,979,249	1.07	0	0	0	0	None	None	
10	Bo-Rui Co., Ltd. Representative:Huang, Jun-Hao	134,021,152	0.95	0	0	0	0	None	None	

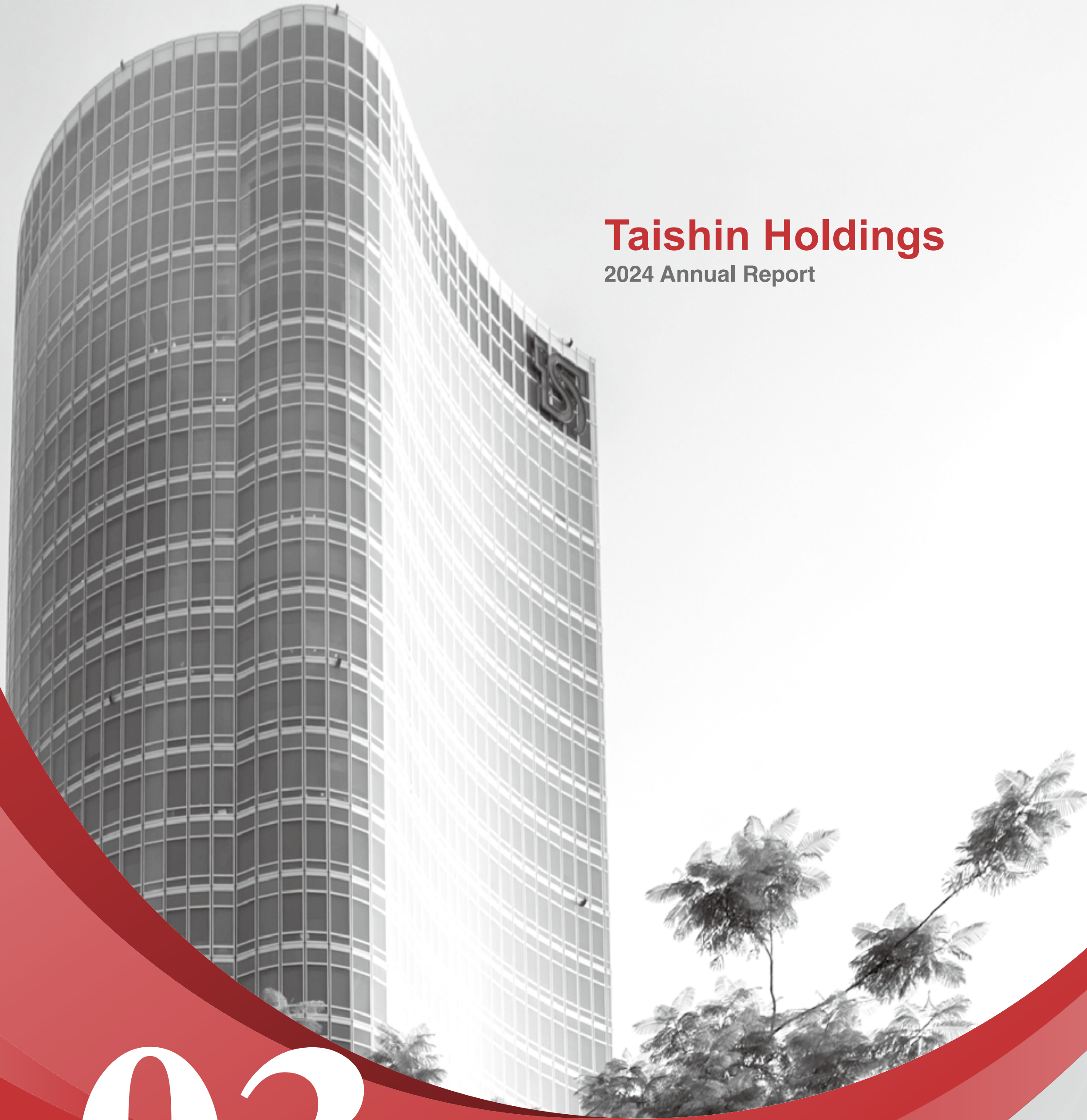
Note: Wu, Guei-Lan passed away on March 30, 2016

H. The Number of shares and total share of stake in the same invested company owned by the company directly or indirectly controlled by the company and the company's directors, supervisors, president, vice presidents and branch chiefs

Base date: Dec. 31, 2024 unit:share; %

Equity investment (Note 1)	Investment by the holding company (Note2)		Investment by the company directly or indirectly controlled by the holding companyand the holding's directors, supervisors, president, vice presidents and branch chiefs		General investment	
	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake
Taishin International Bank Co., Ltd.	9,870,918,614	100.00%	0	0.00%	9,870,918,614	100.00%
Taishin Securities Co., Ltd.	692,412,444	100.00%	0	0.00%	692,412,444	100.00%
Taishin Securities Investment Trust Co., Ltd.	83,134,964	100.00%	0	0.00%	83,134,964	100.00%
Taishin Life Insurance Co., Ltd.	1,103,955,999	100.00%	0	0.00%	1,103,955,999	100.00%
Taishin Securities Investment Advisory Co., Ltd.	27,599,513	92.00%	0	0.00%	27,599,513	92.00%
Taishin Asset Management Co., Ltd.	67,100,000	100.00%	0	0.00%	67,100,000	100.00%
Taishin Venture Capital Investment Co., Ltd.	714,092,688	100.00%	0	0.00%	714,092,688	100.00%
Chang Hwa Commercial Bank Co., Ltd.	575,291,185	5.1339%	168,435	0.0015%	575,459,620	5.1354%
Chieh-Bon Co., Ltd	220,000	4.40%	300,000	6.00%	520,000	10.40%

Note 1: Subsidiaries of Taishin Holdings.
Note 2: Investments under Articles 36 and 37



03

III | Capital Overview

III. Capital Overview

A. Capital and shares

Sources of capital

Reference date: February 28, 2025 Unit: thousand shares.
Except for the issue price that is shown in NT$1, the remaining is shown in NT$1,000.

Times	Issuing Prices	Authorized Capital		Paid-in Capital		Remarks	
		Number of Shares	Value	Number of Shares	Value	Sources of Capital	Others
Aug 2024	10	20,000,000	200,000,000	Common share 12,976,144 Preferred share E 800,000 Preferred share F 300,000	Common share 129,761,443 Preferred share E 8,000,000 Preferred share F 3,000,000	Issuance of new shares from earings	MOEA, No. 11330149350 Aug. 14. 2024 (Note 1)

Note 1: The Company issued 499,082,474 common shares from earnings.

Base date: Feb. 28, 2025 Unit: share

Share Categories	Authorized Capital			Note
	Shares in circulation	Shares without issuance	Total shares	
Common Shares	12,976,144,312	5,923,855,688	20,000,000,000	Listed shares
Preferred Shares E	800,000,000			Listed shares
Preferred Shares F	300,000,000			Listed shares

B. Major shareholders

Base date: April 25, 2025 unit: share; %

Shareholding / Names of Shareholders	Number of Shares	Share of Stake
TASCO Chemical Co., Ltd.	515,241,099	3.66
Taishin Leasing & Financing Co., Ltd.	507,244,451	3.60
Bank of Taiwan in custody for Yuanta Taiwan High Dividend Low Volatility ETF	230,260,000	1.64
Chaang Her Co., Ltd.	189,437,770	1.35
Farglory Life Insurance Co., Ltd.	181,832,520	1.29
Yunteh Co., Ltd.	181,015,633	1.29
Tong Shan Investment Co., Ltd.	163,945,076	1.16
Taishin International Bank Trust Account for Taishin Holdings Employee Stock Ownership Trust	151,583,430	1.08
JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	149,979,249	1.07
Bo-Rui Co., Ltd.	134,021,152	0.95

Note: The list above discloses the top 10 shareholders, preferred shares included.

C. Dividends policy and execution

a. Dividend Policy

Any earnings concluded in a financial year shall first make up for loss of previous years, right after statutory taxation and accounting adjustments. Any surplus is subject to provision of a 10% legal reserve and special reserve according to law. The remaining balance, if any, will be combined with special reserve reversal and initial cumulative undistributed earnings available for dividend distribution into the amount available for distribution on common shares and preferred shares. In particular, cash dividends may not be lower than 10% of the total amount of dividend distribution in the same year. Earnings distribution proposals will be devised by the board of directors and submitted to the annual general meeting for acknowledgement. The rights and obligations and the priority, amount and method of distribution associated with preferred shares shall be governed by the preferred shares provisions in the Articles of Incorporation.

For the purposes of continuing expansion and increasing profitability while considering overall cash flow requirements and keeping the capital adequacy ratio at level that meets the regulatory requirements and is internationally accepted, the Company adopts a residual dividend policy to accommodate the dilution by share dividends for common shares.

With respect to dividend distribution, the Company focuses on the requirements of business operations, capital planning, cash flow requirements for subsidiary investments and mergers and acquisitions, and material regulatory changes, and chooses to distribute stock dividends to retain the needed cash as a principle and any balance can be distributed as cash dividends.

b. Items on the agenda of the shareholders' meeting

1. Distribution of earnings pursuant to Article 40-1 of the Company's Articles of Incorporation.
2. Taishin Holdings recorded NT$20,064,395,523 in audited after-tax profit for 2024. After adding NT$9,345,245,306 of initial undistributed earnings, the company will provide NT$29,079,643,604 in distributable earnings in 2024, with the adjustments of several undistributed earnings related items as below:
   (1) adding NT$284,133,836 (the remeasurement amount of the defined benefit plan)
   (2) adding NT$825,240,210 (realized gains on the disposal of Fair Value through Other Comprehensive Income instruments)
   (3) deducting NT$2,117,376,957 for 10% of Legal Reserve
   (4) adding NT$678,005,686 for reversal of Special Reserve, pursuant to FSC(Financial Supervisory Commission) Order Jin-Guan-Zeng-Fa No. 1090150022, dated March 31, 2021, which states that “For the difference between the lump sum of net deduction items of other equities in the current year and the amount provided for the special reserve when firstly adopting the International Financial Reporting Standards and other regulations, the company shall set aside as a special reserve. If there is a subsequent reversal of the net deduction items of other equities, the reversal part of the special reserve could be distributed. ”
3. In accordance with the Company's Articles of Incorporation, the Company's 2024 Earning Distribution Plan is proposed as follows:
   (1) NT$1,784,266,500 of cash dividends for Class E preferred shares and NT$195,915,000 for Class F preferred shares will be distributed to preferred shareholders in the first place. The aforementioned cash dividend amounts are calculated based on the actual number of issued and outstanding shares of Class E and Class F preferred shares as of March 31, 2025, after deducting the number of dissenting shareholders' shares repurchased in accordance with Article 12 of the Business Mergers and Acquisitions Act.

(2) Next, NT$22,379,759,306 of cash dividends will be allocated to common shareholders. The merger between the Company and Shin Kong Financial Holding Co., Ltd. (hereinafter referred to as "the Merger") was approved by the FSC under FSC Order Jin-Guan-Yin-Kong-Zi No.11401336541 on March 31, 2025. Upon completion of the merger on the base date, the merged entity will be renamed TS Financial Holding Co., Ltd. ("TS Holdings"). Therefore, the recipients of the common share cash dividends will depend on whether the merger is completed by the ex-dividend base date.

If the merger is completed beforehand, the ex-dividend base date after the share exchange will be based on the shareholders of TS Holdings. Based on the actual number of issued and outstanding common shares as of March 31, 2025, the Company has 12,976,021,794 shares, and Shin Kong Financial Holding has 17,693,831,722 shares. After applying the agreed share exchange ratio, TS Holdings will have 24,866,276,711 shares, with an estimated cash dividend of approximately NT$0.9 per share.

The actual dividend per share will be adjusted based on the number of outstanding common shares on the ex-dividend date, which may be affected by share repurchases, transfers, conversions, cancellations, capital increases, or other factors prior to the ex-dividend date. However, the total distribution amount will remain unchanged.

4. The Board of Directors has authorized the Chairman to set the ex-dividend date and the payment date for the distribution of cash dividends for Class E and Class F preferred shares, as well as for common shares.

D. Effect of resolution of the shareholders' meeting to issue stock dividendon business performance and earnings per share

The company is not required to disclose this information because it does not publish financial forecasts.

E. Employee bonus and compensations for directors and supervisors

a. Percentages and scope of employee bonus and compensations for directors and supervisors in accordance with articles of incoporation

0.01% of any profit made by the company in the current year shall be allocated as employee bonus, and the board of directors shall decide to distribute the bonus as shares or cash, which can also be distributed to employees of affiliated companies that meet the criteria specified in the Company Act. The company may have the board of directors allocated no more than 1% of the aforesaid profit to director remuneration.

A sum shall be set aside in advance to pay down any outstanding cumulative losses before employee bonus and director remuneration can be allocated according to the above percentage.

Employee bonus and director remuneration proposals shall be presented to the shareholders meeting.

b. Accounting treatment for the difference between accrual and actual payment for employee bonus and compensation for directors and supervisors

Employees' bonuses for the current period have been estimated based on the criteria laid out in the Articles of Incorporation. Should the actual amount differ from the amount estimated, the difference will be treated as changes in accounting estimates.

c. Information on proposal of the board of directors to issue employee bonus

1. Payout of cash bonus for employees, stock dividend, and compensations for board directors and supervisors.

If there is a difference between accrual and actual payment, please disclose the difference amount, the reason and the treatment.

(1) Compensation to employees and directors amounted to NT$ 2,011 thousand and NT$150,797 thousand respectively.

(2) The estimated amount of remuneration of employees and directors for the current period deviated from the actual amount decided by the Board of Directors by NT$ 48,474 thousand. The deviation was caused by changes in accounting estimates, and will be recognized in the 2025 profit and loss.

2. Amount of employees' bonus to be paid in stock, and as a percentage to net profit after tax plusemployees' total bonus for the current period: Nil.

d. Remuneration report and results at the general shareholders meeting: Expected to be reported to the general shareholders meeting on June 23, 2025.

e. Any discrepancy between actual distribution of remuneration of employees, directors and supervisors in previous year (including the number of shares, amount and stock price) and the recognized actual dividends for employee bonus and compensations for board directors and supervisors of previous year.

The actual amount of employee remuneration paid in the previous year was NT$ 1,471 thousand and the director remuneration NT$ 100,057 thousand. The actual amounts deviated from the recognized employee remuneration and director remuneration by NT$ 47,187 thousand, which was attributed to changes in accounting estimates, and recognized in the 2024 profit and loss.

F. Buyback of the company's treasury stock: Nil.

G. Issuance of corporate bonds

a. Issuance of Corporate Bonds

Issuance of Corporate Bonds - 1

Base date: Feb. 28, 2025

<table>
<tr><th colspan="2">Type of Corporate Bonds</th><th>2017 Domestic 1st Unsecured Subordinated Corporate Bond</th></tr>
<tr><td colspan="2">Date of issuance</td><td>Oct. 26, 2017</td></tr>
<tr><td colspan="2">Par value</td><td>NT$1,000,000</td></tr>
<tr><td colspan="2">Issue & trade place</td><td>Republic of China</td></tr>
<tr><td colspan="2">Issue price</td><td>According to the denomination of bonds full issue</td></tr>
<tr><td colspan="2">Issue amount</td><td>NT$8.0 Billion</td></tr>
<tr><td colspan="2">Coupon rate</td><td>1.9% per annum</td></tr>
<tr><td colspan="2">Tenor</td><td>10 years (Oct. 26, 2027)</td></tr>
<tr><td colspan="2">Subordinate / Senior Ranking</td><td>Subordinated</td></tr>
<tr><td colspan="2">Guarantor</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Taipei Fubon Bank</td></tr>
<tr><td colspan="2">Underwriting institution</td><td>Taishin Securities</td></tr>
<tr><td colspan="2">Certified lawyer</td><td>True Honesty International Law office's lawyer: Hueiji Guo</td></tr>
<tr><td colspan="2">CPA-auditor of the financial report</td><td>Deloitte & Touche's CPAs: Peter Tsai & Qinzhen Yang</td></tr>
<tr><td colspan="2">Repayment method</td><td>Repayment at maturity</td></tr>
<tr><td colspan="2">Outstanding principle</td><td>NT$8.0 Billion</td></tr>
<tr><td colspan="2">The terms and conditions for redemption or early repayment</td><td>None</td></tr>
<tr><td colspan="2">Restrictive clause</td><td>Interest and principle payments will be suspended if interest payments or return of principle on the company's debt cause the company's consolidated capital adequacy ratio to fall below the minimum requirement of the competent authority. Principle or interest (interests may be accumulated, interests on interests and principle rollovers to be calculated at coupon rates) may be paid only when the aforementioned ratio meets the competent authority's requirement.</td></tr>
<tr><td colspan="2">Whether included as eligible capital</td><td>Yes</td></tr>
<tr><td colspan="2">Credit rating agency, rating date and rating</td><td>None</td></tr>
<tr><td rowspan="2">Other rights</td><td>As of the printing date of this annual report, converted amount of (exchange or subscribed) ordinary shares, GDRs or other securities</td><td>None</td></tr>
<tr><td>Issuance and conversion (exchange or subscription) method</td><td>None</td></tr>
<tr><td colspan="2">Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of corporate bonds, or due to exchange, subscription or issuance terms</td><td>None</td></tr>
<tr><td colspan="2">Custodian</td><td>None</td></tr>
</table>

Issuance of Corporate Bonds - 2

Base date: Feb. 28, 2025

<table>
<tr><th colspan="2">Type of Corporate Bonds</th><th>2018 Domestic 1st Unsecured Subordinated Corporate Bond</th></tr>
<tr><td colspan="2">Date of issuance</td><td>Jul. 10, 2018</td></tr>
<tr><td colspan="2">Par value</td><td>NT$1,000,000</td></tr>
<tr><td colspan="2">Issue & trade place</td><td>Republic of China</td></tr>
<tr><td colspan="2">Issue price</td><td>According to the denomination of bonds full issue</td></tr>
<tr><td colspan="2">Issue amount</td><td>NT$7.0 Billion</td></tr>
<tr><td colspan="2">Coupon rate</td><td>1.92% per annum</td></tr>
<tr><td colspan="2">Tenor</td><td>15 years (Jul. 10, 2033)</td></tr>
<tr><td colspan="2">Subordinate / Senior Ranking</td><td>Subordinated</td></tr>
<tr><td colspan="2">Guarantor</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Taipei Fubon Bank</td></tr>
<tr><td colspan="2">Underwriting institution</td><td>Taishin Securities</td></tr>
<tr><td colspan="2">Certified lawyer</td><td>True Honesty International Law office's lawyer: Hueiji Guo</td></tr>
<tr><td colspan="2">CPA-auditor of the financial report</td><td>Deloitte & Touche's CPAs: Tza-Li Gung & Kwan-Chung Lai</td></tr>
<tr><td colspan="2">Repayment method</td><td>Repayment at maturity</td></tr>
<tr><td colspan="2">Outstanding principle</td><td>NT$7.0 Billion</td></tr>
<tr><td colspan="2">The terms and conditions for redemption or early repayment</td><td>None</td></tr>
<tr><td colspan="2">Restrictive clause</td><td>Interest and principle payments will be suspended if interest payments or return of principle on the company's debt cause the company's consolidated capital adequacy ratio to fall below the minimum requirement of the competent authority. Principle or interest (interests may be accumulated, interests on interests and principle rollovers to be calculated at coupon rates) may be paid only when the aforementioned ratio meets the competent authority's requirement.</td></tr>
<tr><td colspan="2">Whether included as eligible capital</td><td>Yes</td></tr>
<tr><td colspan="2">Credit rating agency, rating date and rating</td><td>None</td></tr>
<tr><td rowspan="2">Other rights</td><td>As of the printing date of this annual report, converted amount of (exchange or subscribed) ordinary shares, GDRs or other securities</td><td>None</td></tr>
<tr><td>Issuance and conversion (exchange or subscription) method</td><td>None</td></tr>
<tr><td colspan="2">Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange, subscription or issuance terms</td><td>None</td></tr>
<tr><td colspan="2">Custodian</td><td>None</td></tr>
</table>

Issuance of Corporate Bonds - 3

Base date: Feb. 28, 2025

Type of Corporate Bonds		2019 Domestic 1st Unsecured Subordinated Corporate Bond
Date of issuance		Apr. 30, 2019
Par value		NT$1,000,000
Issue & trade place		Republic of China
Issue price		According to the denomination of bonds full issue
Issue amount		NT$7.0 Billion
Coupon rate		1.60% per annum
Tenor		15 years (Apr. 30, 2034)
Subordinate / Senior Ranking		Subordinated
Guarantor		None
Trustee		Taipei Fubon Bank
Underwriting institution		Taishin Securities
Certified lawyer		True Honesty International Law office's lawyer: Hueiji Guo
CPA-auditor of the financial report		Deloitte & Touche's CPAs: Tza-Li Gung & Kwan-Chung Lai
Repayment method		Repayment at maturity
Outstanding principle		NT$7.0 Billion
The terms and conditions for redemption or early repayment		None
Restrictive clause		Interest and principle payments will be suspended if interest payments or return of principle on the company's debt cause the company's consolidated capital adequacy ratio to fall below the minimum requirement of the competent authority. Principle or interest (interests may be accumulated, interests on interests and principle rollovers to be calculated at coupon rates) may be paid only when the aforementioned ratio meets the competent authority's requirement.
Whether included as eligible capital		Yes
Credit rating agency, rating date and rating		None
Other rights	As of the printing date of this annual report, converted amount of (exchange or subscribed)ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	None
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange, subscription or issuance terms		None
Custodian		None

Issuance of Corporate Bonds - 4

Base date: Feb,28,2025

<table>
<tr><th colspan="2">Type of Corporate Bonds</th><th>1st Issuance of Unsecured Corporate Bonds of Taishin FHC of Year 2020</th></tr>
<tr><td colspan="2">Date of issuance</td><td>May 20, 2020</td></tr>
<tr><td colspan="2">Par value</td><td>NT$1,000,000</td></tr>
<tr><td colspan="2">Issue & trade place</td><td>Republic of China</td></tr>
<tr><td colspan="2">Issue price</td><td>According to the denomination of bonds full issue</td></tr>
<tr><td colspan="2">Issue amount</td><td>NT$10 Billion</td></tr>
<tr><td colspan="2">Coupon rate</td><td>Tranche A: 0.75% per annum
Tranche B: 0.80% per annum
Tranche C: 0.95% per annum</td></tr>
<tr><td colspan="2">Tenor</td><td>Tranche A: 5 years Maturity: May 20,2025
Tranche B: 7 years Maturity: May 20,2027
Tranche C: 15 years Maturity: May 20,2035</td></tr>
<tr><td colspan="2">Subordinate / Senior Ranking</td><td>Senior</td></tr>
<tr><td colspan="2">Guarantor</td><td>None</td></tr>
<tr><td colspan="2">Trustee</td><td>Taipei Fubon Bank</td></tr>
<tr><td colspan="2">Underwriting institution</td><td>Taishin International Bank</td></tr>
<tr><td colspan="2">Certified lawyer</td><td>Far East Law office's lawyer: Ya-Wen Chiu</td></tr>
<tr><td colspan="2">CPA-auditor of the financial report</td><td>Deloitte & Touche's CPAs: Tza-Li Gung & Kwan-Chung Lai</td></tr>
<tr><td colspan="2">Repayment method</td><td>Repayment at maturity</td></tr>
<tr><td colspan="2">Outstanding principle</td><td>NT$10 Billion</td></tr>
<tr><td colspan="2">The terms and conditions for redemption or early repayment</td><td>None</td></tr>
<tr><td colspan="2">Restrictive clause</td><td>None</td></tr>
<tr><td colspan="2">Whether included as eligible capital</td><td>Not Applicable</td></tr>
<tr><td colspan="2">Credit rating agency, rating date and rating</td><td>None</td></tr>
<tr><td rowspan="2">Other rights</td><td>As of the printing date of this annual report, converted amount of (exchange or subscribed)ordinary shares, GDRs or other securities</td><td>None</td></tr>
<tr><td>Issuance and conversion (exchange or subscription) method</td><td>None</td></tr>
<tr><td colspan="2">Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange, subscription or issuance terms</td><td>None</td></tr>
<tr><td colspan="2">Custodian</td><td>None</td></tr>
</table>

b. Convertible bonds: Nil.

c. Exchangeable corporate bonds:

Exchangeable corporate bonds

Base date: Feb. 28, 2025

Type of Corporate Bonds		Taishin Financial Holding Co., Ltd. 1st Domestic Unsecured Exchangeable Bonds
Date of issuance		Apr 1,2022
Par value		NT$1,000,000
Issue & trade place		Republic of China
Issue price		100.5%
Issue amount		NT$ 5.025 Billion(Face Value: NT$ 5 Billion)
Coupon rate		0% per annum
Tenor		3 years; Maturity: Apr 01, 2025
Subordinate / Senior Ranking		Senior
Guarantor		None
Trustee		Taipei Fubon Bank
Underwriting institution		KGI securities
Certified lawyer		Far East Law office's lawyer: Ya-Wen Chiu
CPA-auditor of the financial report		Deloitte & Touche's CPAs: Han-Ni Fang & Ching-Cheng Yang
Repayment method		Unless the bondholders are exchanged for ordinary shares of Chang Hwa Commercial Bank Co., Ltd. (hereinafter referred to as "Chang Hwa Bank") in accordance with Article 10 of these Measures, or the Company withdraws them in advance in accordance with Article 17 of these Measures, or the Company is transferred from the business premises of a securities firm Except for repurchase and cancellation, the company will repay 100% of the bond face value of the exchange corporate bonds held by the bondholders in cash when the exchange corporate bonds mature.
Outstanding principle		NT$ 2.8707 Billion
The terms and conditions for redemption or early repayment		1. For the period from the following day after three month of the issuance of the exchangeable bonds (July 2, 2022) to 40 days before its maturity (Feb 20, 2025), if the closing price of Chang Hwa Bank's common stock exceeds 30% (inclusive) of the exchange price for 30 consecutive business days, the Company may, pursuant to the exchange terms, redeem its exchangeable bonds at par value in cash. 2. For the period from the following day after three month of the issuance of the exchangeable bonds (July 2, 2022) to 40 days before its maturity (Feb 20, 2025), if the balance of outstanding exchangeable bonds is below 10% of the original issue size, the Company may at any time, pursuant to the exchange terms, redeem its exchangeable bonds at par value in cash.
Restrictive clause		None
Whether included as eligible capital		Not Applicable
Credit rating agency, rating date and rating		None
Other rights	As of the printing date of this annual report, converted amount of (exchange or subscribed)ordinary shares, GDRs or other securities	None
	Issuance and conversion (exchange or subscription) method	Please refer to the prospectus of this issue published on the Market Observation Post System of the Taiwan Stock Exchange
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange , subscription or issuance terms		None
Custodian		Taiwan Depository & Clearing Corporation

Exchangeable corporate bonds

Type of Corporate Bonds		Taishin Financial Holding Co., Ltd. 1st Domestic Unsecured Exchangeable Bonds			
Item / Year		Issue date	2023	2024	2025 (Jan 01, 2025~Feb 28, 2025)
Shareholding of underlying shares		246,305,418 shares	271,739,130 shares	246,208,142 shares	165,936,602 shares
Exchange price		20.3	18.40	17.30	17.30
Market price of the exchangeable bonds	Highest	110.55	105.45	108.50	104.70
	Lowest	109.9	100.50	101.00	102.50
	Average	110.31	103.39	104.17	103.64
Issue date		Apr 1, 2022			
Underlying securities		Chang Hwa Bank common shares			

d. A shelf registration to issue corporate bonds: Nil.

e. Bonds with warrant: Nil.

H. Issuance of preferred shares

a. Issuance of Preferred Shares

Issuance of Preferred Shares - 1

Base date: Feb. 28, 2025

<table>
<tr><th colspan="3">Issuing Date / Item</th><th>Dec. 28, 2016
Class E preferred shares</th></tr>
<tr><td colspan="3">Face value</td><td>NT$10</td></tr>
<tr><td colspan="3">Issue Price</td><td>NT$50 per share</td></tr>
<tr><td colspan="3">Number of shares issued</td><td>500,000,000 shares</td></tr>
<tr><td colspan="3">Total monetary amount of the issue</td><td>NT$25,000,000,000</td></tr>
<tr><td rowspan="4">Obligation & rights</td><td colspan="2">Dividend Yield and Payment</td><td>1. According to the terms of the preferred share E issuance, the dividend rate was initially set at 4.75%. After seven years from the issuance date, it will be reset on the next business day. The two Taipei financial industry business days preceding the interest rate reset date serve as the interest rate reset reference date. Based on the arithmetic average of the seven-year IRS rates “TAIFXIRS” and “COSMOS3,” reported by Reuters at 11:00 AM on December 26, 2023 (which is 1.34%), with an additional markup of 3.5325% at the time of issuance, the dividend rate is reset to 4.8725%, effective from December 28, 2023.
2. Dividend Payment: The company has sole discretion on the distribution of Class E preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Any earnings available for distribution to preferred shares and ordinary shares under an acknowledged earnings distribution proposal will be distributed first to Class E preferred shares. Any remaining balance shall be distributed according to the Articles of Incorporation. In years when the company concludes insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. Dividends on Class E preferred shares will be paid in cash. Once the company's financial statements have been acknowledged and earnings distribution approved during the annual general meeting, the board of directors shall be authorized to set the baseline date for the distribution of the Class E preferred share dividend. Distribution of dividends in the issuance year shall be calculated from the corresponding issuance date (record date) proportionally at the ratio of actual number of days after issuance to the total number of days in the year. Recovery of annual dividends shall be calculated proportionally at the ratio of actual number of days until the recovery and cancelation deadline to the total number of days in the year.</td></tr>
<tr><td colspan="2">Allotment of remaining properties</td><td>Class E preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholdersand no more than issuance amount of outstanding Class E preferred shares.</td></tr>
<tr><td colspan="2">Voting or election rights</td><td>Class E preferred shareholders are not entitled to any voting rights or election rights in shareholders' meeting. However, they may vote in Class E preferred shareholder meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of Class E preferred shareholders.</td></tr>
<tr><td colspan="2">Other rights</td><td>When the Company issues new shares for capital raising, Class E preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.</td></tr>
<tr><td rowspan="2">Preferred shares outstanding</td><td colspan="2">Total amount of redemption or conversion</td><td>None</td></tr>
<tr><td colspan="2">Total amount to be redeemed or converted</td><td>NT$25,000,000,000</td></tr>
<tr><td rowspan="12">Market Price</td><td rowspan="3">2022</td><td>Highest</td><td>53.8</td></tr>
<tr><td>Lowest</td><td>46.9</td></tr>
<tr><td>Average</td><td>51.7</td></tr>
<tr><td rowspan="3">2023</td><td>Highest</td><td>51.8</td></tr>
<tr><td>Lowest</td><td>49.4</td></tr>
<tr><td>Average</td><td>50.8</td></tr>
<tr><td rowspan="3">2024</td><td>Highest</td><td>52.8</td></tr>
<tr><td>Lowest</td><td>50.5</td></tr>
<tr><td>Average</td><td>51.6</td></tr>
<tr><td rowspan="3">As of 2025/02/28</td><td>Highest</td><td>51.8</td></tr>
<tr><td>Lowest</td><td>51.1</td></tr>
<tr><td>Average</td><td>51.5</td></tr>
<tr><td rowspan="2">Other rights</td><td colspan="2">Total amount of conversion or subscrtiption up to the published day</td><td>0</td></tr>
<tr><td colspan="2">Issuance and conversion (exchange or subscription) method</td><td>Refer to the Articles of Incorporation</td></tr>
<tr><td colspan="3">Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange., subscription or issuance terms</td><td>None</td></tr>
</table>

Issuance of Preferred Shares - 2

Base date: Feb. 28, 2025

<table>
<tr><th colspan="3">Issuing Date
Item</th><th>Nov. 30, 2018
Class E preferred shares</th></tr>
<tr><td colspan="3">Face value</td><td>NT$10</td></tr>
<tr><td colspan="3">Issue Price</td><td>NT$50 per share</td></tr>
<tr><td colspan="3">Number of shares issued</td><td>300,000,000 shares</td></tr>
<tr><td colspan="3">Total monetary amount of the issue</td><td>NT$15,000,000,000</td></tr>
<tr><td rowspan="4">Obligation & rights</td><td colspan="2">Dividend Yield and Payment</td><td>Dividend Yield: An annual dividend yield is set at 3.8%[1.1%+2.7%] "7-year IRS+ The fixed rate" per annum of the issue price at the pricing day. "The fixed rate" will be determined by the chairman, who was authorized by the board, of 7-year IRS will be reset on the next business day after each seventh anniversary day after issuance thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 7-year IRS rate is the arithmetic mean of 7-year IRS rates appearing on Reuters pages "PYTWDFIX" and "COSMOS3" at 11:00 A.M.(Taipei time) on the relevant pricing date for reset. If such rate cannot be obtained, the company will determine the rate based on reasonable market price with good faith.
Dividend Payment: The company has sole discretion on the distribution of Class E preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Any earnings available for distribution to preferred shares and ordinary shares under an acknowledged earnings distribution proposal will be distributed first to Class E preferred shares. Any remaining balance shall be distributed according to the Articles of Incorporation. In years when the company concludes insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings.
Dividends on Class E preferred shares will be paid in cash. Once the company's financial statements have been acknowledged and earnings distribution approved during the annual general meeting, the board of directors shall be authorized to set the baseline date for the distribution of the Class E preferred share dividend. Distribution of dividends in the issuance year shall be calculated from the corresponding issuance date (record date) proportionally at the ratio of actual number of days after issuance to the total number of days in the year. Recovery of annual dividends shall be calculated proportionally at the ratio of actual number of days until the recovery and cancelation deadline to the total number of days in the year.</td></tr>
<tr><td colspan="2">Allotment of remaining properties</td><td>Class E preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders, but subordinate to Class D preferred shareholders, and no more than issuance amount of outstanding Class E preferred shares.</td></tr>
<tr><td colspan="2">Voting or election rights</td><td>Class E preferred shareholders are not entitled to any voting rights or election rights in shareholders'meeting. However, they may vote in Class E preferred shareholder meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of Class E preferred shareholders.</td></tr>
<tr><td colspan="2">Other rights</td><td>When the Company issues new shares for capital raising, Class E preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.</td></tr>
<tr><td rowspan="2">Preferred shares outstanding</td><td colspan="2">Total amount of redemption or conversion</td><td>None</td></tr>
<tr><td colspan="2">Total amount to be redeemed or converted</td><td>NT$15,000,000,000</td></tr>
<tr><td rowspan="12">Market Price</td><td rowspan="3">2022</td><td>Highest</td><td>52.0</td></tr>
<tr><td>Lowest</td><td>45.1</td></tr>
<tr><td>Average</td><td>49.8</td></tr>
<tr><td rowspan="3">2023</td><td>Highest</td><td>49.5</td></tr>
<tr><td>Lowest</td><td>45.3</td></tr>
<tr><td>Average</td><td>47.2</td></tr>
<tr><td rowspan="3">2024</td><td>Highest</td><td>47.9</td></tr>
<tr><td>Lowest</td><td>45.4</td></tr>
<tr><td>Average</td><td>46.2</td></tr>
<tr><td rowspan="3">As of 2025/02/28</td><td>Highest</td><td>47.4</td></tr>
<tr><td>Lowest</td><td>46.4</td></tr>
<tr><td>Average</td><td>47.1</td></tr>
<tr><td rowspan="2">Other rights</td><td colspan="2">Total amount of conversion or subscrtiption up to the published day</td><td>0</td></tr>
<tr><td colspan="2">Issuance and conversion (exchange or subscription) method</td><td>Refer to the Articles of Incorporation</td></tr>
<tr><td colspan="3">Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange , subscription or issuance terms</td><td>None</td></tr>
</table>

Issuance of Preferred Shares - 3

Base date: Feb. 28, 2025

Item / Issuing Date			Jul. 21, 2022 Class F preferred shares
Face value			NT$10
Issue Price			NT$17.65 per share
Number of shares issued			300,000,000 shares
Total monetary amount of the issue			NT$5,295,000,000
Obligation & rights	Dividend Yield and Payment		Dividend Yield: An annual dividend yield is set at 3.7%[10-year IRS 1.3%+2.4%] per annum of the issue price at the pricing day. The 10-year IRS will be reset on the next business day after each 10th anniversary day after issuance thereafter. The pricing date for reset is the second business day of financial industry in Taipei immediately preceding each reset date. The 10-year IRS rate is the arithmetic mean of 10-year IRS rates appearing on Reuters pages "PYTWD01" and "COSMOS3" at 11:00 A.M.(Taipei time) on the relevant pricing date for reset. If such rate cannot be obtained, the company will determine the rate based on reasonable market price with good faith. Dividend Payment: The company has sole discretion on the distribution of Class F preferred share dividends. Earnings distribution proposals will be devised by the board of directors in accordance with Article 40-1 of the Articles of Incorporation and then submitted to the annual general meeting of shareholders for acknowledgment. Earnings available for distribution shall be distributed firstly to Class E preferred shares and then, if any earnings remain, to Class F preferred shares. Any remaining balance shall be distributed ordinary shares. In years when the company concludes insufficient or no surplus to fully pay off dividends for Class E preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. Dividends on Class F preferred shares will be paid in cash. Once the company's financial statements have been acknowledged and earnings distribution approved during the annual general meeting, the board of directors shall be authorized to set the baseline date for the distribution of the Class F preferred share dividend. Distribution of dividends in the issuance year shall be calculated from the corresponding issuance date (record date) proportionally at the ratio of actual number of days after issuance to the total number of days in the year. Recovery of annual dividends shall be calculated proportionally at the ratio of actual number of days until the recovery and cancelation deadline to the total number of days in the year. Shares exchanged for common shares of Chang hwa Bank before the ex-dividend base date of any given year during the exchange period, shall not participate in the distribution of the annual dividends for that year.
	Allotment of remaining properties		Class F preferred shareholders shall be limited to claiming on the ordinary shares of Chang Hwa Bank owned by the Company. Class F preferred shareholders shall be given distribution sequence priority over ordinary shareholders. The exchange ratio of Class F preferred shares and Chang Hwa Bank shares shall be set at 1:1.
	Voting or election rights		Class F preferred shareholders are not entitled to any voting rights or election rights in Shareholders' Meetings. However, they may vote in Class F preferred shareholder meetings on amendments to the Articles of Incorporation which damage the rights of Class F preferred shareholders.
	Other rights		When the Company issues new shares for capital raising, Class F preferred shareholders shall be entitled to preemptive rights on the new shares equivalents to those of ordinary shareholders and Class E preferred shareholders.
Preferred shares outstanding	Total amount of redemption or conversion		None
	Total amount to be redeemed or converted		NT$5,295,000,000
Market Price (Note)	2022	Highest	17.4
		Lowest	16.0
		Average	16.8
	2023	Highest	17.2
		Lowest	16.6
		Average	16.9
	2024	Highest	17.0
		Lowest	15.8
		Average	16.4
	As of 2025/02/ 28	Highest	16.2
		Lowest	15.9
		Average	16.1
Other rights	Total amount of conversion or subscrtiption up to the published day		0
	Issuance and conversion (exchange or subscription) method		Refer to the Articles of Incorporation
Possible dilution of equity and impact on equity of existing shareholders due to issuance or conversion of Corporate bonds, or due to exchange , subscription or issuance terms			None

Note: Class F preferred shares were listed on Jul. 21, 2022. The highest, lowest, and average market prices per share in 2022 are based on daily closing prices between the listing date and December 31. (source: TWSE website)

b. Data on preferred shares with stock right: Nil.

I. The issuance of global depositary receipts: Nil.

J. The Issuance of Employee Stock Warrants: Nil.

K. The Issuance of New Restricted Employee Shares: Nil

L. Mergers and acquisitions or transfer of other financial institutions

Taishin Financial Holding Co., Ltd.

1. Any opinions by accountants that should be disclosed regarding the reasonable share swap ratio for mergers acquisitions or sale of financial institutions over the past year: Nil.
2. State of mergers & acquisitions or sale of financial institutions over the past five years.

   On June 30, 2021, Taishin Holdings acquired 100% of 496,058,267 shares of Prudential Life Insurance Company of Taiwan Inc via cash transaction and renamed it to Taishin Life Insurance Co., Ltd.

   The stock agent business under Taishin International Bank was spun off to Taishin Securities Co., Ltd. on November 8, 2021.

   Taishin Venture Capital Investment Co., Ltd., one of the company's subsidiaries, sold a 100% stake in its subsidiary Taishin Financial Leasing (China) Co., Ltd. to Taishin D.A. Finance Co., Ltd., a subsidiary of Taishin International Bank on December 5, 2023.

   Methods of issuing new shares in such M&A or sale, and opinions issued by the leading underwriter: Not applicable.
3. In the most recent financial year and up to the printing of this annual report, disclosure of the basic data of mergers & acquisitions or sale of other financial institutions in which the Board of Directors has approved such M&A or sale that involves the issuance of new shares: The company's Board of Directors approved the merger with Shin Kong Financial Holding Co., Ltd. on August 22, 2024. The application has been submitted to the competent authorities and is currently pending review as of the date of the annual report's publication.

Basic Information on the Merged and Transferred Financial Institution (In Thousands of New Taiwan Dollars, Except Earnings Per Share)		
Name of financial institution (Note)		Shin Kong Financial Holding Co., Ltd.
Address of financial institution		38F., No. 66, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City
Person in charge		Wei, Pao-Sheng
Paid-in capital		NT$180,094,790
Primary scope of business		Financial holding company operations
Primary products		-
Latest annual financial information	Total assets	5,144,862,564
	Total liabilities	4,860,928,926
	Total shareholders' equity	283,933,638
	Operating income	41,066,676
	Gross operating profit	41,066,676
	Operating profit/loss	19,381,547
	Current profit/loss	20,457,169
	Earnings per share	1.22

M. The execution of fund utilization plan

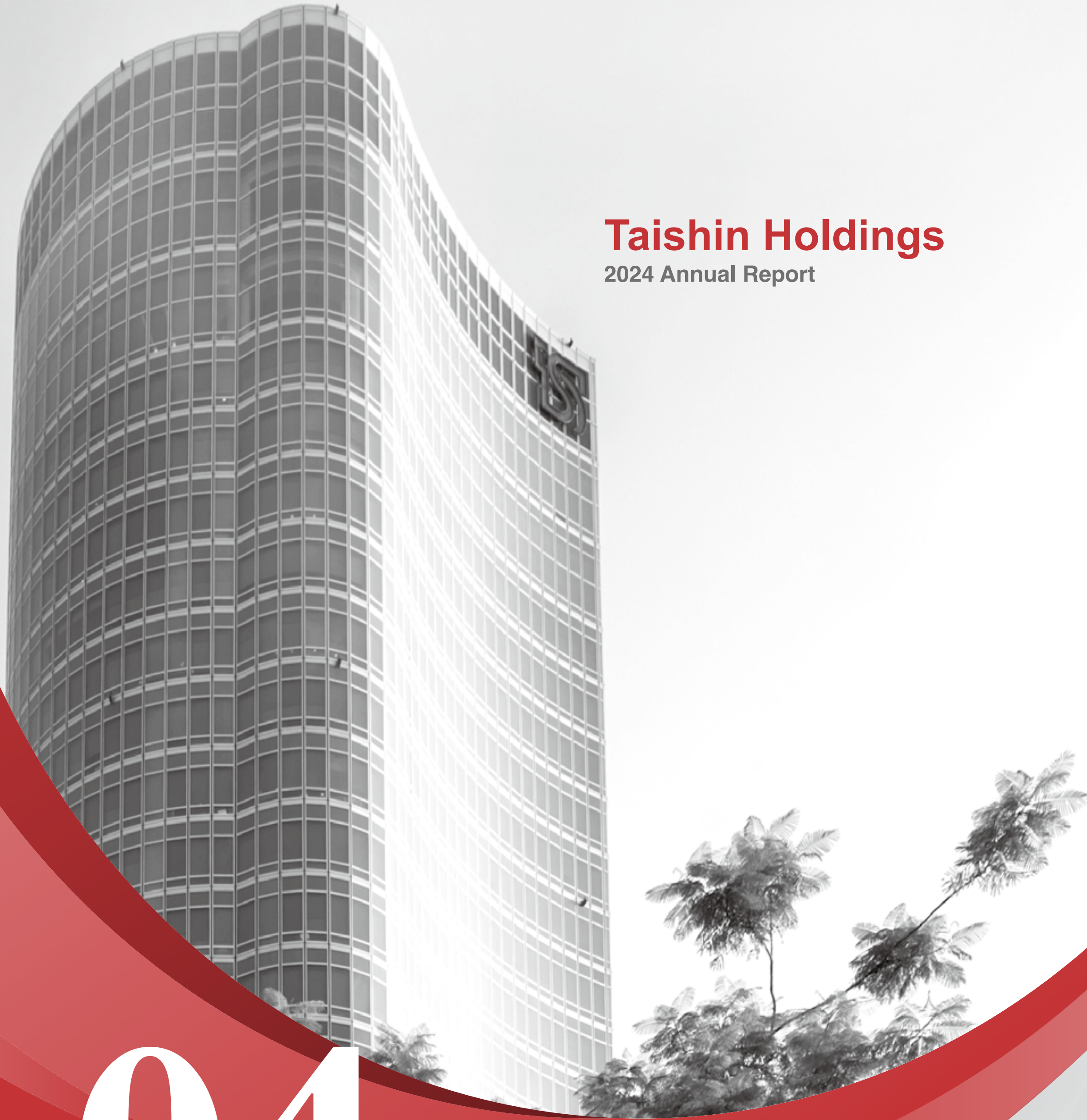
As of the quarter preceding the publication date of the annual report, all fund utilization plans of previous offerings or private placements of securities and corporate bonds have been completed, and there is not a fund utilization plan in the last three years that has been completed without realizing the expected benefits.

a. Plan

Analysis of previous offerings or private placements of securities and corporate bonds that have not been completed, and the not-yet-realized expected benefits of fund utilization plans completed in the last three years: None.

b. Current progress

As of the quarter preceding the publication date of the annual report, reasons for the fund utilization plans of previous offerings or private placements of securities and corporate bonds not having been completed, one or more fund utilization plans in the last three years having been completed without realizing the expected benefits, or the progress or benefits falling short of expectations: None.



04

IV | Operating Status

IV. Operating Status

A. Business contents

Taishin Financial Holding Co., Ltd.

a. Business scope

1. Scope of business

According to Article 36 of the Financial Holding Company Act, the business of the Company is limited to investment in, and management of, its invested enterprises.

The Company may apply to the competent authority for approval to invest in the following.

(1) Financial holding companies.

(2) Banking enterprises.

(3) Bills finance enterprises.

(4) Credit card businesses.

(5) Trust enterprises.

(6) Insurance enterprises.

(7) Securities enterprises.

(8) Futures enterprises.

(9) Venture capital enterprises.

(10) Foreign financial institutions which have been approved for investment by the competent authority.

(11) Other enterprises for which the competent authority determines to be finance-related.

2. Revenue breakdown

Unit: NT$1,000

Item	Amount	%
Investment income under equity method	20,807,244	96.84
Other net income	679,630	3.16
Total	21,486,874	100.00

b. Business Operating plan

1. Continuously increase Bank, Insurance and Security Subsidiaries' scale and profit.
2. Deepen subsidiaries' cooperation to drive more business synergy.
3. Deepen brand positioning of "Your Smart Partner". Develop and implement digital strategy and roadmap, especially on data and AI applications.
4. Enhance ESG culture to increase business competitiveness.
5. Rooted integrity and compliance culture to win customer's trust.
6. Optimize capital management.
7. Implement information security networks.
8. Agile, Innovative and stable information technology to lead digital development.
9. Strengthen brand image to recruit top talent.

c. Industry status

In 2024, global economic growth momentum remained weaker than expected due to persistently high interest rates, geopolitical conflicts, and other factors. Among major economies, only the U.S. maintained steady growth, driven by strong domestic demand. Weak consumer demand led to a decline in inflation rates across most economies. The U.S. Federal Reserve, European Central Bank, Central Bank of Canada and Central Bank of United Kingdom, all started to lower down interest rates. Meanwhile, China ramped up monetary easing, though have yet to stimulate a recovery in consumer spending.

Looking ahead to 2025, the inauguration of U.S. President Donald Trump and his active fulfillment of campaign promises will shape the global economic outlook. His “America First” policies, including tariffs, investment promotion in the U.S., and encouragement of domestic procurement, will have varying effects on the U.S. economy and inflation, depending on how they are implemented. These policies will also have spillover effects on Asian countries.

Taiwan’s overall economy was relatively robust in 2024. The Directorate General of Budget, Accounting and Statistics (DGBAS) projected Taiwan’s GDP growth for 2024 at 4.59%, the second-best performance in the past decade. However, economic growth was uneven, primarily driven by the AI server supply chain, while other sectors, such as components for consumer electronics and traditional industries, were constrained by high global inflation, which suppressed demand for consumer goods. As a result, exports either declined or saw only marginal growth throughout the year.

Looking ahead to 2025, AI-related supply chain orders will remain the primary driver of Taiwan’s economic growth. However, with a higher base of comparison and ongoing trade conflicts between the U.S. and major economies, the global impact remains uncertain. As a result, Taiwan’s economic outlook for 2025 faces increased uncertainty. Without considering factors such as tariffs, the DGBAS projects Taiwan’s GDP growth at 3.14% in 2025.

In 2024, the pre-tax profit of Taiwan’s financial industry was NT$1,060 billion, representing a year-on-year increase of 50% and surpassing NT$1 trillion for the first time in history. The banking sector recorded a pre-tax profit of NT$565.6 billion, a 12% annual increase; the securities, futures, and investment trust sector earned NT$151.6 billion in pre-tax profit, up 51% year-on-year. Profit of these two sector are reached to record high performance in history. The insurance sector reported NT$341.5 billion in pre-tax profit, reached to second-best performance, rising by 248% year-on-year; The boom in AI-related industries has energized financial markets, serving as the primary driver of substantial profit growth across the three major financial sectors. This includes net fee income from wealth management in the banking sector, investment returns in the life insurance sector, and proprietary trading profits in the securities sector, each acting as a key growth driver for their respective industries. Additionally, the depreciation of the New Taiwan dollar contributed to foreign exchange gains for the insurance and banking sectors.

d. Research and development

1. R&D results in last two years

According to Article 36 of the Financial Holding Company Act, the business of a financial holding company shall be limited to investment in, and management of, its invested enterprises. Related R&D expenses shall be as specified in the R&D projects by Taishin Bank's subsidiaries.

Taishin Bank's R&D expenses in the last two years are NT$25,526,000 in 2023 and NT$68,375,000 in 2024.

2. Future R&D plan

(1) Taishin will optimize O2O integration through continuing use of advanced FinTech applications and artificial intellegence so to enable digital services to offer easier-to-use and more friendly and wide-ranging features and products.

(2) Taishin Holdings provides a variety of investment vehicles for corporations and individuals, and endeavors to satisfy the investment needs of local and international customers as deregulation continues.

(3) Taishin Holdings will continue working closely with various distributors to provide more comprehensive services to individual and corporate customers. Taishin Holdings is also committed to keep refining the ease and convenience of its electronic platforms, in order to satisfy customer demand for easier and quicker e-trades.

e. Long- and short-term business development plans

In the end of 2024, company's core business consistent profit growth with net profit NT$20.1 billion, contribute to EPS NT$1.39; ROE 10.31%; and net value NT$14 per share. Company's capital adequacy ratio 138.77% and double leverage ratio 112.38% reveals strong capital structure still.

1. Short-term business development plan

(1) Balance capital management, investment and risk to grow assets properly, and continuously increase Bank, Insurance and Security Subsidiaries' scale and profit.

(2) Through data, digital, technology to deepen customer relationships.

(3) Deepen subsidiaries' cooperation to drive more business synergy.

(4) Develop and implement digital strategy and roadmap, especially on data and AI applications.

(5) Rooted integrity and compliance culture to win customer's trust.

(6) Implement information security networks.

(7) Agile, Innovative and stable information technology to lead digital development.

(8) Strengthen brand image to recruit talent.

2. Long-term business development plan

(1) Increase subsidiaries' scale to strengthen banking, insurance and security business, which improve international competitiveness.

(2) Continuously expand overseas operations through more comprehensive high-quality financial services for Chinese community worldwide.

(3) Continuously develop and implement strategic digital transformation, develop innovative products and services for customers.

(4) Strengthen the brand as an employer to attract top talent in all fields.

(5) Continuously enhance ESG.

Taishin International Bank Co.,Ltd.

a. Business contents

1. Growth by business area and changes

(1) Wealth Management

For the Bank's wealth management business, individual and household customers are clustered into groups for wealth management. A product recommendation model is used to provide them with exclusive financial consultation and planning services, including currency savings plan, investment products, insurance plans, and loans. By constantly improving our wealth management service capability in combination with tax and asset allocation as well as the support of digital technology, we have planned a comprehensive range of wealth management services to keep pace with wealth management market trends and meet different customer needs. Thanks to our diverse product portfolio, online and offline distribution channels, and exclusively courteous offer, we were able to attract increasingly more wealth management customers and win a number of awards at home and abroad, including PWM/THE BANKER's "Top 1000 World Banks Ranking", The Digital Banker's "Outstanding Digital Customer Experience Award," PBI International Private Banker's "Best Private Bank for Ultra High Net Worth Clients in Taiwan," the Taiwan Banking and Finance Best Practice Awards' "Best Wealth Management Award," Business Today's "Best Intelligent Investment Award," "Best Wealth Enhancement Award," and "Best Digital Experience Award," as well as honors such as the Best Wealth Management Award from Wealth Magazine and Excellence Magazine, and the National Brand Yushan Award's "Most Popular Brand Award."

(2) Retail Banking

Taishin Bank's retail banking operations cover consumer loans (mortgage, auto loan, unsecured loan, and 2nd lien mortgage), micro corporate loans, and credit card for individual customers and payment processing services for merchants. Products are developed and marketed according to market differentiation and the needs of customer, in order to provide suitable financial products.

The Bank relies on data analysis to expand its customer base, develop new products that cater to diverse customer needs, and optimize digital process transformation to enhance operational efficiency. By leveraging cross-industry partnerships, the Bank also facilitates customer applications, leading to consistent and gradual growth in all business operations.

(3) Digital Banking

In Taiwan, the Bank is at the forefront of digital banking and its primary operations are outlined below:

A. Richart Digital Bank

We launched Richart, a digital banking service account, in 2016. By the end of 2024, our digital deposit account count has surpassed 4.29 million, solidifying our position as the market leader in Taiwan.

B. Mobile banking

When our mobile banking app was upgraded in 2021, we continued to optimize our service process and incorporated more application scenarios in 2022. In 2024, we supported the pilot bank initiative of Financial Information Service Co., Ltd. and became the first wave of financial institutions to introduce cross-bank, cardless cash withdrawal via active and passive QR Code scanning, along with regular investment plans for securities and a variety of financial products. All of which are intended to improve the user experience and convenience of investment services. In mobile banking, we introduced a new function for customers to place fragmented fixed deposits and make lump-sum withdrawals as part of our respect for inclusive finance.

C. New Payment & Collection Services

Taishin Bank was not only the first bank in Taiwan to support the four major contactless mobile payment services (Apple Pay, Samsung Pay, Google Pay, and Taiwan Pay) but also has built the Taishin Bank exclusive digital wallet “Taishin Pay”, a payment service that can be used in convenient stores, department stores, wholesaling marts, taxis, markets, and shopping area, all of which is closely related to people’s life. It has amassed over 110,000 merchants who support Taishin Merchant APP. In terms of payment processing services for merchants, Taishin Bank is the first in Taiwan to concurrently support Alipay, WeChat Pay from China and GLN cross-border payment services from Korea.

With the aim of making customers' lives easier, we are dedicated to expanding the financial ecosystem and working closely with diverse industries to strengthen our capabilities. We were the first bank among peers to provide tap-to-phone payment service on the mass transit rail system. Taishin Pay, our innovative payment service interface, supports pay-with-points service in Taiwan's three convenient store giants, department stores, and over 70,000 service locations, greatly increasing the scope of application and diversity of pay-with-points services.

D. Richart Life

In August 2020, Taishin Bank launched the “Richart Life” and it is key service to link and run the everyday life and finance ecosystem.

(4) Wholesale Banking Services

The Wholesale Banking Division provides a diverse range of banking products and professional services for institutional clients that include transnationals, corporations, small and medium sized enterprises, government agencies and financial institutions. The scope of business includes commercial banking and investment banking services such as deposit, short/long-term loan, guarantee, trade financing, syndicated lending, bond trading, bill financing, factoring, cash management, corporate Internet banking, foreign currency and interest rate derivative trading.

(5) Financial Market Services

The integrated banking platform offers a diverse range of professionally delivered banking products that are tailored to suit the needs of individual customers and meet different onshore and offshore demands. Financial market services offer primarily exchange rate, interest rate, equity, commodity derivatives and structured products. For wholesale banking and retail banking customers looking for investment options, Taishin Bank offers a wide range of banking products, including exchange rate, interest rate, stock, bond, commodity, and gold account. The Bank also provides funding, underwriting, and bond management services for onshore/offshore bond issuers. Furthermore, market updates and advisory services are provided as needed to increase variety in the available banking products and help investors achieve optimal portfolio allocation. Regarding position management, Taishin Bank follows the risk management policy for financial markets. It aims for financial security, sound business practices, and steady profit growth that create a win-win situation for customers and the Bank.

(6) Trust Services

A. Taishin's trust planning service offers Taishin's trust customers a complete range of financial planning products, including funds, collective investment accounts, foreign bonds, offshore structured products, foreign ETFs, foreign stocks, other foreign securities, trust services, and custody services. The service is also constantly working on customer segmentation into high net worth, wealth management, and digital segments in order to provide personalized asset allocation recommendations. Regarding digital transactions, Taishin Bank tries to add more transactions to Internet and mobile banking services.

The aim is to provide a digital banking service and investing experience that is more innovative and friendly and in real-time.In addition, we continue to optimize the customer transaction journey; by making more products available on “Easy Go Service”, our financial advisory app, to provide customers with a more convenient transaction process.

B. Funds and collective accounts

◆ Taishin Bank sets itself to utilize a line of funds with both depth and width and helps customers construct core and opportunity assets in order to achieve optimal portfolios and create more flexibility and better protection in asset allocation.

◆ The Bank continues to build a comprehensive product line. In response to increasingly volatile financial markets, Taishin Bank continuing increases product diversification to give stability to customers' investment portfolios. The Bank is first to introduce new and innovative funds with specific focuses. Customers will have more options when markets are volatile. Taishin Bank also promotes regular savings plans to help customers accumulate wealth at a steady pace in a fast-changing market.

◆ In terms of digital investments, other than featuring new functions in Internet banking and mobile banking, Taishin Bank has also been constantly updating "Richart" and "Roboking", providing more convenient services and more varieties of fund products on our digital platforms and smart investment platforms, thereby helping our customers with investment planning and personal investment management as well as satisfying the investment needs of various customer groups.

C. Foreign securities business

◆ Ever since the U.S. Federal Reserve initiated its rate-tightening cycle, there has been a rise in the investment value of fixed income products, prompting customers to take advantage of the market to earn significant profits. Taishin Bank offers a diverse range of premium-quality, popular overseas bonds, including overseas financial bonds, corporate bonds, and government bonds, all of which are combined with investment portfolio strategies to satisfy customers' asset allocation needs.

◆ Investments in offshore structured products by professional investors became an alternative fixed income product for investors, thanks to the high interest rate and favorable conditions of long-term products.

◆ In face of the volatile stock market, equity-linked offshore structured products are made more efficient through streamlined transaction process, and more diverse products are being offered based on customers' needs, which helps customers seize market opportunities.

◆ Foreign ETFs, foreign stocks, and other foreign securities will continue to undergo optimizations with particular regards to the bank APP interface and order placement function to enhance customers' trading experience and provide customers with more responsive and user-friendly service, which further assists customers in grasping investment opportunities.

D. Trust planning business

◆ With a focus on the needs of customers, Taishin Bank designs standardized contracts that meet customers’ mainstream needs while personalizing contracts for specific customer groups such as high-net-worth individuals or customers with special needs, thereby establishing itself as a trust supermarket for all of customers' trust inquiries.

- To satisfy corporate customers' need for diversified trust planning services, we also launch trust spectrum to our Foreign Investors Custodian Service offers foreign individuals and foreign companies the opportunity to participate in Taiwanese stock markets. The Bank also provides Foreign/Mainland China Area Employees Collective Investment Account for oversea foreign employees of domestic listed (OTC) companies and primary listed (OTC) foreign issuers in Taiwan to secure employee welfare trusts that help companies reward and incentivize employees to stay with the company.

(7) Insurance agent services

Taishin Bank is committed to operating its insurance brokerage business as an open platform dedicated to provide the best insurance brokerage services for its customers. As of the end of 2024, Taishin Bank has agreements with 26 insurance companies, including 16 life insurers and 10 property insurers, to provide service and satisfy different insurance needs of its customers.

Taishin Bank works with life insurance companies including Nan Shan Life, Shin Kong Life, Cathay Life, KGI Life, BNP PARIBAS, Chubb Life, Taiwan Life, Fubon Life, Yuanta Life, American International Assurance, Transglobe Life, MassMutual Mercuries Life, Taishin Life, Far Glory Life, Allianz Taiwan Life, First Life.

Taishin Bank works with property insurance companies including Shinkong Insurance, Insurance Company of North America Taipei Branch, Union Insurance, Hotai Insurance, Taian Insurance, Tokio Marine Newa Insurance, Fubon Financial Holding, Chung Kuo Insurance, The First Insurance , MingTai insurance.

As the market and insurance laws change, Taishin Bank continues to introduce more protection products, including life insurance, accident insurance, and health insurance, through the insurance brokerage operation. At the same time, Taishin Bank has joined the effort to raise awareness of retirement planning in response to Taiwan's aging population, low birth rates and other social issues. We also strengthened the promotion of our insurance business with the support of our subsidiary Taishin Life Insurance's product strategy. The regulatory authority of Taiwan attaches importance to life insurance and provision of tax planning and asset allocation services for high-end customers. Accordingly, we continued to develop USD protection-oriented insurance, mortgage life insurance, and participating insurance policies, long-year life insurance etc. we have added new options for our customers in the management of life insurance. To take advantage of the changing TWD exchange rate, we have rolled out new TWD-linked insurance products. Additionally, it can be tough for elderly individuals to secure insurance coverage due to age-related factors or physical conditions. To cater to the protection needs of this particular customer segment, we have launched a TWD-based insurance plan that prioritizes protection. This plan is accessible to customers aged 80 and below. Meanwhile, following the competent authority's policy, Taishin Bank is devoting more resources to provide professional training in protection, participating policy and aging population related products for our salespersons. By having employees become better trained in exploring customers' protection and other needs, Taishin Bank expects to achieve better matches between customers and products. To help customers balance financial management and protection needs in such volatile investment environment, Taishin Bank is continuously committed to providing a variety of investment type insurance products that feature robust plans. focused on developing discretionary investment accounts, which are managed by professionals at Taishin Securities Investment Trust (SITC) by monitoring market conditions and adjusting asset allocation. In addition, the Bank continued to introduce platform-based investment insurance that is linked to multiple mutual funds, thereby providing diverse target options that can be flexibly adjusted in an ever-changing investment environment. We continued to improve our product diversity, helping customers to make investments and accumulate their wealth under the protection of insurance.

As the trend of Digital Finance gradually progresses, Taishin Bank is also investing heavily in the Digital Finance of our insurance agent business. The Taishin Bank's online insurance platform, e-insurance, has accumulated more than 46,000 members by the end of 2024. The platform offers property insurance (e.g. car insurance, mobile device Insurance, pet insurance) and life insurance (e.g. travel insurance, travel inconvenience insurance and interest sensitive annuity insurance). And also continue to introduce new forms of online insurance products for providing customers take out insurance anytime, anywhere.

2. The net profit percentages for key activities of the Bank and the growths and changes are listed as follows:

Net profit percentage	2024	2023
Retail Banking	59%	58%
Wealth Management	36%	34%
Consumer Finance	16%	17%
Credit Card	7%	7%
Wholesale Banking	30%	32%
Financial Market	11%	10%
Total	100%	100%

Note: The cash card business is merged into retail banking services.

b. Business plan for the current year

1. Wealth Management

(1) The Taishin Bank brand is built on "Dedication", "Professionalism", and "Heartfelt". We help clients protect and pass on their assets by adopting precise customer segmentation and providing exclusive financial consulting and planning services using our product recommendation model.

(2) As part of its commitment to sustainable development and customer-centric values, Taishin Bank offers appropriate asset allocation, regular investment checkups, and after-sales services in risk management and market analysis reports, all of which are designed to help customers achieve consistent returns and asset growth in the markets.

(3) By implementing the three-pronged approach to wealth management, known as the "All-customer", "All-product", and "All-channel" strategy, we have enhanced the caliber of our wealth management services, broadened our product offerings, met the wealth management demands of our clients, and streamlined user experience across our channels, resulting in stronger business relationships with our customers.

2. Retail Banking

Loans:

(1) In terms of customer management, we have established diversified assessment parameters and an innovative audit mechanism to provide customized services and products.

(2) In terms of product planning, we work with ecosystem partners to develop new channels and new consumption scenes. Online fast review platform has been optimized and integrated with smart review process, to deliver the best customer service experience.

(3) In terms of channel management, we have a professional sales team in place to provide a total range of products and services. In addition, we can facilitate product cross-selling and increase customers' brand loyalty.

(4) In terms of micro enterprise service, we have established standardized approval processes to efficiently assist businesses in obtaining operating working capital, thereby achieving inclusive finance.

(5) In terms of digital innovation, we have optimized customer application process by linking to the government's data sharing platforms and continually promote the development of FinTech across industries and multiple financial scenarios.

Credit card service:

(1) Customer segmentation - Putting customers at the center of our service operations, we optimized the new account journey of application(card approval, card activation, card usage, and transaction completion) to further improve credit card effectiveness and customer experience. Digital tools are also being used to effectively identify and attract new customers.

(2) Product planning - In addition to creating a reward exchange platform, we also promote the Taishin Points to reward cardholders and build an ecosystem around the reward points.

(3) Consumption scenarios - We have strengthened our cooperation with existing co-branded channels in an attempt to bring in new customers. We also capitalized on the recovering economy, focusing on high-value transactions, high-frequency card usage, and association of product rewards for transaction growth.

(4) Acquiring Business - We continually explore innovative ways to acquire services, and with the introduction of Taishin iPhone tap to pay, we allow smartphones to be used as EDCs for digital payment, thereby promoting financial inclusion.

3. Digital Banking

(1) Richart - the digital banking brand

A. Continue to be customer experience oriented and mobile app oriented, and provide customers with the latest financial service experience by quickly responding to the market.

B. Craft services that are simple, convenient, transparent, and heartfelt, to help young people access digital services with ease.

C. Craft better and smoother services and user experience through user interview and big data analytics.

D. Combine the dynamic features of social media platforms with LINE's personalized service to create a fun and interactive experience for customers.

(2) Internet Banking and Mobile Banking

A. Implementation of inclusive financial services: In mobile banking, we introduced a new function for customers to place fragmented fixed deposits and make lump-sum withdrawals.

B. Continuing to improve service convenience: Use of shared data from government platforms to improve the convenience of large-value foreign exchange transactions; Promotion of comprehensive exchange rate notification service to help customers capitalize on the best exchange rate timing; The Internet banking platform adopts a responsive web design to deliver optimal browsing experience on a variety of devices.

(3) Richart Life

A. Continue to integrate functions like reward points, payments, offers and discounts, and financial services, to attract customers to shop at the scenes of each strategic partner, eliminating the boundary separating everyday life and finance via a one-stop app.

B. Scale up point services - Through Richart Life, we associate Taishin Points with real-life scenarios, and in doing so open up infinite possibilities.

C. Continue to review and optimize user experience for various services and improve platform service performance.

(4) ATM

A. We continue to provide diverse and friendly services. For example: The user interface was already available in Chinese and English, and a total of seven new languages including Japanese, Korean, Thai, Vietnamese, and Indonesian were added over time; through cooperation with Financial Information Service Co., Ltd., we introduced "cross-bank cash withdrawal service using QR Code"; accessible ATMs with audio-based interface (for the visually impaired) have been established along with new "cash deposit service for the visually impaired," whereas wheelchair-accessible ATMs are being introduced on a trial basis. By catering for the needs of the visually impaired and wheelchair users, we take financial inclusion to the next level.

B. Keep increasing the number of service locations: Apart from continuing collaboration with three major convenience store chains, Taishin Bank is also expanding collaborations with different industries to develop new types of points of service such as hospitals, traditional markets, pharmacy chains, wholesale store chains, and public transport hubs.

4. Wholesale Banking Services

(1) Building on strengths in product innovation and service development to provide one-stop financial services and increase customer loyalty.

(2) Introducing integrated NTD and foreign currency cash management; promoting cash services (collection and payment) as means of soliciting current deposits; anchoring customer relationship and minimizing credit risks.

(3) Taking advantage of local branches to develop close ties with local customers; trying to expand the customer based in small and medium-sized enterprises; and targeting high net worth customers in Asia Pacific.

(4) Taishin Bank is actively deploying its plans for the China and Asia-Pacific markets. Currently, it owns branches in Hong Kong, Singapore, Tokyo in Japan and Fukuoka, Brisbane in Australia, and Labuan in Malaysia (including the Marketing Service Office in Kuala Lumpur, Malaysia). It also has representative offices in Ho Chi Minh City in Vietnam, Yangon in Myanmar, Shanghai in China, and Bangkok in Thailand. The Bank will continue to expand overseas and open new offices as needed in order to build an image of a regional bank and grow in foreign markets and increase the percentage of overseas profit.

(5) Improving the lending process and strengthening risk management in order to maintain sound asset quality.

(6) Investing more in training and job rotation mechanisms in response to the growing momentum in overseas operations, and building an overseas talent database.

5. Financial Market Services

(1) The Bond Market Department provides planning and management of underlying onshore and offshore bonds in underwriting cases. The department is an active participant in bond issuance and financing planning for onshore and offshore companies, and brings in diverse cases with overseas issuers and provides Taiwanese investors with diverse options.

(2) Develop new products and platforms to increase product range, to provide customers with diverse financial products and increase adhesion of customers.

6. Trust Services

Respond quickly to changes in market conditions by expanding the range of products, and strengthen post-investment management mechanisms on an ongoing basis to support a complete range of financial planning services. The focus of product development is as follows:

(1) Fund and collective investment management:

A. Extending the line of onshore/offshore funds to better reflect changes in market dynamics. Introducing new type products and promoting different thematic funds to meet asset allocation needs of different customer segments with different attributes.

B. We will continue to incorporate market and product information services into the online and mobile trading platforms to create financial planning services that are more convenient and more instant. We will add more fund features to the digital banking app, and launch funds in time with current affairs and lowering the thresholds in order to offer more intuitive operating interface and more investment choices for digital banking customers.

C. Promoting regular savings plans in conjunction of competitive event offers to help all customers make long term investment.

D. Attracting more customers of custody services and securing assets under management (AUM) for funds while generating more stable income from the AUM base.

(2) Foreign securities

A. Foreign ETFs, foreign stocks, and other foreign securities will continue to undergo optimizations with particular regards to the bank APP interface and order placement function to enhance customers' trading experience and provide customers with more responsive and user-friendly service, which further assists customers in keeping abreast of onvestment trends.

B. A diverse range of premium-quality, popular overseas bonds are continuously provided, including overseas financial bonds, corporate bonds, and government bonds, all of which are combined with investment portfolio strategies to provide better asset allocation options for customers who prefer fixed-income products. We have organized a number of seminars to keep clients informed of global bond market changes. In order to enhance our customers' experience with overseas bond trading, we are continuously improving the transaction function for overseas bonds on our automated platforms and optimizing the process for inquiring about specific bond products. This results in more timely and efficient wealth management services.

C. Investments in offshore structured products by professional investors became an alternative fixed income product for investors, because of increase in interest rate and favorable conditions of longterm products. Non-principal-guaranteed equity-linked products are made more efficient through streamlined transaction process, which helps customers seize market opportunities.

(3) Planning trusts and custody services

Taishin Bank actively supports FSC's Trust 2.0 Plan by continuously promoting our retirement trust, family inheritance trust, and employee incentive trust services in which we personalize trust contracts to the needs of customers, thereby achieving the full functions of trust services for customers.We have recently introduced a pre-opened trust service, offering the public the ability to plan trust usage and fund payments beforehand, creating a financial safety net for the future. In view of the excellent operating performance of overseas Taiwanese companies and their business locations around the world, the Bank offers Foreign/Mainland China Area Employees Collective Investment Account for oversea foreign employees to help companies reward and incentivize employees to stay with the company.

7. Insurance agent Services

(1) In support of the authority's policies, we continue to promote transformation of insurance products, offer protection-oriented policies, and actively introduce life insurance products that meet customers' needs, such as participating and market-competitive products through the life insurance subsidiary. In addition to enriching the diversity of the product portfolio and offering comprehensive protection that includes death, healthcare, and accident coverage, we actively increase the number of insurance partners as well as product types, and in doing so secure advantage of existing branches as sales channels and increase product ownership across customers.

(2) To meet customers' wealth management and protection needs, we introduced an innovative structure for insurance-based investment products that is in line with international standards, and also continued to promote Taishin Life Insurance products and diversify investment-oriented insurance portfolios, providing customers with more diverse allocation options for asset planning.

(3) Taishin Bank’s online insurance platform offers car insurance, travel insurance, and travel inconvenience insurance products to meet the needs of digital natives. Our low premium threshold model has successfully attracted young people to purchase interest sensitive annuity products, strengthening the stickiness between digital customers and Taishin Bank. Given our understanding of and experience in managing digital customer groups, the platform has successively launched insurance policies for second-hand mobile devices as well as flexible pet insurance solutions. We also integrated intra bank resources and the resources of our partnering insurance companies to develop new customer groups, expand our digital insurance channels, and achieve greater differentiation in our business.

c. Industry status

Same as described under "c. Industry status" of Taishin Financial Holding Co., Ltd.

d. R&D and business development

1. Retail Banking

(1) Loan:

A. Balance of secured loans totaled NT$816.8 billion, representing an annual growth rate of 6%.

B. Balance of unsecured loans totaled NT$119.2 billion, representing an annual growth rate of 14%.

(2) Credit cards:

A. 6.58 million cedit credit cards outstanding, ranking fifth with a 11% market share.

B. 4.85 million active credit cards, ranking fifth with a 12% market share.

C. NT$517.9 billion in annual card pruchases, ranking fifth with a 11% market share.

D. 174,000 card accepting merchants in total, ranking first with a market share of 20%.

2. Digital Banking

(1) Richart - the digital banking brand

It provides a comprehensive range of financial solutions, including savings, payment options, financial planning, foreign currency services, insurance, loans, and time deposit, ahead of the market. Over the past few years, we have consistently introduced new and innovative products to improve the overall service experience, including:

In April 2024, we cooperated with JKOS Network CO., LTD. to introduce "JKOS exclusive loan," which allows holders of JKOS x Richart Account to apply for loans and have the proceeds disbursed directly into the JKOS x Richart Account.

In May 2024, we collaborated with Dcard to launch "Richart X Dcard Mastercard," a co-branded card featuring popular IP, exclusive benefits, and distinctive APP interface to bring fresh experience for users across different platforms.

In July 2024, we launched a number of investment services targeting overseas equity markets, such as sub-brokerage account opening, regular investment in U.S. equity through sub-brokerage, and daily regular investment in Taiwan equity, with minimal subscription and transaction fees.

(2) Internet Banking and Mobile Banking

Taishin Bank strives to satisfy customers' need for a one-stop payment service by enabling customers to complete payments via Mobile Banking, including payments for transportation, telecommunication, water and electricity, credit card, cable TV, insurance (national health insurance and annuity premiums) bills, and various taxes and fees (individual income tax, license fee, property tax, land value tax etc.), providing customers with a convenient, secure, and time-unrestricted online service.

(3) ATM services:

With the opportunity presented by the opening of national borders and the high demand for overseas travel, the Bank has steadily expanded its foreign currency ATM network. By the end of 2024, Taishin's foreign currency ATM count neared 1,000, securing its position as the market leader. The ATMs offer a variety of currencies, including USD, JPY, CNY, and Euro, and allow for both withdrawal and deposit of foreign currency notes, providing a one-stop solution for those in need of foreign notes.

(4) Richart Life

In August 2020, we launched Richart Life, a platform built upon data analysis, digital communication tools, and API system integration for partnership with merchants, thereby transcending physical limitation to a single premises. This in turn facilitates customer acquisition through referrals from cross-site members, point exchange, and data model development.

As of December 2024, the number of members had exceeded 3 million.

(5) New Payment & Collection Services

By supporting linkage of QR wallet to third-party transaction platforms (such as delivery service, taxi service, and parking service platforms), Taishin allows auto-debit for simplified payment process, thereby improving customers' payment experience.

3. Wholesale Banking

(1) Outstanding of loans extended by domestic branches to state and private enterprises.

Given a balance between risk management and business growth, as of the end of December 2024, the outstanding wholesale banking loans stood at NT738.9 billion, representing 10.88% in YOY growth. Loans to state-owned and private enterprises totaled NT$425.3 billion at the end of December 2024, representing 4.7% in YOY growth.

(2) Outstanding of loans for small and medium enterprises

Owing to its support of the government's credit extension policy for small and medium enterprises and success in developing its own customer base, Taishin Bank reported an outstanding balance of SME loans up to NT$ 304.3 billion at the end of 2024.

(3) Export bills of exchange

The Bank's bill negotiation amount in 2024 increased to USD1.7 billion compared to the previous year. Moving forward, we will proactively seek out high-quality customers and expand our customer base.

(4) Factoring business

For factoring, Taishin Bank took a balanced approach in customer relationship management, and market price while considering credit risk. In 2024, Taishin Bank undertook NT$123.1 billion in factoring, which remained the market leading position.

4. Financial Markets

(1) In January 2023, Taishin was awarded first place in the team competition of the 2022 "Trading Competition of the New Taiwan Dollar Interest Rate Exchange Trading System".

(2) August 2024 - 10th TAIFEX Futures Diamond Awards - Trading Volume Diamond Award for Banks.

5. Trust Financial

Unit: NT$million

Year	2024	2023
Special-purpose money trusts investing in domestic/foreign securities	276,297	233,210
Custody services of Securities investment trust funds	521,070	384,903
Other money trusts	77,241	70,704
Employee welfare trust	10,036	9,228
Securities trust	35,842	30,178
Collective investment trust account	280	301
Real estate trust	102,273	91,127
money and securities trusts	1,858	483

6. Future R&D plan

(1) Wealth Management

A. Combine resources in the financial holding company and a variety of product platforms to meet the financial services needs of customers in different stages of their lives. Increase customer satisfaction with the wealth management service in the process.

B. Keep improving big data and AI technology while optimizing digital banking services; build a customer digital contact journey by using the information on big data archives and virtual channels, to understand customers' needs; and continue to make available a complete range of services to boost business performance.

(2) Retail Banking

A. Optimize different online channels to continue managing young users of Richart and Taishin credit cards.

B. Improve customer clustering analysis and digital footprint labeling to promote the marketing of potential customers in the Bank's.

C. Work with open banking and create ecosystem business models to reach consumers via merchant platforms and enable instant activation of personalized products.

D. Collect cross-industry data for use in innovative approval mechanism.

E. Advocate ESG and sustainability by implementing green financing through the continuous launching of online loan application services in combination with digital processes that integrate shared data from government platforms.

F. Offer innovative financial payment tools to deepen our engagement in credit card payment acquiring business and expand payment application scenarios.

(3) Digital Banking

A. Invest in expanding the line of digital banking services and continue to optimize platforms and implement innovations to facilitate more effective O2O integration.

B. Work with various industry/government/academia partners and apply AI technologies, new payment tools, and big data to revolutionize banking and payment services and start a brand new digital age.

(4) Wholesale Banking

A. Continue to implement Moody's automated credit memo solution transforms, streamlining the labor-intensive and time-consuming process of credit report generation, and enhance their internal efficiency and risk control.

B. Promote cross-industry cooperation and establish a "Sustainable Ecosystem Partner" strategic alliance with all walks of life to help small and medium-sized enterprises obtain the resources they need on the road to low-carbon transformation, accompany customers to achieve sustainable transformation, create a sustainable development ecosystem, strengthen the implementation of sustainable responsibilities, and promote social prosperity.

C. Proactively plan for and develop operations related to foreign currency deposits and assets, while paying attention to the balance of risk exposure and profitability.

D. Expand offshore financing and the number of overseas branches, strengthen the function of e-network trading platform, so as to satisfy customers' need for cross-border fund maneuvering.

(5) Financial Market

A. Assemble interest rate, exchange rate, bond, commodity, and equity products to increase product variety.

B. Implement well-organized or electronic trading systems that respond to market trends and improve trading processes and capabilities.

(6) Trust Services

A. Continue to introduce or develop new types of products to expand the product lines.

B. Refine customer segmentation to provide investment products that meet customer needs.

C. Follow the trends in digital and smart technologies and enhance trading platforms and processes to create a better user experience.

(7) Insurance brokers services

A. We continued to introduce first-of-its-kind or exclusive insurance products while coordinating with the Taishin Life Insurance strategies to expand product lines to satisfy different needs of customers in different life stages.

B. Strengthen relationships with existing wealth management customers, identify and provide insurance products that meet customer needs, and increase the percentage of customers holding insurance products and raise awareness of sufficient coverage among customers.

C. Following the rise of fintech, Taishin invests in development and management of digital channels, and provides a wide range of insurance products and enrollment channels for customers.

D. Offer different insurance products to different customer groups, and generate income through asset allocation in order to meet the demand for steady cash flows after retirement.

e. Short-and long-term business development plans

1. Wealth Management

(1) Short-term business development plan

A. Leverage advanced data analysis and resources of Taishin Financial Group, and strive to meet customers' investment, debt management, and wealth planning needs both on a personal and household level.

B. The rise of a new generation makes it necessary to follow changes in younger customers' behavior, revamp financial services and create a new customer service experience in order to effectively attract younger generations and grow them into future wealth management customers.

C. Prepare for population aging and declining birth rate trends and support regulatory policies by actively developing innovative trust businesses that help customers achieve both asset management and asset inheritance.

(2) Long-term business development plan

A. Build a customer management system that is data-driven and supported by digital and AI technologies; this system, combined with seamless integration between virtual and physical channels, will deliver top-notch financial service experience to customers.

B. Continue to build a stronger team and a wider range of products and instant services; and incorporate premium wealth management membership benefits to create one-stop wealth management services for customers.

2. Retail Banking

(1) Short-term business development plan

A. Adopt a customer demand-drive approach and make use of digital tools to acquire customers with accuracy and increase product ownership, thereby enhancing business performance.

B. Continually expand collaboration with external partners; tap into resources of the financial group to expand service to customers.

C. Continually grow market share of bank ATM cards, active cards, and high net worth customers. Improve the cross-selling penetration rate and the success rate of retaining high-contributing customers.

D. Regularly evaluate the competitiveness of benefits offered to customers and resource allocation to strengthen product profitability structure for increased revenue.

E. Build an ecosystem around reward points and increase the penetration rate of other financial services offered by Taishin through analysis of data on reward point usage.

(2) Long-term business development plan

A. Maintain the use of AI model technology for customer segmentation management, while streamlining digital loan application processes and implementing intelligent review and identity verification, to craft a digital-only platform for lending.

B. Gain insight into the trends and needs of the industry and tap into new markets; broaden payment scenarios for greater profitability.

C. Show concern for the rights and interests of customers, strengthen the bond between both parties, and implement the principle of Treat Clients Fairly, to minimize the number of customer complaints.

3. Digital Banking

(1) Short-term business development plan

A. Continually develop complete range of digital financial products under the Richart brand and strengthen association with different financial scenarios, thereby giving customers the incentive to make use of the products.

B. Launch new payment modules and services to provide faster and more integrated collection/payment solutions.

C. Be the first in the industry to introduce ATMs that offer deposit/withdrawal of four major foreign currency cash, and the first in the industry to handle cross-border remittance and cross-bank foreign currency cash withdrawal over ATM, thereby allowing customers to deposit and withdraw foreign currencies 24 hours a day, 365 days a year.

D. Our Internet banking platform features web pages with responsive web design (RWD), ensuring compatibility across all devices and enhancing the ease of accessing account and transaction information.

(2) Long-term business development plan

A. Through cross industry collaboration, we applied our products to multiple financial scenarios.

B. We incorporate cutting-edge technologies to create innovative digital tools and models. For example, we have integrated generative AI technology into our smart customer service, resulting in intelligent financial services that are more heartfelt.

C. Build an open ATM platform to encourage businesses to transform themselves and explore cross industry partnership opportunities.

D. We built the points integrated service platform to provide various plans of payment and points integration to merchants.

E. Build an all-round securities investment platform on our Mobile Banking System to provide customers with more diverse investment products.

4. Wholesale Banking

(1) Short-term business development plan

A. Implement customer relationship management by segmentation, improve product dimensions, and strengthen relationships with customers.

B. Enforce group-wide exposure limit control to ensure optimal allocation of credit risk among subsidiaries.

C. For SME:

- Provide financial intermediation in a timely manner to assist the development of potential industries, while paying attention to risk control in response to the government's promotion of SMEs and six core strategic industries, including information and digital, cyber security, biotech and medical technology, national defense and strategic, green power and renewable energy, and strategic stockpile industries
- Offer "Loan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan" in line with the government's policy to assist returning businesses to obtain funds for construction of plants and relevant facilities, purchase of equipment and provide working capital via loans.

D. For Overseas operations:

- While the Southeast Asian economies continue to grow, the need for financing infrastructure in the region grows. The government's New Southbound Policy offers benefits for investment and therefore benefits for the bank's operations in Southeast Asia.
- Increase the number of branches in Asia-Pacific and build an integrated cross border platform that embodies the policy to serve Taiwanese businesses worldwide and position the bank as a global business. Build the bank's overseas talent pool through regular job rotation, in order to accommodate growing businesses.

E. We promoted green finance, financial sustainability, cooperated with cross-industry cooperation and strategic alliance to create a sustainable ecosystem, also and responded to international advocacies of implementing corporate sustainability.

(2) Long-term business development plan

A. Enhance service capabilities and product innovation; anchor customer relationship and aim to raise customers' satisfaction and contribution.

B. Allocate group resources with greater efficiency; deliver all-round financial services through synergistic use of existing product lines.

C. Actively explore overseas markets; increase profit contributions from overseas and broaden the bank's presence in China and the Asia Pacific region.

D. Continue recruitment and cultivation of overseas talents to support the medium and long-term development of overseas business.

5. Financial Market

(1) Short-term business development plan

A. Continue to improve the financial structure, reduce the cost of funds, increase investment returns and transaction margin, and create more sources of regular income.

B. Continue to explore new customer bases while strengthening existing customer relationships; and seek opportunities for wholesale banking, institutional investment, wealth management, and private banking services in domestic and international markets in order to generate more domestic and foreign income.

C. Enforce self audit, develop better internal control systems, and adhere strictly to the high standards and code of conduct in the financial markets.

D. Recruit and retain talent, build up human capital, provide training, choose suitable positions and create a stronger talent pool.

(2) Long-term business development plan

A. Continue to develop innovative financial products and services in order to optimize sale process and platforms and satisfy customers' needs for investment and wealth management to create mutual benefit for the bank and the customer.

B. Implement and promote the use of electronic platforms, and improve the quality and efficiency of products and services.

C. Strengthen market and operational risk management to monitor risks with more precision.

6. Trust Services

(1) Short-term business development plan

A. We continue to promote innovative digital trust services, allowing corporate customers to verify their identities with electronic certificates and transmit instructions electronically. We also have a 24-hour bilingual "Employee Incentive Trust Service Network" that allows non-Taishin account holders and employees to check trust terms anytime via Internet or through mobile APP. The platform also allows online completion of trust agreement and cash issue subscription, which greatly simplifies the workflow.

B. Develop a smart digital banking environment with more convenient services such as electronic account opening, smart trading, and financial planning services.

C. Introduce an adequate understanding of asset allocation, and provide regularly investment performance reviews and post-investment services such as risk management and market trend analysis in order to help customers achieve stable returns and in turn increase product sales and total assets under management.

D. Foreign ETFs, foreign stocks and other foreign securities have been optimized on the bank APP, with a more user-friendly interface that helps customers capitalize on investment opportunities. Customers can enjoy more accessible and immediate investment services provided by specialists without ever leaving home.

E. Our investment targets will continue to focus on a variety of overseas bonds with high credit rating, providing customers with fixed income options after interest rate hikes. We will help customers keep abreast of investment trends by providing overseas bond consulting services, and actively develop mobile banking and information inquiry services to provide customers with more convenient online investment channels.

F. For offshore structured products, we will seize opportunities arising from relatively high interest rates, and provide options for deploying long-term interest rate-linked products; As for equity-linked products, we will continue to optimize operating procedures, improve transaction efficiency, and continue to capture investment opportunities for customers.

G. Potential customer bases are explored and offered financial publication and information. Investment seminars and promotional events are organized to increase AUM.

H. The Bank, by careful screening, is the first to introduce new funds with specific focuses, and expands the range of private equity funds to suit different financial planning and asset allocation needs.

I. A rich variety of online financial information is available for one-stop online financial planning services.

J. The idea of regular fixed-amount fund investment is matched to investment objectives of customers at various stages of their lives to encourage customers to accumulate wealth, thereby increasing AUM for Taishin Bank.

(2) Long-term business development plan:

A. Continue to develop diverse trust products and optimize digital trust platforms while integrating the resources and professional knowledge of various division to provide a comprehensive range of trust planning services.

B. In promoting financial product, it is necessary to periodically review new or revised announced by the government.

C. Continue introducing a diverse range of new products and services intended to deliver consistent returns for investors in bearish markets.

D. Promote asset allocation and regular fixed investment, and aim to increase product sales and total AUM.

E. Track product performance regularly and continue to improve risk indicators to monitor product performance and risks for customers.

F. Continue introducing a variety of new funds or flagship products offered in other countries for high net worth customers; and innovative means of investment to meet the demand for financial planning and investment efficiency.

7. Insurance Brokers Services

(1) Short-term business development plan

A. The Bank continues to provide protection-oriented products that meet customer needs, and actively introduces a variety of life insurance products such as participating insurance policies; and increase the penetration rate of insurance products by introducing more NTD insurance products for customers who shy away from foreign currency exchange when NTD tends to depreciate due to market changes.

B. We continued to Introduce innovative structures in addition to adding Taishin Life Insurance investment-linked insurance products to meet different needs for financial planning and protection.

C. Expand the range of insurance products available over the internet. Considering the characteristics of online shoppers, introduce fragmented and scenario based insurance products that are relevant to current affairs for more effective differentiation marketing

(2) Long-term business development plan

A. Check regularly changes in the competent authority's policies and regulations, and respond promptly to the latest guidelines while promoting new type insurance products and services.

B. We continued to introduce different insurance products and combined the Taishin Life Insurance strategies to enable a one-stop insurance shopping for customers.

C. In response to increased awareness of consumer rights and the need to ensure suitability of financial products and services, the insurance brokerage service at Taishin Bank treats customers equally, and works constantly to optimize the process before, during, and after a sale and review the services. Meanwhile, Taishin Bank continues to provide professional and compliance training for salespersons on a regular/ad hoc basis. Furthermore, as part of its commitment to corporate social responsibility, sustainability, and ESG compliant services, Taishin Bank reviews the service and financial data of its affiliated insurers against strict standards in order to provide suitable and secure insurance planning and after-sales service.

Taishin Securities Co., Ltd.

a. Business scope and business mix

1. Business scope

(1) Securities Brokers

(2) Securities Dealer

(3) Securities Underwriter

(4) Futures Introducing Broker

(5) Securities transfer agency services

(6) Other financial businesses acknowledged by the competent authority

2. Business mix in terms of revenues

Unit: NT$1,000

Item \ Year	2023		2024	
	Amount	%	Amount	%
Brokerage	2,999,794	55	4,260,246	64
Dealing	1,525,379	28	1,632,409	24
Underwriting	944,316	17	769,064	12
Total	5,469,489	100	6,661,719	100

3. Various existing products and services

Items	Major contents
Brokerage	1. Provide entrusted transaction service for shares listed on the centralized market, over-the-counter market, and emerging market, including e-trading, and undertake securities delivery for investors. 2. Provide investors the service of margin trading and short sales for securities transaction. 3. Provide Futures Introducing Broker Business. 4. Provide Borrowing and Lending of Funds for Unrestricted Purposes. 5. Provide consigned trading for foreign securities. 6. Provide securities borrowing and lending service. 7. Provide Recurring Investments service.
Dealing	1. Buy/Sell stocks, bonds and other securities and perform hedging in the secondary and OTC markets in Taiwan. 2. Subscribe to onshore and offshore call (put) options. 3. Make outright purchases/sales and those with repurchase/resale agreements of domestic and foreign bonds, bills, beneficiary securities and other fixed income products; and perform trading and hedging of interest rate derivative products. 4. Conduct trading of domestic and foreign futures and options approved by the competent authority. 5. Design, issue, trade, and perform hedging of structured products, equity derivatives and other derivatives approved by the competent authority. 6. Conduct design and execution of strategic trading 7. Other services approved by the competent authority
Underwriting	1. Assist companies in applying for TWSE/TPEx listing, and help customers complete business diagnosis and improve management processes. 2. Help companies raise funds in capital markets around the world. 3. Provide financial consulting services for companies making private placements, international investments, or strategic equity trading and other consulting services in merger or restructuring projects.
Merchant banking	1. Provide the financial advisory services for domestic and cross- border deals to companies and private equities, including the advice on the arrangement of leverage financing, project financing, and capital raising activities. 2. Provide the financial planning and placement service for capital raising activities. 3. Provide professional institutions and investors with investment and M&A opportunities and advice on exit of the investment portfolios.

4. New products and services under plan

(1) Continue to optimize functions of existing e-platforms, and work with Taishin Holdings in developing FinTech enabled services to provide easy access for customers.

(2) Build an integrated (domestic and international) stock/futures/warrant/bond trading system.

(3) Create user interface for Taiwan equity daily investment plan on Internet banking.

(4) Subscribe ETF IPO online.

(5) Launch new services as the competent authority removes restrictions, and continue to develop new types of financial planning products. In addition to the above-mentioned services, Taishin securities will also closely track the opening of the competent authority for new products or related laws and regulations, so as to maintain a high level of vigilance and provide the fastest and most convenient service for the investment public while the products are being introduced.

b. Business plan of the current year

1. Brokerage

Leverage on the resources of financial holding company, continue to work closely with various channels of financial holding company, and maximize synergies of the financial group.

Enhance the professional service quality of employees, foster customer relationship and expand the young group, strengthen the customer base structure, and increase customer loyalty and adhesion to boost the corporate profitability.

2. Dealing

With regard to financial services and trading, in addition to continuing its profitable trading strategies, the corporate aims to expand its operations to achieve greater profitability and establish a highly-efficient investment portfolio to maintain steady profits, while further leveraging the bonds business to reduce overall fund utilization. With regard to customer service, design a wide variety of structured instruments to satisfy investor demand for diversified wealth management.

3. Underwriting

Continue to focus on offering underwriting services to well managed companies, and seek opportunities and increase market share in funding projects applying for first time TWSE/TPEx listing (includes TIB) in Taiwan. Offer customers personalized financial planning services and equity trading strategies, and explore opportunities in inviting foreign companies to apply for TWSE/TPEx listing in order to increase fee income.

4. Merchant banking

Provide the project-based financial planning and related consulting services to companies, including the advice on the arrangement of leverage financing, project financing, and fund raising.

5. International brokerage

Our priority is to expand sub-brokerage services of the Company, diversify product lines, to increase revenue, reduce operating costs, and enhance Taishin Securities' subbrokerage brand image. In addition, we are also committed to optimizing sub-brokerage electronic platform services (e.g., paperless account opening at counters, online account opening and trading platform optimization, etc.) to support the expansion of our sub-brokerage business.

6. Digital development

Against the backdrop of rapid technological development and with the opening of regulations by the authorities, our company will advance its digital development in two key directions: integration within the subsidiaries of the financial holding group and cross-industry collaborations. In addition to continuously optimizing our self-built APP "Woojii", we aim to accelerate the achievement of our service vision of "one-stop and borderless digital services with zero time difference". At the same time, we also seek to leverage data architecture, artificial intelligence, and automation technologies to introduce innovative business models, offering customers more diverse and higher-quality services. Furthermore, we hope to attract greater support and favor from the younger generation.

c. Industrial status

1. Market status

Unit: NT$ billion

Total transactions of the securities market		
	2023	2024
TSE Market	67,206	99,812
OTC Market	47,718	58,218
Total	114,924	158,030
Weighted stock price index (year end)	17,931	23,035

Source:1. Key indicators of securities and futures markets for December, 2024.
2. TAIEX Total Index Historical Data

Operating Status of Domestic securities		
Year	2023	2024
EPS (NT$)	2.23	3.26
ROA	2.99%	3.47%
ROE	10.90%	14.74%

Source: Key indicators of securities and futures markets for December, 2024.

2. Taiwan's stock market

The Taiwan stock market has performed outstandingly in recent years. Driven by the development of the AI sector, the semiconductor industry has contributed the most market value. The participation of foreign investors continues to rise and the size of the ETF market has also grown rapidly. The total volume was NT$158 trillion for the year, up by 37.51% compared to 2023. The daily average volume of the domestic stock market amounted to NT$522.6 billion, up 45.53% from that in 2023. The margin trading at the end of the year totaled NT$422.1 billion, up 33.76% from that at the end of 2023. TWSE was 23,035 points, up 5,104 points or 28.47% from that at the end of 2023. TPEx was 255.84 points, up 21.83 points or 9.33% from that at the end of 2023. The overall figures showed a large increase compared to that at the end of 2023.

d. Research and development

In 2024, our company will continue to enhance the functionality of various electronic trading platforms and improve the customer service experience by launching diversified online services to further elevate the user experience. New functions include adjustments to the daily trading limit, U.S. stock dollar-cost averaging service, overseas bond electronic trading platform, and smart orders, enabling investors to conduct investment transactions more conveniently and comprehensively meet the needs of different customer groups.

With the rapid growth of fintech, we and our parent company Taishin FHC as well as its other subsidiaries are stepping up the pace of resource integration, and work together under the banner of Richart to introduce online banking and Sub-brokerage account opening and U.S. stock dollar-cost averaging service. The goal is to bring together more young people and digital users in investment and achieve growth for everyone.

With respect to the information security issues, we will continue to strengthen internal monitoring and obtain external certification to provide investors with a safer and more stable trading environment.

Securities is a licensed business. All securities firms require the approval of the competent authority for the services and products offered before commencing business. As a result, the company will follow the direction of future deregulation to design products and services that best accommodate customers' needs.

e. Short- and long-term business development plan

1. Short-term business development plan

(1) Actively leverage on the resources of financial holding company and foster the cooperation with the channels of financial holding company and subsidiaries to expand the business synergy.

(2) We will continue to optimize the electronic platform and online service experience, enhancing the usability and functionality of the interface. In addition to consistently launching a variety of online services, we will build different types of systems for high-value customers to meet the needs of various customer groups, with the goal of improving customer quality, and strengthen the information security protection mechanism so as to ensure trading security and maintain operations.

(3) Invest in expanding sub-brokerage services while providing futures services, securities borrowing and lending services, and non-restricted purpose loans.

(4) Choose investment subjects prudently, strictly control the risks of investment positions, and maximize the benefits under risk control.

(5) Take an active approach toward playing a lead role in SPO projects, including customer relationship management plans for sales departments. Take the initiative to analyze customer reports and provide preliminary plans to create more business opportunities.

(6) Explore cross-border M&A business opportunities and increase the brand awareness in the market by joining the overseas M&A forums and forming partnership with overseas boutique investment banking.

(7) Implement more risk management mechanisms and enhance case quality control to reduce application risk.

(8) Improve accessibility to quantitative services and develop trading strategies based on easier, faster access to data.

(9) Optimize quantification capability and trading and operating systems; and continue to improve overall performance and quality.

(10) Provide one-stop services that combine an investment bank and a commercial bank in order to achieve One Taishin View.

(11) Respond to drastic changes in the market by reinforcing the risk management policy and by developing an early warning system to optimize asset allocation.

(12) Seek opportunities in ETFs in order to stay a leading market maker.

(13) Provide services related to structured products, design a wide range of equity linked and niche products, and provide diversified investment channels to satisfy investor demand for financial products and services.

(14) Actively cooperate with finance business, capital market division and investment consultant research group to enhance the industry knowledge of our employees, develop potential business opportunities and jointly explore M&A cases.

(15) Fine-tune AML and CFT tasks.

(16) Promote the development of ESG and set up a dedicated unit to promote related operations and products in stages.

(17) Keep building a solid brokerage business through Recurring Investments plans, developing a greater platform, and expanding the customer base consisting of young people and micro investors.

2. Long-term investment plan

(1) In view of the growing important of institutional investors in the market, especially qualified domestic institutional investors, the company will combine the R&D resources and e-trading system of investment consulting, to develop institutional client business with integrated services.

(2) Arrange various training courses for employees according to their nature and types, to enhance their capability and upgrade the company's overall competitiveness.

(3) Continue cultivating enterprises with growth potential and execute customer deep-cultivation plan, to facilitate long-term development of underwriting business.

(4) Create more sales channels and improve caseload capacity.

(5) Continue to expand the team of statistics and data analysis professionals, and try to achieve more consistent profits from a wider range of sources.

(6) Keep expanding the scope of co-marketing; bringing in other teams and large clients in the industry; investing actively in fostering talent in securities; and recruiting top financial talent with experience in other banks.

(7) Expand the lines of financial products and develop a full range of securities trading services.

(8) Continue to expand and optimize channel services, and build stronger customer relationships in order to maintain growth momentum in the business.

(9) Elevates insights for key industries and shorten project development time with former successful experiences in financial advisory services.

(10) Keep recruiting experienced investment banking professionals with industry experience and network in order to effectively develop industry experts.

(11) To organize or sponsor international M&A events and to win international M&A awards in order to improve the brand awareness and social influence of Taishin in investment banking industry.

(12) Continue to build a culture that places importance on AML/CFT to eliminate any gaps in these matters.

(13) Implement robotic process automation (RPA), and install more electronic and/or automated internal processes in order to make the company more competitive.

Taishin Securities Investment Trust Co., Ltd.

a. Business scope

1. Major business contents

The company's client base consists mainly of domestic and foreign institutions and retail investors. The Company has three offices in Taiwan, and has specified money trust and sales agreements in place with banks, including Taishin Bank, Hua Nan Bank, Taiwan Cooperative Bank, Bank of Taiwan, Mega International Commercial Bank, E.SUN Bank, Taiwan Business Bank, Bank SinoPac, Shanghai Commercial & Savings Bank, Jih Sun International Bank, Far Eastern International Bank, Entie Commercial Bank and Taichung Commercial Bank, and securities dealers, including KGI Securities, Yuanta Securities, Capital Securities and Mega Securities. Combined with agreements to be entered into with many more strong fund distributors in the future, the Company's network will have more than a thousand points of sale across the island.

2. Business shares

At the end of December 2024, Taishin Securities Investment Trust managed NT$203.8 billion of public funds; 33% of which were non-money market funds while money market funds accounted for approximately 67%. Recently operating income for three years listed as shown in the table below.

Unit: NT$ thousand

Items \ Year	2022		2023		2024	
	Amount	%	Amount	%	Amount	%
Management fee income	757,690	94.46%	748,802	96.83%	978,727	95.59%
Sales fee income	36,166	4.50%	17,225	2.23%	34,566	3.38%
Service fee income	8,345	1.04%	7,278	0.94%	10,521	1.03%
Total	802,201	100.00%	773,305	100.00%	1,023,814	100.00%

3. Various existing products (services)

Service items	Major contents
Public-placement funds	Offering and issuance of mutual funds and ETF beneficiary certificates collect pools of money through investor subscriptions. Such funds are managed by the professional investment research and management team of Taishin Securities Investment Trust. Investors share the returns on investment as well as the risks. All gains and losses are borne by investors. Provide the investment method of Regular Saving Plan, allowing automated deduction of fixed/ variable amount of deposits from investors' accounts at specific time every month for regularly subscription to the mutual funds.
Discretionary account investment	For investment assets entrusted by customers or transferred from trust accounts, invest or transact on behalf of customers in securities, related products or other regulator-approved items according to the analysis and judgment by the company.
Private-equity fund	Raise mutual funds from specific parties in private, which are then utilized Taishin Investment Trust's pro- fessional team for investment in securities and related products.
Offshore fund master agent and sales	Acting as the master agent institution for the “Robeco Capital Growth Fund” and distributing offshore funds that have been approved by the authority to offer in Taiwan.

4. New products (service) under plan

Taishin SITC will continue to broaden its domestic and overseas product line, introduce quality offshore funds, and enhance electronic trading services particularly with regards to efficiency and security. Based on the blueprint of "take root on new China and deep-cultivate new economy," the company will dedicate to "the discovery of new value and creation of new fortune" for clients, with the goal of capturing global market trend, asset allocation, and pension funds, so as to create a quality brand, worthy of the trust of investors and the support of business partners.

b. Business plan of the current year

1. Offer premium fund selections and increase AUM

Enrich the existing portfolio of Taiwan equity funds and Greater China series, while in the meantime develop product lines in other overseas markets. Combine research resources to deliver consistent long-term returns. Focus on increasing the AUM of non-monetary funds and improving the company's business performance.

2. Enhance customer management and reinforce business partnerships

Promote product awareness through the use of marketing and advertising campaigns. Apply effective relationship management and provide customers with better financial services, and in the meantime strengthen collaborative relationships with banks, securities firms and other business partners.

c. Industrial status

There are 38 securities investment trust firms in Taiwan. As of the end of December 2024, there were 1,050 mutual funds, and the total investment was NT$ 9,599.3 billion. There were 641 discretionary investment services contracts investing a total of NT$3,293.6 billion. There were 71 private equity funds investing a total of NT$29 billion.

d. Research and development

Since January 2024, Taishin Securities Investment Trust Co., Ltd has been appointed as the master agent for the "Robeco Capital Growth Fund." In April of the same year, it launched the Taishin US Corporate A issuer 20+ ETF, followed by the Taishin TIP Taiwan ICDM ETF in May, the Taishin Japan Semiconductor ETF in July, the Taishin US-Japan and Taiwan Semiconductor Equity Fund in October, and the Taishin Taiwan AI DM ETF in November.

The existing research management team oversees the Domestic Equity Department, the Asia Pacific Equity Investment Department, the Financial Product Department, the Fixed Income Department, Quantitative Investment Department, Multi-Asset Investment Department, and the Discretionary Management Department. The research management team and the fund managers have extensive experience in research, including global economic conditions, investment strategies, and domestic/foreign equity and bond markets.

e. Short and long-term development plan

Taishin SITC focuses on customers, talents, products, performance, and brand in its management, with the goal of becoming a quality brand with the trust of investors, the support of business partners, loyalty of employees and shareholders, and the compliment of social public.

1. Short-term development plan

Maintain the stable performance of mutual funds, continue to expand the scale of mutual funds, so as to obtain the qualification for undertaking the outsourced operation for government funds and increase the number of customers.

2. Long-term development plan

Work actively to increase market share and assets under management; issue new funds with growth potential to strengthen asset allocation capability and continue to extend brand reach and increase recognition.

Taishin Securities Investment Advisory Co., Ltd.

a. Business Scope

1. Business contents

   Provide R&D resources to the financial holding company and subsidiaries.

2. Business Segment

   In 2024, consulting fee of the Research Department accounts for 98% of the company's total revenue, while the other incomes generate the remaining 2%.

b. Business plan of the current year

Given Taishin Holdings and its subsidiaries rely on research insights when formulating business strategy, the research department will continue to follow long term objectives of Taishin Holdings as a whole and start adusting and expanding its organization as well as its scope of business.

c. Industrial Outlook

Securities investment advisories are usually subsidiaries of securities companies and offer a line of services limited to securities research. Tradition securities investment advisories are seeking falling sales. Taishin Investment Advisory has transformed itself into a think tank for Taishin Holdings. Its clients now include the entire financial holding company and its subsidiaries. It provides a wider range of services and has a greater potential and flexibility for future growth.

d. Research and development

In accordance with the overall business expansion of Taishin Holdings and its subsidiaries, the company actively research and develop related services to fulfill the various business solutions and requirements.

e. Short- and long-term business development plans

1. Short-term development plan

Support short term business needs of Taishin Holdings and its subsidiaries, supply relevant research reports and information in a timely manner, and increase or adjust the size of research teams as needed.

2. Long-term development plan

The merger of Taishin Financial Holdings and Shin Kong Financial Holdings and the integration of its subsidiaries has led to an increased research demand as we formulate our business and strategic directions. Our research department will align its focus with overall development of the financial holding company, and gradually adjust and expand its scope of business accordingly.

Taishin Asset Management Co., Ltd.

a. Business scope

1. Business contents

The company's major business items include the purchase of money-debt claims from financial institutions, the appraisal and auctioning of money-debt claims of financial institutions, and the management of money-debt claims and overdue accounts receivables for financial institutions.

2. Business mix

The company focuses on the purchase and disposal of money-debt claims from financial institutions.

b. Business plan of the current year

1. Bid for whole-package bad-debt claims of financial institutions.
2. Negotiate with peers on a case-by-case basis for the purchase of bad-debt claims.
3. The company will be eying to buy foreclosed properties in Taipei City and New Taipei City at discounted prices, and invest small sums to improve property conditions before selling at a profit.
4. Following the amendment of the Regulations Governing Sales of Non-performing Loans by Financial Institutions by the FSC in August 2015, the Company lifted the 3% limit on the average nonperforming loan ratio for sales of debts from default of construction work-in-process, and started assessing appropriate investment options.
5. Following the correction of business principles under the FSC letter issued in December 2017, the Company made better use of existing real estate and sold a portion of the holding to realize profits.

6. Following the correction of business principles under the FSC letter issued in December 2017, the Company complied with the government's urban renewal policy, and injected cash into entities carrying out urban renewal projects and handled debt consolidation and advances in urban renewal projects or rebuilding of dangerous old buildings or so-called sea sand buildings.
7. Following the second amendment of the Operations Principles dated May 24, 2019 by the FSC, the interpretation of "government agencies" is loosened to include all government agencies, state owned enterprises, public enterprises, and state funded foundations. For AMC, besides the Urban Renewal Act, it is added that acceptable implementers or builders under the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings would be permitted to make capital injections and real estate purchases. Rules are loosened to allow purchases of land involving the need for property right consolidation and buildings and other rights on land if there are clear difficulties to make value added use of real property held by AMC.
8. On October 5, 2023, the Financial Supervisory Commission revised its operating principles again, which gives financial holding companies and the asset management companies (AMCs) they invest into the permission to provide consultancy and management advisory services, and to participate in government-initiated urban renewal projects as "capital-contributing partners" that need not assume the role of project executor or constructor.

c. Industry status

Asset quality improves in the domestic market for nonperforming loans as profits rise for banks. The NPL ratio remains low (at an average of 0.23% in November 2019) for domestic banks. Sales peaked at NT$236.8 billion in the domestic market for nonperforming loans in 2007. Sales dropped further to NT$9.3 billion in 2013. Market conditions became even more challenging when in May 2013, the Financial Supervisory Commission issued a restriction that only financial institutions with an over 3% NPL ratio would be allowed to sell nonperforming loans. In August 2013, the FSC made another announcement that corporate debt were to be treated in the same manner as non-corporate debt and would not be allowed to be sold to third parties. The FSC also required asset management companies to renegotiate borrowing terms with debtors according to the Statute for Consumer Debt Reform. As a result, sales dropped sharply from NT$900 million to NT$600 million between 2014 and 2017. It is clear the domestic market for nonperforming loans has shrunken. Limited access to viable investments and lower returns on investment threatened the survival of the asset management companies (AMCs).

With adverse conditions such as a sharp decrease in nonperforming loans released by financial institutions and regulatory restrictions in recent years, competition among AMCs will grow ever more fierce and the business will be more difficult to manage. Nevertheless, since it introduced the Luxury Tax in July 2011, the Central Bank's limit on construction loans and interest rates, the Mansion Tax, the House Tax and the consolidated housing and land tax in 2015, the government has been able to deter speculation in the real estate market. Trade volume reaches historic lows while it is apparent that the interval between new projects lengthens, sales of existing property remain stagnant, and construction companies start lowering profits. Property investors have left the real estate market, leaving more opportunities in court-auctioned properties. Meanwhile, anticipation of effects of interest rate hikes in the United States and deteriorating cross-strait relations will start rippling through Taiwan's economy. Housing prices going gradually but steadily down in the housing market may result in projects of small developers becoming nonperforming debts. Taishin Asset Management will follow up closely on market changes.

Given the Operations Principles in August 2015 still imposed quite a number of restrictions, AMCs under financial holding companies kept lobbying the FSC, and the FSC, as a result, amended said Operations Principles again in December 2017. The new Operations Principles allow investment in government property for sale in addition to real estate made available through court auctions. In addition, to facilitate completion of urban renewal projects in Taiwan, the government now allows AMCs to inject cash into entities carrying out urban renewal projects involving general real estate, instead of only into those involving real estate owned by the same group. Furthermore, AMCs are allowed to handle debt consolidation and advances in urban renewal projects or rebuilding of dangerous old buildings or so-called sea sand buildings.

The FSC amended the Operations Principles above again on May 24, 2019. The interpretation of "government agencies" in the original rule, which allows AMCs to invest in assets sourced from court auctions and public offerings by government agencies, is loosened to include all government agencies, state owned enterprises, public enterprises, and state funded foundations. For AMC, besides the Urban Renewal Act, it is added that acceptable implementers or builders under the Statute for Expediting Reconstruction of Urban Unsafe and Old Buildings would be permitted to make capital injections and real estate purchases. Rules are loosened to allow purchases of land involving the need for property right consolidation and buildings and other rights on land if there are clear difficulties to make value added use of real property held by AMC.

On October 5, 2023, the Financial Supervisory Commission revised its operating principles again, which gives financial holding companies and the asset management companies (AMCs) they invest into the permission to provide consultancy and management advisory services, and to participate in government-initiated urban renewal projects as "capital-contributing partners" that need not assume the role of project executor or constructor.

In view of how the Hualien earthquake brought the public's attention to the structural safety of Taiwan's residential buildings, AMC will take this opportunity to assist residents in need of urban renewal and to meet their desire for housing safety throughout 2025, while at the same time support the government's urban renewal initiatives. AMC expects profit growth from future investments in urban renewal. However, the government did tighten mortgage LTV in an attempt to cool the real estate market in the second half of 2024; coupled with the fact that carbon taxes will soon be implemented and costs of construction labor and materials remain high, it is essential for the company to exercise discretion when choosing builders and projects.

d. Short- and long-term business development plans

1. Short-term development plan

(1) Bidding for bad-debt claims

A. Continue handling bad-debt claims purchased from Taishin Bank (for both wholesale banking and retail banking bad-debt claims).

B. Continue handling bad-debt claims purchased from Kuo Hua insurance (mainly for consumer banking and insurance debt claims)

C. Continue handling of bad-debt claims purchased from Standard Chartered Bank (for both wholesale banking and retail banking bad-debt claims)

D. Continue bidding for bad-debt claims with peers in public bidding (for both wholesale banking and retail banking bad-debt claims)

E. Purchase bad-debt claims via negotiation and cooperate with private AMC firms for individual cases, an arrangement enabling the company to have easier grasp of the capital planning, risk assessment, and investment cases via participation in the selection of cases.

F. Purchase claims to non-performing loans secured by plots of land in greater Taipei and expand land development business via arrangement of debt claims.

G. Consulting services in debt consolidation and nonperforming loans for nonperforming syndicated loans or companies in financial distress.

(2) Bidding at foreclosure auctions

Bid at low prices for items at foreclosure auctions that are the result of bad debt from financial institutions in the Greater Taipei area and resell for profit after processing the ownership and the property.

(3) The Others

Regulations Governing Sales of Non-performing Loans by Financial Institutions by the FSC in August 2015, the Company lifted the 3% limit on the average nonperforming loan ratio for sales of debts from default of construction work-in-process, and started assessing appropriate investment options.

2. Long-term development plan

(1) Urban renewal and advance services:

Following the correction of business principles under the FSC letter issued in May 2019, the Company complied with the government's urban renewal policy, and injected cash into entities carrying out urban renewal projects and handled debt consolidation and advances in urban renewal projects or rebuilding of dangerous old buildings or so-called sea sand buildings.

(2) Corporate restructuring and consulting services:

Consulting services in restructuring, debt consolidation, and nonperforming loans for nonperforming syndicated loans or companies in financial distress.

Taishin Venture Capital Investment Co., Ltd.

a. Business scope

1. Business contents

(1) Value Creation

Based on the spirit of Investing in start-ups, dedication to bringing balance to venture investment, and risk control, Taishin Venture Capital aims to seek Potential capital gains and take cash management into account by establishing multiple industries and balancing investment portfolios at the investment stage.

In addition to direct investment, Taishin Venture Capital also participates in domestic and foreign venture capital funds to link external resources and expand investment analysis capabilities.

(2) External Innovation

In addition to direct investment, Taishin Venture Capital also participates in domestic and foreign venture capital funds to link external resources and empower the Group with R&D capabilities.

(3) Financial integration

Venture capital plays a pioneering role in wholesale banking services. Venture capital companies first discover potential start-up companies, then commercial banks provide financing, and securities underwriters provide TWSE/TPEx listing services, so that the synergy and integration benefits of financial services can be brought into play.

b. Business development plan of the current year

The company was incorporated in late September 2003 with a capital of NT$1 billion. To create a sound financial structure, the company underwent capital reduction in 2010 to make up for NT$180 million in accumulated losses. It subsequently made cash issues for NT$800 million, NT$600 million, and NT$1.11 billion in 2011, 2012, and 2014, respectively. To improve its financial structure, the company made cash issues for NT$1.2719 billion and NT$3.529 billion, and underwent capital reduction to make up for NT$592 million in accumulated losses in 2018. The capital reduction recovered NT$3.329 billion in share capital. From 2020 to 2023, capitalized earnings amounted to NT$4.988 billion, In 2024, the company refunded capital totaling NT$2.356 billion through capital reduction and made a cash issue of NT$300 million, and by the end of 2024, paid-in capital amounted to NT$7.14 billion.

The company reported an income of NT$ 19,861 thousand and after-tax loss of NT$1,394,025 thousand in 2024.

The return is attributed mainly to loss on valuation of financial assets at fair value through profit and loss.

In 2024, we continued investing in Delos Capital Fund II, Delos Capital Fund III, CDIB Capital Global Opportunities Fund for a total of NT$218,670 thousand. The investment projects generated a total cash inflow of NT$79,031 thousand. The cash inflow consisted mainly of NT$99 thousand from liquidation of other investment projects, NT$22,357 thousand in cash dividends, and NT$ 56,575 thousand in refunds from capital reduction. As of the end of 2024, there are 36 companies in the investment portfolio on the books.

Global economic growth is expected to remain moderate but faces multiple challenges. The United Nations expects the global economy to grow by 2.8%, comparable to the previous year but below the pre-pandemic average of 3.2%. Global inflation is expected to fall to 3.5%, close to the targets of central banks around the world, which may prompt monetary easing to support economic activity. However, the challenges include: Geopolitical conflicts, leading to trade tensions among major economies; the rise of protectionism, with possible retaliatory measures such as tariffs or subsidies; high corporate debt, leading to concerns such as weak investment.

Given the global economy is moving on a gentle upward trend amid uncertainties, the 2025 business plan builds on a cautiously optimistic approach and proceeds to achieve a balance between profit and risk in different businesses as follows:

1. Financial investment: Select startups with good potential and confirm the exit mechanism.
2. Strategic investment: achieve synergy within the holding group and create corporate value.
3. Collaborative investment: have different departments work together to explore new projects and enhance economy of scale.
4. Cash management: make disposal as needed to realize profits; maintain sufficient and balanced cash flow.

c. Industry Status

Taiwan's venture capital industry has demonstrated strong growth potentials amidst changes in the global environment by focusing on critical fields of expertise and technologies and by reaching toward international markets. With regards to the investment environment, Japan has become the most preferred overseas market for Taiwanese start-ups, along with the United States. In terms of industry focus, digital transformation of medical technology, financial technology, and e-commerce grows at a faster pace, whereas generative AI is also gathering attention. In terms of regional distribution, new start-ups are mainly concentrated in the six municipalities, with Taipei City claiming the highest number, followed by New Taipei City and Taichung City.

d. Research and development

According to market observation, investment focus of institutional investors this year is as follows:

1. Main areas of investment for CVC: Healthcare, electronic hardware, biotechnology, etc.
2. Main areas of investment for general venture capital: Green energy industry, artificial intelligence, financial technology, etc.
3. Main areas of investment for NDF: The five trusted industries including semiconductors, artificial intelligence, defense industry, security control, and next-generation communications.
4. Main areas of investment for foreign investors: Overseas venture capitalists invest across a broad diversity in Taiwan, including artificial intelligence, healthcare, and financial technology.

e. Short- and long-term business development plan

Our Short-term strategy will be depending on market conditions to achieve profits.

Our medium-term strategy will focus on startups that will be liquid in 3 years and offer marketable products when selecting reinvestment projects.

Our long-term strategy is to connect external and interdisciplinary resources and explore opportunities for joint investments by investing in venture capital funds.

Taishin Life Insurance Co., Ltd.

a. Business scope

1. Business contents

Taishinlife operates in life insurance and sells products including life, health, accident, and investment-linked coverage.

2. Revenue breakdown

Premium Revenue

Unit: NT$ million

Year / Item	2023		2024	
	Amount	Percentage	Amount	Percentage
Life insurance	22,091	75.70%	34,139	72.20%
Annuity insurance	2,339	8.00%	8,071	17.07%
Health insurance	4,571	15.70%	4,878	10.32%
Accident insurance	191	0.60%	195	0.41%
Total	29,192	100%	47,283	100%

3. Products and services

Taishin Life Insurance has been developing three major channels of bancassurance, life advisor and insurance brokers. Product development will be customer oriented, assisting customers in improving their insurance needs at every stage of their life:

(1) Bancassurance channel - focusing on interest rate-sensitive insurance products, investment-linked insurance products, and mortgage life insurance products, while responding to market demand shifts in advance and dynamically expanding a diverse product line to meet the needs of financial institutions' wealth management customer groups.

(2) Life advisor channel - focusing on protection oriented products and need driven and life stage based sales pitches; and assessing potential household risks to be faced by customers in different stages and closing sales by providing a more personalized combination of products.

(3) Insurance brokers channel - focusing on interest rate sensitive products and investment linked products to meet the needs of different customers; and building stronger relationships with existing channel partners and explore new channels at the same time.

4. Plans for new products

After the implementation of IFRS 17, liabilities are measured at fair value and will fluctuate with interest rate changes. As such, it is crucial to ensure asset-liability matching to mitigate interest rate risk. Therefore, Taishin Life Insurance's product strategy focuses on both meeting customer needs and balancing capital management by promoting the following products to manage liability duration and interest rate risk:

(1) Non-guaranteed payout products: interest rate-sensitive products or participating products.

(2) Investment-linked products: fully matched assets and liabilities, eliminating interest rate risk.

(3) Pure protection products:

A. Annually renewable A&H and term insurance products: the premium payment period aligns with the coverage period, resulting in minimal interest rate risk.

B. Long-term premium-paying whole life insurance.

b. Current business plan

1. Bancassurance channel

Increase the scale of new policy premiums by offering diverse insurance products to meet the needs of financial institutions' wealth management customer groups, while continuously enhancing professional and high-quality distribution services, accelerating business expansion, and deepening collaboration with various financial institution channels.

2. Life advisor channel

Through high-quality recruitment to expand the organization steadily and improve efficiency, make more services available through life advisor, and extend the existing training systems and structures with a greater emphasis on improvement.

3. Insurance brokers channel

Focus on selling interest rate-sensitive and investment-linked products to drive sales momentum for short- and long-term flexible products; at the same time, diversify premium sources, increase income from subsequent premium payments, introduce new investment-linked products, and position the sales strategies clearly for the insurance brokers channel.

c. Industry overview

The total life insurance premium was NT$2,440.2 billion in 2024, increased by 11.5% from last year. In particular, the first- year premium was NT$841.8 billion, increased by 25.4% from last year; and the renewal premium was NT$ 1,598.3 billion, increased by 5.4% from last year.

First-year Premium of the Life Insurance Industry

Unit: NT$ million

Year	Source	Life insurance companies	Bancassurance	Traditional insurance brokers firms	Total
2024	Premium income	380,677	309,287	151,850	841,814
	Percentage (%)	45.22	36.74	18.04	100.00
2023	Premium income	320,039	247,675	103,654	671,368
	Percentage (%)	47.67	36.89	15.44	100.00

Source: Life Insurance Association

d. Research and development

Market conditions and product features have been constantly changing in recent years. The strategy will involve active research, customer analysis, and market segmentation that help the company provide innovative and differentiated products to meet specifically unmet demands. Personalized insurance products will be provided to suit different needs of different channels for different products. Key points of the research and development plan are as follows:

1. Information as a service: constructing strategic information projects and core services as services to support the requirements of new forms of information services.
2. Financial regulatory services system: compliance with financial regulatory services.
3. Digital transition of distribution channels: developing products consistent with both customers' needs and market trends and able to satisfy financial needs of different life stages and help customers live better lives.
4. Intelligent data: building or enhancing the company's data application platform to provide a better customer experience.

e. Short- and long-term business development plan

1. Short-term business development plan

Taishin Life will continue to integrate and leverage on the resources of financial holding to further enhance the Group's overall effectiveness. We will focus on the customer needs and provide diversified products to meet the financial and insurance needs of customers at all stages of their lives. In terms of channel strategy, Taishin Life will develop multiple channels, strengthen the life advisor and enhance efficiency, improve the development of the bancassurance channel, as well as accelerate the expansion of the insurance brokers channel so as to expand our business footprint; In addition, the company will continue to optimize our asset and liability management allocation, minimize spread losses, reduce the duration gap, and improve operational performance.

2. Long-term development plan

A wide selection of channels makes the buying process easier for customers. More financial institution partners will be added to facilitate long-term partnerships and mutual trust and contribute to fast expansion of the bancassurance business. Suitable products will be developed and provided to be sold through banks. These partnerships will combine both parties' interests and create win-win strategies for both the bank and the insurer. Life advisor channel will be expanded at a steady pace with quality recruits and management trainees. The existing management training program and structure will remain in place while the management's role in recruitment and sales will be increased. The existing insurance brokers channels will be strengthened while an effort is made to explore new channels for faster growth.

B. Cross-line and joint marketing efficacy

The list of Taishin Holdings subsidiaries contains Taishin Bank, Taishin Securities, Taishin Life Insurance, Taishin Securities Investment Trust, and Taishin Securities Investment Advisory.

Taishin Securities had set up and shared points of sale across 101 Taishin Bank branches since May 2010 and Taishin Life Insurance since Oct. 2021. These shared points of sale conduct cross selling in the branches and are permitted to conduct the following business activities:

a. Securities services:

1. Account opening for securities brokerage business.
2. Acceptance of securities related applications on behalf of third parties.

b. Futures services:

1. Account opening for futures brokerage services.
2. Acceptance of futures related applications on behalf of third parties.

Taishin Bank had set up shared points of sale across Taishin Life Insurance since Oct. 2021. This shared point of sale conduct cross selling in the branches and are permitted to conduct the following business activities

a. Credit card referrals and delivery of cards.

b. Acceptance of applications for banking services.

Relocation of Southern Songshan Branch to the 1st floor of the same building as Taishin Life on December 16, 2024 helps direct customers to the branch for banking services. Therefore, the bank's joint marketing office previously established at Taishin Life Head Office was not renewed when the contract expired on December 31, 2024. A business referral system is in place to provide one-stop financial services. The number of active securities accounts opened through the referral system continued to grow in 2020. The business strategy will continue to be customer oriented. Products and distribution channels will be made more aligned with each other in order to satisfy the need for personalization and improve the quality of financial services. The aim is to provide the most suitable products and services when they are needed and achieve optimal synergy in the financial holding group.

C. Market and business status

Taishin Financial Holding Co., Ltd.

a. Market analysis

Built as a cross industry operation, Taishin FHC expects to utilize the resources and integrated services in the group to achieve synergy. There are currently 15 financial holding companies in Taiwan. The market remains highly competitive in relation to its size. The rise of fintech creates challenges for traditional banks in their own business as well as in other industries. As a result, more and more banks are investing resources in the development and application of new technologies. The banks support digital transformation in order to provide financial services that can better meet market demand.

b. Competitive strategy

Taishin FHC's mission is to become a trustworthy, outstanding financial institution with stable growth that provides a full line of financial services for the global Chinese community. The strategy is executed by implementing the following measures:

1. Increase the group's profitability while paying equal attention to risk control: Continue developing strengths of the group, create a complete cross-industry network under Taishin FHC, actively combine resources within the group, and paying equal attention to risk management and business growth, expand the subsidiaries to create multiple profit drivers.
2. With regard to banking, perpetuate existing advantages, such as the number of digital accounts and the auto loan, credit card, syndicated loan, and securities underwriting businesses to maintain a leading position while trying to leap ahead. Create new strengths in the emerging area of FinTech through digital transformation of the group.
3. Implement IT infrastructures, optimize the group's IT resources, construct an IT system that supports business growth, and make full use of new technologies to create new business models and opportunities to secure leading positions in the market.
4. Develop a full range of risk management capabilities, and ensure the three lines of defense and employee training are effective. Improve risk management capabilities on an ongoing basis. Develop optimal infrastructures and human capital for different business areas through system upgrades, talent recruitment and retention, and process improvement.

c. Competitive niches

1. Integrated channel

Taishin Financial Holding co., Ltd. puts under its auspices various subsidiaries, including Taishin International Bank, Taishin Securities and Taishin Investment Trust / Investment Advisory boasting different kinds of sales channels, whose integration can cover different client groups and offer more service points for the provision of related financial consulting.

2. Provision of plural products

Customers have needs for different products in different life stages. It makes product differentiation one of the essential elements of competition. Customer centric has always been one of Taishin's requirements. The use of big data to identify customer needs, product diversification, and one-stop shopping save time for customers while satisfying the demand for service quality.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) The Taishin Bank wealth management brand delivers excellent performance that has received many local and international awards.

(2) Taishin FHC supports innovation and takes a flexible approach to business development. The group stays constantly alert to market developments, and its business strengths are widely recognized.

(3) The full line of banking and securities products is offered with service quality and efficiency.

(4) Richart continues to lead the market in the number of customers. It is also able to provide a series of much needed digital banking services and innovations.

2. Unfavorable factors

(1) There are 14 domestic financial holding companies, leading to acute competition, especially in view of their homogeneity in product development and packaging.

(2) Increasing stringent financial regulations are driving up the costs of compliance with AML/CFT regulation.

(3) The number of offices overseas is relatively small and in need of new additions as well as pioneering and leadership talent for overseas businesses.

Taishin International Bank Co.,Ltd.

a. Major products and services and location

The bank's major business items include deposit reception, loan extension, export/import foreign exchange, foreign- currency deposits, discount of negotiable instruments, currency conversion, guarantee, surrogate collection/payment, custody, trust, credit card, trading in derivatives, brokerage of short-term commercial paper, brokerage of short-term bills, securities trading, certification and underwriting, factoring, securities investment and underwriting, offshore banking, the issuance of financial bonds, wealth management and buy(or sell) gold or silver business.

Since its establishment, the bank has been constantly expanding business items and operating network, actively exercising the intermediary role for the supply and demand of funds in the society, so as to support economic prosperity. Regarding business network, the bank has set up branches in major cities in Taiwan, the bank boasts 101 domestic branches and has been actively establishing overseas units, in compliance with the trend of financial internationalization, including offshore banking unit, Hong-Kong branch, Singapore branch, Tokyo branch, Brisbane Branch and Labuan Branch, testifying to extensiveness of its service network.

b. Future supply and demand

Amid the boom in AI-related industries, which has energized financial markets, Taiwan’s banking sector benefited in 2024 from wealth management fees and capital market activities, with total pre-tax profit reaching NT$565.6 billion, a 12% annual increase. Looking ahead to 2025, rising global economic uncertainty, along with increases in Taiwan’s electricity and transportation prices, could lead to a rebound in inflation, influencing central bank policy decisions. Additionally, given the high base levels of the housing market and equipment investments from the previous year, the growth momentum of the banking sector’s earnings is expected to slow.

In view of the changing financial environment, the Bank will continue to uphold the perseverance and sustainability principle of prudent operation. The Bank will continue to align with government policies to promote financial security, strengthen financial fraud prevention measures, drive FinTech innovation and development, and support the government’s initiative to establish Taiwan as Asia’s asset management hub. Through these efforts, it aims to foster economic growth and create social well-being.

c. Business goals

Looking forward, the Bank will commit to achieving the goals of its existing business activities while pursuing environmental sustainability (E), social inclusion (S), and outstanding corporate governance (G), and it will do so in accordance with the principle of “rigorous risk management, integrous law abidance, and aggressive expansion” while supporting government policies and complying with applicable regulations. The Bank’s business strategies and plans in 2025 include:

(1) Integrating holding resources to expand the banking business while balancing risk and business growth and law abidance with fair customer treatment and with anti-fraun prvention;

(2) Building up suitbale IT infrastructures to support business expansion and to adopt digital, data and AI applications;

(3) Enlarging digital bank Richart's market share;

(4) Supporting green-energy through sustainability lending and investment and assisting in the development of low-carbon transportation, circular-economy, and renewable energy industries;

(5) Following major industry expansion trends to deepen overseas business growth.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) Wealth Management

A. The big data platform offers insight into market movements and customer demand in advance.

B. Technological development has accelerated the digitalization process, and the application of technology and the Integration of virtual channels and physical branch offer more business advantages and higher efficiency.

(2) Retail Banking

A. Advantage in digital service, with Richart topping in terms of brand awareness and customer count over peers; support for new, diverse payment tools; wide deployment of ATMs and support for comprehensive consumption scenarios.

B. Ongoing introduction of new technologies including big data, cloud computing, AI, RPA etc.

(3) Digital Banking

A. Implement effective agile development to enable the bank to launch new financial services ahead of competitors.

B. Building upon the foundation of customer experience, the open platform facilitates the integration of new products and services through collaboration with cross-industry partners, thereby reducing investment costs and enabling a more timely response to market demands.

C. Taishin Bank has obtained multiple utility patents for the following services or functions: savings credit card, pre-login preview, card-less cash withdrawal, shake-and-transfer, transfer-as-you-like and one-stop transfer, optimized small-sum product loan application procedures, simplified ID authentication mechanism for customer service chatbot, payment platform integration, and personal loan application system without proof of income. These patented services and functions have been integrated into the everyday life of consumers to build scenario-based banking.

D. Combine AI and biometric identification technologies to develop facial recognition for services such as opening an account, making a payment, withdrawal or transfer, identifying VIP in branch and making payments by facial recognition. Achieve the vision of complete digital banking.

(4) Wholesale Banking

A. Given the ongoing liberalization and rapid economic growth of Asian emerging markets, there is going to be substantial growth in demand for overseas banking services.

B. With an outstanding corporate Internet banking platform, we provide integrated cash flow collection & payment transfer to our customers.

C. The government encourages financial institutions to adopt new technologies and expand overseas, both of which contribute to the scope of business.

(5) Financial Market Services

A. As the revenue of Taiwan-invested enterprises grows, the need for hedging increases.

B. Utilizing the resources of the head office to capture business opportunities overseas, build up a presence in overseas markets and develop closer relationships with local customers.

(6) Trust Service

A. The competent authority is actively supporting the digital finance policy. The younger generations are having more influence and depending more on social media and digital devices, leading to the growth of automated channels and a higher frequency of self directed investing.

B. In an increasingly diverse and aged society, the development of retirement trust is aided by the Trust Association's "Elderly and Handicapped Persons Property Trust Evaluation and Incentive Measures" campaign in support of government policies.

C. To help companies retain talent, the government has amended the Company Act and related regulations to expand eligibility for employee benefits and encourage the demand for employee welfare trust.

(7) Insurance Brokers Services

A. Following the rise of fintech, Taishin Bank is investing in the development of fintech and online insurance enrollment services. Meanwhile, young people's internet and digital device dependence makes it easier for Taishin Bank to develop and manage digital channels.

B. The aging population presents a massive opportunity in the retirement market and creates favorable conditions for protection oriented products and annuities (including traditional and investment-linked insurance products).

2. Unfavorable factors

(1) Wealth Management

A. Customers at the top of the pyramid have complex and unpredictable needs, making it more challenging to manage the business.

B. A platform system must be developed to accelerate computation and storage of new data and large volumes of data, which in turn causes an increase in resource input and a dramatic increase in demand for skilled talents who possess data application capability. However, recruiting skilled workers is difficult.

(2) Retail Banking

A. Additional costs of investing into new systems associated with changes in financial technology.

B. Risks associated with emerging technologies pose challenge to a business' ability to respond and adapt.

(3) Digital Banking

A. The entry barrier to copying financial services is low and the sandbox policy for the banking sector is still in the early stage. There has not been much major development in the area.

B. The product cycles for diverse new types of payment solutions (e.g. NFC, barcode scanning, and biometric identification) are becoming shorter. Paperless receipts, non-cash transactions, and electronic payments continue to be the mainstream, for which the bank is required to commit more resources into development and promotion.

(4) Wholesale Banking

A. Over-banking status, homogeneous traditional financial products are difficult to create high profits.

B. The bank still has only a few branches overseas; its global network remains sub-optimal.

C. Financial supervision has become more stringent than ever. The implementation of Basel III accord will put further strains on the bank's capital and liquidity. All of which present added costs and risks.

(5) Financial Market

A. Although the Federal Reserve started the rates cutting cycle, Trump's goal of imposing additional international tariffs makes it unlikely for inflation to subside in the short term. Market volatility is expected to intensify, the stock and bond markets remain volatile and challenging.

B. Financial supervision has become more stringent than ever. The amended regulations on derivative products and tightened rules on KYC and product suitability impose restrictions on product sales.

(6) Trust Service

A. Products are highly similar with little differentiation. Competitors continue to open more overseas branches to gain larger market shares.

B. The demand for financial professionals will continue to grow while the cost of training and employee turnover will be higher.

C. The global economy is near the end of its growth and has started to slow down. Constant changes in the U.S.-China trade relationship and the geopolitical outlook for Europe and uncertainties over the monetary policies of major central banks both contribute to greater volatility in the international financial markets and challenges in investing.

D. Structured trust and employee welfare trust services cannot be offered without an investment of trained professionals and systems, but generate limited fee income in the face of fierce competition.

(7) Insurance Agent Services

A. Against the backdrop of our stable insurance business and the imminent adoption of IFRS17, the USD interest rate, if remained at a high level, and strict control over crediting interest rate may affect customers' willingness to engage in financial planning. This trend also increased the difficulty of promoting savings insurance plan. Therefore, Taishin Bank will continue with product transformation and improve the professionalism of its sales staff.

B. For better consumer protection, insurance regulations are becoming increasingly rigorous. In addition to expanding the list of products requiring recording of the sale process and lowering the minimum age requiring recording for unit linked insurance products, a telephone interview on the source of funds is now also required. Such interviews create a complicated policy application process, and make customers less willing to include such products in their portfolios.

C. Digital technologies are advancing by leaps and bounds. To stay ahead in the digital insurance business, one needs a large-scale replacement or upgrade of existing systems.

Taishin Securities Co., Ltd.

a. Major products and services and location

The company's services target domestic and overseas institutional investors and general investing public. As of the end of 2024, the company has a total of 12 offices. Furthermore, the company has set up cross-selling in Taishin Life Customer Service center and 101 Taishin Bank branches in Taiwan. In particular, there are cross-selling offices in 24 branches. These offices make it easier for customers to open or close securities accounts or change personal information.

b. Future supply and demand

1. Market overview

As of the end of 2024 there are 63 headquarters of securities dealers, 776 branches, a total of 839 brokerages and 35 securities dealers that have been approved for margin trading and short selling of securities by the Securities and Futures Bureau of the Financial Supervisory commission of the Executive Yuan.

2. Market supply

Following deregulation of foreign securities trading, the government continues to promote expansion of the capital market. Introduction of a strings of new type financial products and strong growth in the ETF market are contributing to a heated new issue market. Meanwhile, With the rapid advancements in FinTech and AI, the integration of big data analytics and personalized strategies is driving the potential for future development in the securities industry, becoming a key trend for the future. The securities market will work more efficiently, and its size will rise significantly.

3. Market demand

Both domestic and foreign companies will have a greater need for direct financing as the capital market becomes more efficient with a greater range of features. Financed interdisciplinary mergers will become more commonplace. Meanwhile, the public is paying more and more attention to investing as they travel on the information superhighway and become better educated with easier access to a wider range of investment vehicles. The combination of a recovery economy and the government's policies in favor of the stock market also encourages consumers to invest and invest more in foreign vehicles. The demand for securities trading services, foreign investment sub-brokerage, and financial consulting services for medium- and large-sized enterprises will continue to grow.

c. Business goals

As an integrated securities firm, Taishin Securities engages in such businesses as brokerage, dealership, underwriting, and investment banking, and provides a complete electronic trading platform with complete functions. It combines the resources of the financial holding company and utilizes near 100 banking channels, to provide investors allround and pluralized financial wealth-management service. It offers pluralized tailor-made financial products to meet the different needs of customers.

Regarding brokerage services, the offices will continue to provide better offline services, and strengthen the existing securities, futures, sub-brokerage, and non-restricted purpose loan services. Meanwhile, the range of services available at the cross-selling offices in Taishin Bank will continue to be expanded in order to create the best offline service. In addition, the in-house electronic trading platforms and online services will be optimized on an ongoing basis to make better omnichannel services.

With respect to the underwriting business, the operation brings together the resources under the financial holding company in an active effort to secure as many domestic underwriting cases as possible while exploring opportunities overseas by attracting more foreign companies to participate in the capital market in Taiwan. The aim is to develop Taishin Securities into a financial service platform that offers premium services, a diversified range of businesses, and high added value.

Regarding corporate mergers, through enhanced cooperation and interaction with the investment, industrial and financial consultant sectors at home and abroad, we will explore potential customer needs, provide consulting services such as operational asset restructuring and organizational recreation, corporate M&A, financial planning, and private equity investment, explore business opportunities of industry consolidation or delisting that may be brought about by the bear market, and develop M&A needs of growing/mature industries and second-generation succession enterprises.

In terms of derivative trading, Taishin will focus on risk management and build on the combination of an established financial holding company brand and professional financial engineering capabilities to create low-risk income from arbitrage, product launches, and market-making services. The company will follow a set of clearly stated and strictly-enforced market strategies and the quality of market making while adhering to the principles of good faith in offering consistent issue prices and reasonable spreads and quotes. Hedging strategies will include the use of big data analytics, financial engineering theories, and statistical tools to identify reliable market information and hedging benchmarks.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) Integrate the resources of the financial holding company to manifest brand value and upgrade overall competitiveness.

(2) The growing electronic payment market makes the influence of mobile securities dealers more extensive.

(3) The financial holding group now offers a vastly diverse range of products that can be cross-sold to provide customers the ultimate one-stop shopping experience.

(4) The Taishin brand as an underwriter is well known in the market and sufficiently strong to turn negotiations in the brand's favor.

(5) Strong Positive relationships with important large enterprises facilitate access to customized, well-rounded investment banking services.

(6) Government policies tend to adopt an open stance, and the regulators are leading the way to drive business growth.

(7) With equal emphasis on all sectors, electronic, traditional manufacturing, and startup industries have come to grow at similar rates, which contribute to development of underwriting services in Taiwan.

(8) Highly competitive market and succession issue result in more and more needs in mergers and acquisitions.

(9) Financial engineers more skilled than those employed by competitors can achieve greater speed and accuracy in backtesting and simulation of trading strategies.

(10) There is a relatively high barrier to entry to sub-brokerage and therefore a smaller number of competitors. Resources from Taishin FHC will facilitate growth in the sub-brokerage business.

(11) The concept of co-marketing operations is ahead of the industry, and the expansion of cooperation is conducive to introducing customers with the resources of financial holding company and increasing profits.

2. Unfavorable factors

(1) The existence of cutting the price aggravates the competition and affect the space of securities firms for survival.

(2) The Big Four accounting firms, with abundant resources, have become the main competitors in the investment banking business.

(3) Difficulty in charging service fees because the local enterprise is unaware of the up front value provided by financial consultants.

(4) Scarcity of senior investment banking professional sales, especially those with great experiences and industrial relationship.

(5) Large domestic enterprises appoint talents cultivated internally for domestic mergers, reducing business possibilities.

(6) Most enterprises across all industries nation-wide are focused on developing their information technology(IT) infrastructure, increasing the demand for IT talent and making its recruitment difficult.

(7) The competitive environment with a large amount of trading information increases the construction and information costs of various systems.

(8) Other banks are growing fast digitally and introducing brokerage products in collaboration with e-payment service providers.

(9) Some securities dealers use mergers and acquisitions to gain market shares quickly and secure related advantages.

3. Response measures

(1) Utilize the bank's extensive channel to transfer quality and high-net-worth clients, to extend the reach of business scope.

(2) Creating a differentiated e-trading platform to provide more accurate, real time mobile transactions.

(3) To expand brokerage operations, the company will continue to extend the cross-selling partnership with Taishin Bank from offices to points of sale, and explore opportunities in middle class investors.

(4) Continue to build up the sub-brokerage trading system and the digital platform in order to give investors a more ways of investing and a stable and easy-to-use tool for investing overseas and to establish a strong presence in the sub-brokerage market.

(5) Systematically explores key industries and improves the efficiency of discovering business opportunities in financial consulting through former successful experiences.

(6) Broaden distribution channels local and abroad; increase the company’s capacity to undertake cases.

(7) Improve insight for key industries, makes good use of holding group’s resources to expand business synergy, and strengthen interactions with specialists in domestic and foreign investment, industry, and financial advisory fields. Develop potential M&A and exit opportunities, create cross-border M&A selections, and open up merger opportunities in specific markets.

(8) Work actively to win over international projects and differentiate from other financial advisory firms in the country in order to increase recognition of Taishin's investment banking business in the market.

(9) The Capital Market Department will engage the Research Department and Corporate Department in organizing forums and seminars for greater exposure.

(10) The company will continue to keep updated on the competent authority’s policies regarding deregulation, provide a complete line of products and develop new types of services in order to create a balanced portfolio of stable income sources.

(11) The company will continue to expand favorable operations and exercise its advantage as a medium sized dealer in responding to market changes.

(12) Cultivate industry experts who help the crew understand the industry from the ground up in order to explore potential financial consulting business opportunity.

(13) Enhance the sales capability of diversified products to create product penetration rate of existing customers.

(14) Cooperate with relevant departments to broaden connections, deepen customer relationships. Focus on developing potential financial consulting opportunities, case execution, and enhancing overall working efficiency.

(15) Participate actively in forums related to domestic/foreign mergers and acquisitions and financial advisory and in competitions for awards in order to make the investment banking business more competitive in the market.

(16) Strengthen the resources sharing of financial holding company, diversion mechanism and data analysis application.

(17) Establish professional image and popularity through exposure and marketing in newspapers and magazines.

(18) Step up sales efforts for regular stock savings plans and dividend-paying investment products, and provide premium financial services from an asset allocation perspective.

Taishin Securities Investment Trust Co.,Ltd.

a. Major product and services and location

The company's client base consists mainly of domestic and foreign institutions and investors. The Company has three offices in Taiwan, and has specified money trust and sales agreements in place with banks, including Taishin Bank, Hua Nan Bank, Taiwan Cooperative Bank, Bank of Taiwan, Mega International Commercial Bank, E.SUN Bank, Taiwan Business Bank, Bank SinoPac, Shanghai Commercial & Savings Bank, and Taichung Commercial Bank, and securities dealers, including KGI Securities, Yuanta Securities, and Mega Securities. Combined with agreements to be entered into with many more strong fund distributors in the future, the Company's network will have more than a thousand points of sale across the island.

b. Future supply and demand

Looking forward, Taishin sees plenty of growth opportunities for the asset management business under Taishin Securities Investment Trust thanks to the potential of bond funds and the pension market, and the demand for asset allocation and risk management.

c. Business goals

Taishin SITC's short-term goal includes maintenance of a stable performance, expand the size of non-money market funds to raise, new funds with market potential, and obtain the qualification for the outsourcing operation of government funds. In the medium and long-term, it will actively enhance market share and management scale, increase fund clients, strengthen capability for assets allocation, and continue expanding the reach and good image of the brand. Taishin Securities Investment Trust takes a cautious, responsible approach to managing assets of its customers.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

The competent authority keeps introducing policies to facilitate progress in the financial markets and loosen gradually regulations on product design and investment. The trend is beneficial to further development for domestic securities investment trust enterprises and fund products, and, when combined with expected deregulation of the pension market in the future, creates medium- and long-term opportunities.

2. Unfavorable factors

Intensive competition among local securities investment trust enterprises, causing larger firms to dominate the market. To compete with dominant channels and offshore fund issuers, Taishin SITC will respond by building a complete product line supported with disciplined practices and well-trained talents, and aim to increase the size of assets under management in order to achieve sustainability.

Taishin Securities Investment Advisory Co.,Ltd.

a. Major products and services and location

Provide research services to Taishin Financial Holding co., Ltd., Taishin Bank, Taishin Securities, Taishin Investment Trust, and Taishin Life Insurance.

b. Future supply and demand

The merger of Taishin Financial Holdings and Shin Kong Financial Holdings and the integration of its subsidiaries has led to an increased research demand as we formulate our business and strategic directions. Our research department will align its focus with overall development of the financial holding company, and gradually adjust and expand its scope of business accordingly.

c. Business goals

Provide research insights to assist the financial holding company and its subsidiaries to form business strategic, launch products with good investment prospects and assist Taishin Financial Holding co., Ltd. and its subsidiaries to expand business.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

The government is promoting the digitalization of financial services, sustainable transformation, and the development of age friendly financial products. With the goal of expanding the business scope of financial institutions, the government is also encouraging financial institutions to develop innovative financial products, cultivate financial professionals, and actively expand wealth and asset management business. In the future, it is hoped that through the relaxation of financial regulations and innovative technologies and products, the development of financial business and related research will continue to grow.

2. Unfavorable factors

In response to the rapid changes in regulations and competition in the market, it is essential to enhance our own advantages and innovation capabilities in order to face the challenges and opportunities in the market.

Taishin Asset Management Co., Ltd.

a. Major products and services and location

The company's major business items include bidding for the bad-debt claims of financial institutions in Taiwan, subjecting them to management and restructuring, and disposing of them within reasonable time, so as to attain maximum returns.

b. Future supply and demand

With realty-mortgaged bad-debt claims having been mostly released, assets management companies have gradually switched their bidding targets from corporate-debt claims to consumer-debt claims. Due to the gradual shrinkage of the domestic market scale, quite a number of foreign peers have transformed their operations or exit the domestic market, with some peers having begun to sell the bad-debt claims they purchased. The trend has led to the emergence of secondary-market trading, facilitating the division or combination of single or small bad-debt claims,conducive to the disposal of bad-debt claims and enhancement of investment returns.

c. Short-/Long-term business

In addition to continuing purchase and disposal of nonperforming loans, Taishin will target NPLs secured by building sites in Greater Taipei, and expand the land development business through debt restructuring. Meanwhile, in response to market changes, Taishin will actively bid for consumer bad-debt claims and at courthouse foreclosure auctions in order to create sources of profit. Furthermore, Taishin tries to make progress in various areas by combining the banking and the securities platforms. The use of abundant funding and a large talent pool to play a role in corporate restructuring will be beneficial to banking and business reform in the country.

d. Research and development

Asset Management strengthen employees' professional skills and know-how in the fields of real estate investment and financial analysis and organized relevant training on related regulations, including on court-ordered compulsory enforcement, urban renewal, accelerated reconstruction projects for potentially unsafe structures in urban areas, and construction.

e. Favorable and unfavorable factors for development outlook

1. Favorable factors

The company's edge lies in the complete peripheral platforms and abundant resources of the financial holding company, enabling it to help affiliates dispose of their bad-debt claims and gradually develop other assets management businesses along with the business development of the financial holding company and other subsidiaries.

2. Unfavorable factors

Asset management companies in Taiwan compete against each other in a market with a limited supply of bad-debt claims. Apart from fiercely competitive bids, the regulators have been amending the regulatory restrictions in recent years, creating higher thresholds for financial institutions wanting to sell their claims and greater difficulty for investors wishing to acquire suitable targets. Moreover, relatively high market prices mean higher costs for buyers and an adverse impact on profits. Furthermore, since the pandemic is still ongoing and COVID-19 vaccine efficacy is uncertain, all decisions must be given careful consideration.

Taishin Venture Capital Investment Co., Ltd.

a. Major products and services and location

The venture capital fund focuses mainly on Taiwan and regions where Taiwanese businesses may find strategic partners and/or create economic benefits.

b. Future supply and demand

Investors are watching cautiously amid uncertainties in global supply chain restructuring. As a result, startups around the world face downward adjustment in valuation, putting venture capital in a stronger bargaining position. However, it is still necessary to assess carefully startups' financial plans.

c. Business goals

In terms of the business life cycle, it is expected that no more than 40% of the capital will be invested in companies in the startup stage, and no more than 60% in companies in the growing stage. The investment industry will focus on healthcare, software, key parts and components, green energies, and niche startups. In terms of region, investment will focus primarily on companies in Taiwan.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

The government is relaxing regulations on insurers investing in domestic startups/private placements, and government venture capital is posed to start another round of financing. Under the de-regulation and market development, sustained growth can be expected for the venture capital industry.

2. Unfavorable factors

While the leading factor for investment decisions is the economic outlook, political issues also have an impact on capital markets, and many major countries are holding elections this year. It will be hard for startups to raise capital if investors pull out of a market out of caution.

Taishin Life Insurance Co., Ltd.

a. Major products and services and location

Taishin Life operates primarily in the life insurance business. Bancassurance partners, insurance brokers firms, and life advisor are the major distribution channels. The company provides customers with innovative products that offer flexibility and high value, helping customers identify suitable insurance products for different stages of their lives. In the bancassurance segment, Taishin Life cooperates with many financial institutions such as Taishin Bank to offer products and services mainly in the forms of variable-interest insurance, investment-linked insurance, and mortgage life insurance. The insurance brokers channel focuses on interest rate sensitive and investment linked products. We are currently working with 27 insurance brokers companies. Life advisor are spread across 18 offices in Taiwan, located in Taipei, Taoyuan, Hsinchu, Taichung, Tainan, and Kaohsiung.

b. Future supply and demand

The bancassurance channel focuses on meeting the protection needs of wealth management customers in banks, and Taishin Life hopes to expand this channel by sourcing broader diversity of insurance products and services and increasing the number of banks it partners with. Whereas the lineup for life advisor consists mainly of traditional long-term protection oriented products. At the same time, it is equipped with investment-linked insurance product to better meet different customers' needs. The insurance brokers business is focused on insurance brokers companies that are in line with the Company's strategy, and Taishin Life offers variable-interest insurance and investment-linked insurance products to meet the sales needs of insurance agents.

Supply and demand and growth potential:

1. The global economy expanded overall in 2024, and the rate-cut cycle that began in the second half of the year aided the performance of domestic and foreign investment markets. As customers became more willing to purchase, new sale of investment-linked insurance contracts bottomed and began to recover. Under the expectations of a rate-cut cycle and moderate economic growth, investment-linked and variable-interest products should continue to make up the majority of customers' demand.
2. Given continuing policy incentives from the competent authority, the focus stays on boosting protection oriented products. These products effectively satisfy the demand for protection coverage, and will be one of the most purchased insurance products.
3. Given Taiwan's aging population and rising life expectancy, the insurance demand in the retirement market is expected to grow and create more opportunities in the retirement planning market.

c. Business goals

The five business goals of Taishinlife are

1. Expand bancassurance channel and increase the market share in bancassurance.
2. Strengthen life advisor organization steadily and enhance efficiency.
3. Accelerate the expansion of the insurance brokers channel and enlarge the business footprint.
4. Facilitate global presence, continue to enhance investment performance, and implement ESG in investment decision-making.
5. Make plans to develop a full range of insurance products that help customers live better lives.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) The design and features of protection products are always in demand, which makes them a core business. The competitive advantage in terms of sales comes from a good life insurance advisor's ability to help customers realize their needs.

(2) The life insurance advisors lead the industry in sales in protection products such as life insurance, retirement products, and health insurance.

(3) Subsidiaries of financial holding can leverage on the resources of financial holding to enhance the Group's overall effectiveness.

2. Unfavorable factor

(1) Turbulent geopolitics intensify the uncertainty of the global political and economic landscape, which will affect the stability of the financial market.

(2) Implementation of the two new systems, namely IFRS 17 and ICS 2.0, will present challenges in terms of asset-liability management, system development, and risk control.

(3) To meet the market's diverse needs and increase competitiveness, it is still necessary to continue to expand product lines.

(4) There is still room for integration of IT resources, whereas administrative services are also in need of system and process optimization. All of which will affect the development of digital technology, operational efficiency, and service quality.

3. Response strategies:

(1) The subsidiary will continue paying close attention to market changes, and strengthen risk control and asset-liability management as ways to reduce market impact and ensure stability of business operations.

(2) In response to the adoption of the new system, the subsidiary will adjust its product strategy toward catering for customers' needs and achieving balanced capital management. Ongoing efforts will also be committed to strengthening financial health, implementing risk control, enforcing asset-liability management, and mitigating operational impacts that may be caused by the new system.

(3) Adhere to the customer-centric approach, strengthen product innovation capabilities and output value, and strive to provide customers with comprehensive protection.

(4) Actively promote IT resources integration, and introduce advanced AI applications with enhanced technology integration capabilities to respond to the rapidly changing technologies. At the same time, the subsidiary will also optimize the administrative service system and processes for improved operational efficiency and more efficient and better quality services.

D. Employees of Taishin Financial Holding co., Ltd.

a. Employee information

Base date: Feb. 28, 2025

Year		2023	2024	Current year as of February 28, 2025
Number of employees	Male	4,454	4,635	4,580
	Female	6,718	6,999	6,937
	Total	11,172	11,634	11,517
Average age		39.81	40.02	40.22
Average years of service		8.62	8.67	8.83
Academic qualification	Doctoral Degree	0.11%	0.09%	0.10%
	Masters Degree	19.95%	20.37%	20.51%
	Bachelors Degree	75.27%	75.04%	74.88%
	High school	4.64%	4.47%	4.48%
	Below high school	0.04%	0.03%	0.03%
Professional certificates held by employees	Trust-related certificates (including supervisors, managers,and sales)	4,249	4,364	4,322
	Basic internal control certification	4,461	4,567	4,530
	Certificate for property insurance representative	3,565	3,742	3,709
	Investment-linked policy representative	2,082	2,150	2,118
	Life insurance representative	3,775	3,750	3,678
	Futures specialist	985	987	978
	Securities investment analyst	53	48	50
	Senior securities specialist	1,050	1,062	1,064
	Securities investment trust and consulting professional	517	507	503
	Securities investment trust and consulting laws(including professional ethics)	2,248	2,387	2,358

b. Employee training and development

Taishin Financial Holding co., Ltd. has committed resources into talent training to ensure sustainability and growth. In 2024, the company had completed more than 620,702 training sessions across the entire organization, averaging 81.84 training hours per person per year. The following talent training measures have been adopted to maintain the organization's competitiveness:

1. Taishin University

By integrating Taishin University with the CTMS, the company is able to incorporate managerial skill training with general education and other relevant courses, so that each employee may study on their own in a systematically structured course design. This combination achieves a number of advantages such as "learning transparency," "learning variety," and "integrated learning resources."

Furthermore, several digital transformation seminars were held and online courses related to agile project management courses were promoted in 2024 in support of the trends in FinTech and the company's overseas expansion strategies.

2. Talent Inventory Program

Choosing and recruiting different levels of colleagues by the 360 evaluation mechanism and the talent committee, and thereby identify prospective managers for various levels such as MA, AMA and TSP. The identified candidates are then assigned with job duties and goals that help build up skills to their intended positions.

3. Individual Development Program

By analyzing MBO and career goals, the company is able to identify skills that employees' lack. These gaps are then addressed through training, job rotation, mentoring, meeting participation, and project involvement with close guidance from managers. The company has implemented a training account system where each employee is given 10,000 training points to spend each year; furthermore, employees are subsidized for their efforts in gaining professional qualifications, secondary skills, language and computer skills etc, so that their personal goals are congruent with those of the company.

E. Corporate responsibility and ethical behaviors

Taishin FHC, as a financial institution, is devoted to fulfilling its corporate social responsibility. It coordinates and combines resources from its subsidiaries, and has for years been offering support in four areas, which are charity and welfare, arts and culture, sport sponsorship, and financial education. As a responsible corporate citizen, Taishin FHC tries to give back to the community and to support the disadvantaged.

a. Charity and Welfare

1. "Caring Taiwan" series

Taishin FHC teamed up with the well known shopping website, PayEasy.com by Systems & Technology Corp., and launched the "Caring Taiwan" Project in 2002. The project has reached into Xinyi Township, Zhongliao Township, Yuchi Township, and Guoxing Township and utilized corporate resources to help disaster victims develop local economies. The idea is to teach them to fish instead of giving them fish. Online campaigns advertise local specialties of disadvantaged regions and tourist attractions and call on the general public to purchase local produce and make credit card donations. The project has succeeded in helping to rebuild the disaster areas and establishing a model of corporate citizenship. In 2008, the "Caring Taiwan" Project extended its reach into rice production in Taiwan. To ensure the continuity of Taiwan's agriculture and the population's access to 100% locally grown rice, Taishin Holdings and PayEasy.com created an innovative platform for the production and marketing of Taiwanese rice. The programs "My One Acre of Farm" for corporations and "My Family's One Acre of Farm" for households helped bring Taiwanese rice into households. They not only provided healthy choices for consumers, but generated income for rice farmers, which in turn created more jobs on rice farms in Taiwan. Under the "My One Acre of Farm" project, Taishin FHC purchased more than 200 units and funded close to 100 hectares of paddy field. More than 10,000 clients and employees consumed close to 350,000kg of premium Taiwanese rice. The total investment reached NT$40.66 million.

2. Power of love

The Taishin Charity Foundation was established in 2010. It rolled out the first and biggest public welfare voting activity in Taiwan - "Power of love" campaign. It uses three simple steps: propose, vote and execute, to teach non-profit organizations to enhance their digital engagement, improve public outreach, and strengthen accountability. And with the spirit of "give fish to eat, it is better to give fishing rods and teach fishing", set up an innovative model of publicwelfare assistance. Over the past 15 years, a total of more than NT$380 million charity funds have been used, benefiting 1,800 non-profit organizations and 6.56 million beneficiaries.

In addition to "Power of Love" campaign, the Taishin Charity Foundation leverages its platform to integrate Taishin FHC’s resources and connect with partners interested in contributing. Together, they organize a series of similarly themed events— including Minority Project, Campus Charity, Charity Art, Power of Love Workshop, Charity gift boxes selling, These efforts aim to engage charity groups, employees, clients and suppliers to join in expectation of expanding its social influence. The campaign was certified by the British "Social Value International" SROI in 2020 and 2022. This is the world's first charity platform to achieve both certifications while continuing to invest in ongoing impact management.

3. Taishin Youth Volunteer Awards

Since its establishment in 2006, Taishin Youth Foundation has been the first high school student volunteering platform in the country. It advocates for youth volunteering and cultivates strong ethics and civil competence. The foundation works actively to facilitate interdisciplinary collaboration among governments, academia, middle schools, and charitable organizations. The foundation organizes Taishin Youth Volunteer Awards every year to create synergy with its partners and inclusiveness in the community.

Taishin Youth Volunteer Awards give special recognition to youth volunteers by honoring outstanding high school student volunteers. Now in its 25th year, the awards have attracted more than 1,280 competitors this year and encouraged more than 80,000 talented youth volunteers to join charitable work. The foundation also has long-term relationships with the central government (the Ministry of Education and the Ministry of Health and Welfare) and 22 municipal governments, more than 1,200 middle schools, and close to 100 charitable organizations and local volunteering centers. The foundation works with these parties in promoting teen volunteering in hopes of inspiring social responsibility in teenagers in the country and to inspire in the community.

b. Arts and Culture Development

1. Taishin Arts Award

Taishin Bank established the Taishin Bank Foundation for Arts and Culture in 2001, with the theme of "promoting cultural life quality and strengthening artistic-development environment". It supports arts as a nonprofit institution, intensifies exchanges between artistic innovation and private industry, and realizes the corporate social responsibility of payback to the society. The Taishin Arts Award was created by the foundation and rewards contemporary artistic creativity in various fields in Taiwan that demonstrates growth potential and reflects the society and local cultures. Over the last 22 years, the Arts Award invited 202 judges from the local and international communities, who selected 344 nominees and 73 winners. In 2024, 9 nomination observers selected 17 teams out of 114 nominees and announced the winners of three awards in the ceremony in June. The ceremony was livestreamed and attracted close to 30,000 views. The Arts Awards website drew more than 50,000 visits in the year. In addition, through the ARTalks art review network, it not only collects art reviews from domestic scholars and experts, but also serves as a platform for the public to express their artistic views and dialogues. The website received more than 3.8 million visits over the last 11 years. Through the operation of the award mechanism, combined with the promotion of trained art critique writing, it has become a force that continues to promote the development of Taiwan's overall arts and culture ecology.

2. Community campaigns

Taishin Tower Lobby Exhibition:

The foundation hosts regular art exhibitions in the 1F lobby of Taishin Tower. Since the first exhibition in 2006, there have been 84 exhibits, and the venue has become a perfect gateway into arts for customers, employees, and the community. The exhibits in 2024 included *Garden* by Wang Yu-Song; *The Posture of Flying* by YU Shih-Fu; *RESTand* by LI Cheng-Liang, which integrates architecture, space, sculpture, and installation and experiments with various possibilities of interaction between objects and people.

Friday Noon Concerts:

The foundation hosts Friday Noon Concerts in the 2F Yuan Hall of Taishin Tower every other Friday. The foundation invites well known artists from around the world to perform at these concerts, which are open to the public for free. The foundation has hosted close to 421 concerts over 18 years. A total of 25 concerts took place in 2024. Top musicians who played at these concerts included Taiwan Bambo Orchestra, Baroque Orchestra, Vincent Hsu & Soy La Ley Afro-Cuban Jazz Band, DonSir Jazz Band, and more. The foundation also took part in the "2024 Taipei International Choral Festival," during which it invited Leioa Kantika Korala from Spain to perform. In addition, the foundation held a family concert for the second year during summer vacation where it invited "MuLab" to perform. Through a combination of storytelling, live music performance, and dances, the foundation delivered a special musical experience for the summer that was educational and entertaining.

Employee arts courses

The foundation organizes and executes the Employee Arts Courses. These courses help employees find physical and mental wellness through arts and culture, building up indirectly a healthy corporate culture and innovation capabilities. The courses cover art appreciation, theater introduction, family activities, and art films. A total of 12 employee arts courses took place in 2024. More than 754 employees participated in these courses. Activities included the off-Broadway show, *I Love You, You're Perfect, Now Change*; 2023 Taipei Children's Arts Festival : *Dear John—never say never* by the M.O.V.E. Theatre; a guide tour of *Battle City: Finale* at MoNTUE; and a movie appreciation of *A Nam June Paik: Moon Is the Oldest TV*, a documentary film by Amanda Kim about video artist Nam June Paik. In addition, the foundation publishes an arts e-newsletter every month. The newsletter recommends exhibitions and performance and encourages employees to share their reviews.

3. Arts and culture sponsorships

Taishin FHC has invested close to NT$ 316 million in arts and culture sponsorships in Taiwan since 2006. The events together attracted 8.225 million participants.

c. Sports sponsorship

Taishin is a long term supporter of sports. Taishin started supporting the Nantou County Youth Karate Team in 2005 (calling upon its customers through PayEasy to join the campaign and raising more than NT$114.20 million in small donations and receipts). Its sponsorship for female professional golfers reached NT$100 million in 2011. In addition, Taishin started hosting charity golf tournaments in 2011. The tournaments have welcomed 640 participants and raised more than NT$22.63 million in total. Furthermore, Taishin started sponsoring a wider range of projects, including basketball, baseball, marathons, and e-sports, in 2017. In 2020, Taishin supported the professional basketball team and title sponsored the "Formosa Taishin Dreamers". In addition, the Taishin Taipei Mars team was formed in August 2023. Taishin adopts the strategy of integrating public welfare and good circulation, and tries its best to combine sports and public welfare to achieve the highest level of high promotion and deep care. Taishin has obtained MOE sports enterprise certification four times (valid for 2 years each time initially but changed to 3 years in 2020;and the four times being in 2016, 2018, 2020, and 2023) Taishin won Sports Sponsorship Award.

In 2024, the Company once again received the "Sports Sponsorship Award," whereas Taishin Bank won sub-categories: "Sponsorship - Gold," "Long-term Sponsorship," and "Promotion - Silver," and Taishin Life and Taishin Securities claimed "Sponsorship - Bronze" for the very first time." These five major awards affirm Taishin's stature as the top supporter of sport activities in Taiwan.

d. Academic exchange

Taishin is always keen to get involved in major academic communities with the hope that through communications and exchanges between industry professionals, government officials, and academ-ics sound development of Taiwan's financial sector and the financial market as a whole can be facilitated.

Regarding industry-academia cooperation, since 2011, Taishin has been cooperating with universi-ties, technology institutions and vocational schools to design industry-academia cooperation pro-grams that offer students internships and the opportunity to learn and gain practical experience out-side school. In 2024, about 500 students were recruited into an internship program. Given the up-rise of financial technologies, Taishin has even launched a number of postgraduate internship pro-grams that aimed to explore potential talents in relevant fields such as digital banking, data mining, data analysis and FinTech development.

As part of its commitment to the community and talent development, Taishin offers scholarships and summer internships for National Taiwan University students from financially disadvantaged back-grounds. Furthermore, followed by the courses on "Financial Service Innovation" in National Taiwan University and "Financial Innovation Master Program" in National Sun Yat-sen University to nurture talents in school and fulfill talent pool in Taishin via the industry-academia collaboration.

e. Environmental protection

1. Carbon neutrality verification for 2 additional sites

In 2023, the Company obtained its first carbon neutrality certification with its Jianbei Building; in 2024, the financial holding headquarters located at Taishin Financial Holding Building and its subsidiary - Taishin Securities Zhongli Branch were also deemed carbon-neutral, as they were affirmed by SGS Taiwan Ltd. (SGS) to conform with PAS 2060 carbon neutrality standards. By replacing energy-intensive air-conditioning equipment, installing a centralized air-conditioning monitoring system along with monitoring instruments, implementing load management of air-conditioning hosts and cooling towers, applying peak and off-peak control on building elevators, acquiring renewable energy certificates, connecting to green energy sources, and purchasing carbon credits, the Company now has a total of 3 carbon-neutral business locations.

2. Participation in the Ministry of Transportation and Communication's (MOTC) "Pilot Run for Digital Survey of Commuting Carbon Footprint for Corporate Employees"

In 2024, the Company received invitation from Taiwan Institute of Economic Research to participate in the MOTC's "Pilot Run for Digital Survey of Commuting Carbon Footprint for Corporate Employees." The purpose of this project was to encourage citizens to change the ways they use private transportation, and support net-zero transformation of the transportation sector as part of the government's 2050 net zero goals.

The MOTC's project lasted for 3 months, during which the Company conducted digital surveys on the carbon footprint of employees' commuting activities and obtained green mileage certificates. Overall, the five participants accumulated total green mileage of 624.87 km and total carbon emission of 9.85 $kgCO_2e$, creating carbon reduction benefits of 55.14 kgCO2e. This accomplishment was commended by MOTC during the progress presentation conference held on November 15. In the future, the Company will continue taking part in various projects to connect with the government's net zero policy and transition toward low-carbon transportation.

3. Establishment of systematic energy and carbon emission management

The Company introduced an air conditioning energy management system to monitor electricity usage. Through the system, the Company is able to adjust equipment power consumption in real-time and expects to produce energy-saving benefits of NT$1.23 million each year. For more efficient management of carbon emission, the Company also introduced a greenhouse gas inventory management system to collect and analyze energy and resource data in line with the 2050 net zero goals.

4. Ongoing support for "Earth Hour" campaign and energy-saving campaign and competition

The Company supports Earth Hour each year and implements flexible dress code year-round. In 2024, a total of 9 "Workplace Carbon Reports" were issued to communicate with employees on the outcomes of energy-saving projects and workplace safety issues, and thereby increasing employees' awareness and level of participation in carbon reduction.

In 2024, the subsidiary bank held an "Energy Conservation Teamwork" competition among branches, in which it vouched to reward contestants for achieving 5% energy conservation year-on-year. By December, the participating branches had achieved 28.2% energy saving, reducing electricity costs by NT$9,966,768. The Company will expand this competition to include the banking, securities, and life insurance subsidiaries in 2025.

In addition, the life insurance subsidiary encourages employees to take stairs instead of elevators by shutting down one of the elevators after 5pm every Wednesday and Friday, and by organizing lottery draws where employees may accumulate winning chances with every clock-in. The competition received total participation count of 16,189, reducing carbon emissions by 265 kgCO2e which is about the carbon absorbency capacity of 22 trees in a year.

5. Ongoing use of renewable energy sources, replacement with energy-saving equipment, and green building certification

In 2024, the Company added 2 electric vehicle charging stations and 3 green building certifications, replaced 1 energy-saving air conditioner and 29 LED energy-saving lamps, and purchased 9,304,918 kWh of solar power along with 85 renewable energy certificates.

F. The number of full-time, non-managerial staff, the average and median of salaries for full-time, non-managerial staff, and differences of the aforementioned figures from the previous year

Unit: NT$1,000; people

Year / Number of People/Amount	2023	2024
Number of Employees	8,941	9,468
Average salary	1,376	1,511
Median Salary	1,114	1,209

G. IT equipment

a. Key information technology systems

Item number	System name	Content of Service
1	NT$ core system (B@NCS)	◆ B@NCS NT$ application system ◆ B@NCS NT$ reports system ◆ General ledger
2	ATM front end processor (FEP)	◆ ATM front end processor system ◆ Clearing system
3	Integrated database system (ODS)	◆ Operational database system(ODS) ◆ Data warehouse(DW/DM)
4	Sales force automation system (SFA)	◆ Sales force automation system(SFA) ◆ Financial planning system
5	Personal finance (Internet/mobile banking/)	◆ Internet/mobile banking ◆ NT$/foreign currency transaction inquiries, funds, trust services, credit cards, insurance, shares
6	Digital banking system	◆ Richart digital banking ◆ NTD/FCY transaction inquiry, funds, trust services, and credit cards
7	Trust Investment Platform system (TIPS)	◆ A trading system for funds, ETF, offshore structured instruments, offshore bonds, ADR, and preferred shares
8	Credit card merchant acquiring system (NCPS)	◆ Merchant acquisition of credit card transactions
9	Foreign currency system (WBS)	◆ Limit control, guarantor and collateral management ◆ Import/export/loans/Deposits/ Remittance ◆ Foreign Exchange / Regulatory Media Reporting / Accounting / Deposit / Nostro
10	Image Operation System(IOPS) Credit Mortgage Loan System (CMLS) Credit Personal Loan System (CPLS) Credit Car Loan System(CCLS) Small and Medium Enterprises System (SMES)	◆ TWD(Accounting/Remittance/Application/Account Opening/Receipts/KYC/Transcript CIF update for personal data / branch official document delivery / account opening OCR CIF file), Acquiring franchise store application, overdue debt collection (Court orders/Property/income documents/Transcript of household registration/Overdue debt collection documents) ◆ Credit mortgage loan(includes APP) ◆ Credit personal loan(includes APP) ◆ Credit car loan(includes APP) ◆ SME loan (Obligation documents/Score card review)
11	Factoring management system (OAEFB)	◆ Accounts receivable system
12	Financial markets trading system (Murex)	◆ Financial trading (FX and MM) system ◆ Trading risk control system ◆ post-trade operations for financial markets
13	Structured product sales system (SDS)	◆ DCI/ ELI/ GLI/ FCI transactions ◆ SI transactions ◆ Spot orders
14	Singapore wholesale banking system (SGWBS)	◆ CIF, limit control, guarantor and collateral management ◆ Funding/Spot/Forward/Swap ◆ Import / Export / Loan / Deposit / Remittance / Accounting / Nostro
15	Mobile office	◆ A mobile office based on cloud technology ◆ Software development tools based on cloud technology
16	Japan wholesale banking system (JPWBS)	◆ CIF, Limit control, guarantor and collateral management ◆ Import / Export / Loan / Deposit / Remittance / Accounting / Nostro ◆ Funding/Spot/Forward/Swap

Item number	System name	Content of Service
17	Bankwide anti-money laundering control system (AML)	◆ Anti-money laundering control systems for head office and overseas branches
18	Brisbane wholesale banking system (AUWBS)	◆ CIF, Limit control, guarantor and collateral management ◆ Import / Export / Loan / Deposit / Remittance / Accounting / Nostro ◆ Funding/Spot/Forward/Swap
19	Hong Kong wholesale banking system (HKWBS)	◆ CIF, limit control, guarantor and collateral management ◆ Import / Export / Loan / Deposit / Remittance / Accounting / Nostro
20	Global Digital Corporate Banking Network (GB2B)	◆ Local/Foreign currency deposit and remittance, collection and payment transfer, wholesale financing, corporate financial planning, broker service, Hong Kong, Singapore and Japan deposit and remittance
21	Labuan Branch system (MYWBS)	◆ CIF, limit control, guarantor, and collateral management ◆ Loan / Deposit / Remittance / Accounting / Nostro
22	Credit Card Issuance Authorization System (CCIAS)	◆ The core system for processing of credit card businesses, including credit card issuance, transaction authorization, account settlement, bill payment, bad debt processing, cardholder management, card management, and other functions and services.
23	Payment Processing and Settlement System (APSS)	◆ Application and management of merchants for whom we act as acquirer bank, rates, installments, payment, settlement, and other tasks.
24	e-Merchant and Online Authorization Service System (TSPG)	◆ Cash services for e-stores support the 3DS2.0 authentication and payment page for PC, mobile phone, and app ◆ V/M/J Credit Card/Smart Pay/Union Pay/AE/FISC Bill & Tax Payment/DCC Transaction & Cancellation/Return Transaction & Payment Request/Settlement Service
25	Open Source Mobile Point of Sale P+(APPOS)	◆ Payment: COF (Card On File) ◆ Payment Barcode: Token Payment, First 2-3 Code Merchant Identify Settings, Exclusive Rules, and Barcode Life Cycle
26	New Service Payment System (TSCB)	◆ Provides domestic/overseas payment instrument interfaces
27	Access Control Server One Time Password System (ACSOTP)	◆ Credit/Debit card 3D Online Transaction ◆ Credit/Debit card digitization for digital wallet (VISA/MasterCard/JCB/TWMP) ◆ Credit card onus ATM Cash Advance Transaction
28	Credit Card Issuance Authorization Direct Connection (CCAUTH)	◆ Credit/Debit card routing service for International transaction or digital wallet transaction ◆ Credit/Debit card VIP and Warning Bulletin reporting to Visa & MasterCard
29	Enterprise Application Integration System (EAI)	◆ Provide interconnectivity for telecommunication messages among various systems and applications. ◆ Provide integrated applications for telecommunication transactions among various systems.

b. Future development or procurement plans

1. Apply cloud technology to achieve resource integration; maximum use of IT resources to improve service quality.
2. Continue to expand the range of mobile apps.
3. Install automatic application monitoring mechanisms to supervise system performance effectively.
4. Implement a new generation of custodian banking system for enhanced information security management and higher service quality.
5. Expand the scope of Richart Life app development, and develop payment scenarios and points programs in everyday environments.

6. Proceed to strengthen standardization of the EAI platform for financial information and add an API call service for better customer service.
7. Continue with the digital banking (Richart) capacity expansion project in order to support the business and membership growth momentum.
8. Proceed to upgrade the counterparty credit risk algorithm (CCR ALGO)
9. Implement the internal ratings-based approach to credit risk for retail/wholesale banking products and develop risk models and related procedures.
10. Implement a new generation of NTD bond management system for enhanced information security management and better system flexibility and processing performance.
11. Implement a data sharing platform to uniformly record and manage the consent status of customer data sharing and joint marketing between the financial holding company and subsidiary.
12. Continue to optimize the global digital corporate banking network and the corporate banking app in order to provide a wider range of friendly services for wholesale banking customers and make the Bank more competitive.
13. Promote the upgrade project of the third-party component version of the digital corporate banking security system to ensure compliance with the relevant requirements Information Security Standards.
14. Develop an overseas enterprise mobile app. Expand the usage scenarios of the corporate banking app, providing overseas customers with more convenient services to enhance local recognition.
15. Optimize the mobile office framework to give users a faster and easier-to-use environment.
16. Establish multiple payment gateways, improve credit card acquiring business capacity, and integrate the architecture of payment services provided to merchants.
17. Continue to optimize the bank-wide service platform (new application middle platform), stabilize the platform, strengthen the monitoring mechanism, improve service levels and enable the Auto Scale function.
18. Continue to migrate important systems such as mobile banking, official website, and credit card review to bank-wide service platform.
19. Continuity establishes an application middle platform (bank-wide service platform) to phase out existing containerized platforms by 2026, and move important systems, e.g., mobile banking system and digital banking system, to the new platform, where more common features can be developed, transaction processing speed increases, and system stability is enhanced, thereby providing customers with consistent banking service experience across multiple channels. Integrate data information to turn services into data and data into services in order to quickly support marketing and innovation. Develop a bank-wide service platform to make us more competitive and able to provide better service.
20. Scale up the introduction of New Lookup, a monitoring system, into application systems, to effectively grasp system information and enhance system management.
21. Make plans for expansion of the bank's IT servers over the next 10 years to improve stability of the IT equipment and operating environment.
22. Optimize existing electrical system and air conditioning systems in computer rooms, to transition towards a more energy-saving green computer room in addition to maintaining the stability of the information equipment operating environment.
23. Continuity intensifies the use of a common proxy platform, continue to integrate intra-bank services to support business growth, boost hardware/software resources, and improve system utilization and usability.

24. Automate continuous integration (CI) and continuous deployment (CD) to improve personnel's output and reduce the manpower requisite for maintenance.
25. BancsLink supports different browsers to allow the system to be more flexible and expandable and more aligned with the branches' digital transition.
26. Upgrade the process engine of the auto loan review system for increased flexibility in process modification and accelerated marketing.
27. Make plans for implementing software defined wide area networking (SD-WAN) for more flexible use of the telephone network and enhanced backup connection.
28. Enhance smart operation and maintenance and implement change automation to reduce the manpower demand of operation and maintenance and to systematically manage large complex configuration data for higher operational efficiency.
29. In response to adoption of ISO20022 by SWIFT, the existing message text (MT) format must be converted to the MX format in 5 years. This is one of the key projects monitored by the competent authority.
30. Optimize the automation of regulatory reporting mechanism for overseas branch to comply with the regulatory requirement and enhance the efficiency and accuracy.
31. Develop financials-related carbon emission inventory system modules to enhance accuracy and efficiency in calculating carbon inventory as a foundation for future analysis; ensure compliance with the Regulations for Registration and Verification of Greenhouse Gas Emission Inventory and the requirements set forth in ISO 14064-1:2018, to ensure competitiveness in the face of environmental challenges.
32. In October 2022, ISO revealed the third version of the ISO/IEC 27001:2022 global standard for managing information security systems. The Bank has launched a project to transition to the new standards and passed the certification, in order to bring its information security system up to par with international standards.
33. Revamp the form feature and process engine of the new electric form system to preserve system stability and security.
34. Leverage AI technology to create a system that can compare regulations from archives, minimizing the risks and expenses involved in such comparisons, and streamlining the compliance process.
35. Branch network equipment was replaced to improve hardware performance strengthen the backup mechanism and improve system stability.
36. Assess implementation of migrating data application and e-mail inboxes to the cloud and adopting Office Copilot, with a focus on ensuring compliance, as outlined in the cloud migration project.
37. Introduce Zero Trust with the bank, life insurance, and securities subsidiaries being the pilot adopters and required to determine the maturity of the selected system. Aim to achieve Level 1 in 2025 and Level 2 in 2026 for increased security over intranet access and thereby reduce those threat of untrusted sources.

c. Emergency backup and security

1. Implement standardized data management practices and systems in accordance with the Personal Information Protection Act for added protection.
2. Comply with ISO/IEC 27001 standards. Ensure proper protection to data operations and information systems. Prevent incidents such as data corruption, theft, leakage, alteration, abuse, and infringement. Enhance the confidentiality, completeness and usability of stored information.
3. Introduce the use of infiltration tools to scan for network weaknesses regularly.

4. Develop an information security action plan, promote each implement plan, achieve information security goals and support the continued operation of the Taishin's business
5. Introduce external library-based security scanning tools; the Bank's external service systems are scanned for vulnerabilities using external libraries, to enhance protection.
6. Implement Mobile Device Management to strengthen mobile device management and maintenance ,and enhance security in accessing business-related information.
7. Build network access control (NAC) to restrict unauthorized devices from accessing the internal network for better network access security.
8. Create an ATM white list management system to reduce the risk of unauthorized access for better ATM security.
9. Taishin Bank assesses computer system security by following the security guidelines on computer systems for financial Institutions in order to improve security of its computer system and website per year.
10. Improve off-site support to accommodate business requirements.
11. Install distributed denial-of-service (DDoS) attack prevention mechanisms so that all network traffic will be filtered through DDoS protection to ensure proper functioning of Taishin Bank's network.
12. Install double advanced persistent threat (APT) detection mechanisms that are capable of detecting unknown cyber attacks and preventing hacker attacks on internal network and trading systems.
13. Install EDR(Endpoint Detection Response) endpoint protection to enable real time detection of and defense against irregularities as a result of hacker attacks on endpoints.
14. SOC (Security Operation Center) Create an information security management platform and integrate infosec data from across the bank to be analyzed by AI and big data analytics so to detect early potential hacker activities and take countermeasures.
15. Edit the information security disaster handling procedures to provide the Bank with contingency guidelines in the event of an information security disaster, to reduce the impact time and scope of the disaster, and regularly implement information security disaster drills and test the feasibility of the handling procedures.
16. Purchase information security insurance to reduce the losses incurred from information security incidents (Transfer risk control).
17. Establish a digital forensic environment and standards to impart basic knowledge, and understand how to collect and preserve digital evidence to strengthen data completeness and availability and improve the ability to analyze incidents, handle incidents, and provide evidence.
18. Introduce two-factor authentication to connect to the production environment, and use two types of authentication methods at the same time to increase the strength of information security.
19. Regularly conduct inventories of IoT devices in accordance with the Regulations on the Use of Internet of Things Devices by Financial Institutions, and establish appropriate control measures and access controls to strengthen the usage management of IoT devices.
20. Plan and execute multiple information security exercises to help identify vulnerabilities in technologies, processes, and personnel and corresponding threats and to continue with planning, deployment, and improvement of security management measures for better information security defense.
21. Design password policy improvement plan, stronger system passwords length with 12 or more characters to comply with the new PCI DSS 4.0 starting in 2025.

22. Install end pointDLP (data loss prevention) to strengthen control of laptops being used outside the bank in terms of connection security policy and endpoint access in order to reduce potential risks in external use.
23. Implement IP management and asset detection tools for IoT equipment to effectively improve network security management inside the bank, simplify the IP process, and strengthen the integrity of network equipment management and inventory.
24. Implement remote browser isolation (RBI) in addition to the Bank's existing access management mechanisms as web browsing remains a relatively high hacker attack risk among cyber threats and RBI is provided to reduce the risk of incidence.
25. Sign MOUs with business partners to enable exchange of cyber threat intelligence and prevention methods in order to strengthen Taishin's capability of information security incident detection, response, and prevention.
26. Implement the ISO 22301 business continuity management system to ensure fast recovery of core business operations after a major disaster or incident in order to reduce impacts on stakeholders, financial markets, and the community and to fulfill Taishin's commitment to sustainability.
27. Implement Breach and Attack Simulation (BAS) that used scripts of different scenarios to automate simulation of hacker attacks in order to test defense against specific cyber threats and authenticate effectiveness of cybersecurity monitoring and defense deployment. Used test results for refinement and improvement and to enhance cybersecurity monitoring and defense resilience.
28. Implement cyber risk rating that uses non-invasive methods to collect external intelligence, combines honeynets and threat intelligence to detect exposed vulnerabilities, and provides quantitative cybersecurity risk assessment indicators to help businesses examine cybersecurity risk profiles and refine defense on an ongoing basis.
29. Import the system configuration parameter tool system and apply it to the entire bank's operating hosts, complying with the "Finance Configuration Baseline (FCB)" requirements of the Financial Security Action Plan 2.0 promoted by the Financial Supervisory Commission, and improving the security of host equipment.
30. Implement an automated startup mechanism to improve the efficiency of remote backup startup and shorten the transaction recovery time after a major disaster.
31. Provide technical support and assistance for the integration of information systems of financial holding companies, banks, and their subsidiaries in accordance with the date approved by the competent authority for the merger of financial holding companies.
32. Comply with ISO 27701 standards, which increase control over privacy protection and strengthen identification and evaluation of privacy risks. Implement corresponding and appropriate control measures to ensure that private information is adequately protected while risks are properly managed.
33. Join the Forum of Incident Response and Security Teams (FIRST) to share cybersecurity intelligence and related incidents with organizations of different fields. Strive to build a more robust cybersecurity protection network and enhance Taishin's cybersecurity incident response capabilities.
34. To progressively enhance overall cybersecurity awareness within Taishin, the organization not only organizes group-wide social engineering drills on a yearly basis but also arranges lectures of cybersecurity for directors and supervisors, and has set up channels for cybersecurity consultation. Through department practice and sound governance, Taishin continually develops and strengthens cybersecurity awareness for all its employees.

H. Labor relations

a. Availability and execution of employee welfare and retirement policies. Elaborate on employer / employee agreements and protection of employee rights.

1. Employee insurance

(1) Labor insurance: 70% of premium covered by the company while 20% is borne by the employee.

(2) Health insurance: 60% of premium covered by the company while 30% is borne by the employee.

(3) Group insurance: employees are covered by group life, accidental, healthcare, surgery, injury, cancer, and work hazard insurance; premiums are borne by the company.

(4) Travel insurance: employees are covered by travel insurance when going on overseas business trips; premiums are borne by the company.

2. Employee welfare

(1) The company has an "Employee Welfare Committee" in place to supervise the execution of welfare-related activities. The company also implements an "Employee Welfare Committee Subsidy Policy" that provides employees with subsidies for various occasions such as wedding, child birth, funeral, hospitalization, festivity, birthday, travel, private associations, and children's education. In addition to the various subsidies offered by the Employee Welfare Committee, the company also organizes a variety of activities such as hiking, beach cleanups, sports competitions, game viewings, basketball recreation camps, and karate training camps to promote work-life balance for employees. The company also subsidizes employees for employee stock ownership trust, health checkups, weddings, funerals, self- development (such as learning of foreign languages, computer classes, professional qualifications etc), including subsidies for language and computer classes, certification exams, and gym memberships, and rewards them for long service.

(2) With regards to employee assistance, the company is working with the Teacher Chang Foundation to provide "Employee Living Assistance," and has an "Employee Mailbox" and "Employee Hotline" in place as a means of communication.

(3) With regards to employee health management, the Company and its subsidiaries hire occupational health nurses on-site to perform a variety of tasks such as promoting health awareness, hosting seminars, and performing health checkups. In addition, the company has contracted physicians available to provide medical consultation and workplace inspection services.

3. Retirement policy

Pursuant to the laws and regulations, the company, on July 1, 2005, started making monthly contributions at 6% of basic monthly salary into personal pension accounts for new employees and existing employees who have opted for the new pension plan under the Labor Pension Act. Meanwhile, the company also allocates an adequate reserve for benefits under the old pension plan to the pension plan account at the Bank of Taiwan for existing employees who are covered by the old pension plan under the Labor Standards Act and for the years of service that existing employees, who have opted for the new pension plan, choose to keep under the old pension plan. The company will allow employees who are reassigned to affiliated enterprises to continue to accumulate their years of service in order to provide better protection and ensure the success of talent rotation. Overseas subsidiaries are covered by defined contribution plans. Monthly contributions to social security programs, such as old age pension and health care, are made in accordance with local regulations.

4. Annual leaves

The company offers employees annual leave days in accordance with the Labor Standards Act. The number of leave days are adjusted according to job grades, and exceed stipulated standards under the law.

5. Disciplinary actions taken by the authority against the company and its subsidiaries for results of labor inspections in last year up to the publication date of this annual report:

Company	Date	Case No.	Article number	Article content	Description
Taishin Life Insurance	2024/10/15	Fu-Shou-Lao-Dong-Zi No. 1130292010	Article 26 of the Labor Standards Act	The subsidiary, Taishin Life Insurance, encourages workers without an insurance qualification license to engage in insurance sales solicitation work by agreeing in writing at the time of recruitment that, during the one-month pre-employment training period, a training subsidy will be provided as salary. However, workers must complete the one-month training program, pass the Life Insurance Association's Salesperson Qualification Exam, and register their salesperson qualification to qualify for formal employment as field salespersons and be eligible for the training subsidy. If a worker enrolled in the training fails to meet the above conditions, they must repay the training cost equivalent to the training subsidy received during the first month, which will be deducted from their agreed salary, ensuring their genuine commitment to pursuing a career in insurance sales solicitation work. However, in April 2024, a worker failed to complete the training due to personal reasons and did not report to work without formally resigning. As a result, Taishin Life Insurance,in accordance with the agreement, deducted the training costs the employee was required to reimburse from the training subsidy they received. The company explained the reason during the mediation process; however, no mutual agreement was reached with the employee. The Labor Affairs Bureau of Taichung City Government later ruled that the company had engaged in pre-deducting wages as reimbursement.	A fine of NT$90,000 was imposed, and the company's name was publicly disclosed.

6. Other important agreements: None

b. Losses arising as a result of employment disputes in the recent year up until the publishing date of this annual report; please quantify the estimated losses and state any response actions, or state any reasons why losses cannot be reasonably estimated:

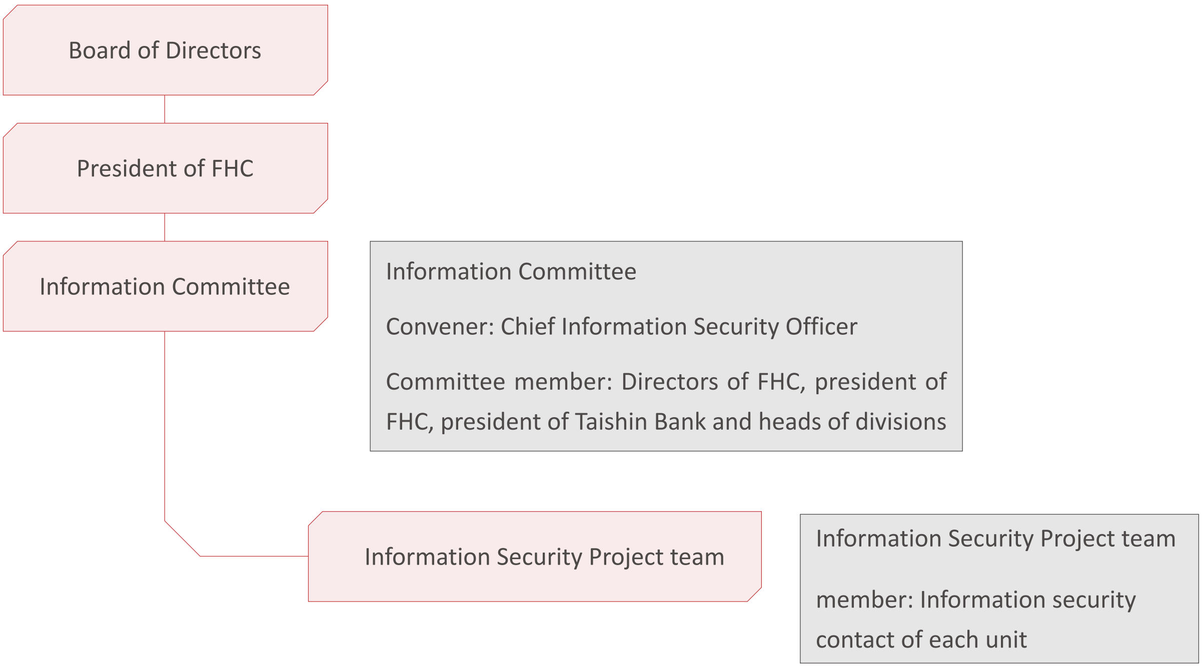
The company has maintained harmonious employer-employee relationships; therefore there have been no losses due to employment disputes in the most recent year.

I. Information security management

a. Information security policy and organization

1. Taishin FHC established the "Cybersecurity Policy" and "Information Security Maturity Assessment Guidelines" to provide continuous and effective guidance and evaluation procedure for information security protection. We also established the "Information Security Committee" with members composed of the Directors(Note 1), President, and Chief Information Security Officer of Taishin FHC with IT/cybersecurity expertise as well as the President and level 1 supervisors of Taishin Bank. The Committee convenes quarterly meetings to discuss information security issues and countermeasures. Depending on the needs of the issue, we invite the directors, supervisors, or colleagues with relevant expertise of financial holding company to attend the meeting. After consolidating the latest information security threats and trends every quarter, we report to the Board members and obtain guidelines on information security governance. In the most recent year (2024), the Information Security Committee has held a total of 4 meetings, with 100% attendance rate of the directors.
2. The Company has established a Chief Information Security Office. The chief information security officer (CISO) is the officer ultimately responsible for information security in the company. CISO oversees all information security operations in the company and its subsidiaries and validity of information security risk management mechanisms.
3. To effectively integrate cybersecurity policies with corporate governance, the Company has adopted a 3-year strategic approach that aims to realize strategic visions over three-year cycles. Starting with the "Taishin FHC Cybersecurity Protection Network Enforcement" plan in 2022, the Company followed up with the development of six key strategies (namely Security operations center, maturity assessment, business continuity management, optimized privacy protection, cybersecurity drill, and cybersecurity cross-industry joint defense) in 2024. The Chief Information Security Officer also reports annually to the Board of Directors on the overall information security governance in the previous year and the information security governance plan for the current year.
4. An information security team is set up with the information security contact of each unit for the purpose of planning for a healthy organization, raising information security awareness, and managing information security risks effectively while strengthening overall protection of information security. Information security team meetings are held regularly to inform the teams of information security issues and related requirements. Team members are the seed members tasked with carrying out information security strategies and policies implementation in order to raise information security awareness in gatherings.

Organization Chart of the Information Security Governance



Note 1: Please refer to Director Information 2 for details on the experiences of Director Jui-Sung Kuo.

b. Detailed management programs

1. The Company's major subsidiaries and operating businesses have all been certified by the relevant international information security management systems, including the bank, securities and life insurance subsidiaries, which have obtained the international standard certification of ISO 27001 information security management system. The bank subsidiary was the first to obtain certification for ISO 22301 (Business Continuity Management) and ISO 27701 (Privacy Information Management), which paved way to creating a secure and reliable information environment to protect corporate assets and the rights and benefits of stakeholders, thereby supporting our vision to provide trusted digital financial services.
2. Annually, attack and defense simulation (Red team and blue team) and social engineering exercises are conducted with a hacker's logic techniques in order to identify hidden risks and reduce attacks and exposures and improve overall information security. Through the use of two-way evaluation indicators, we engage BitSight SRS (Security Ratings Service) to evaluate external security risks from the outside in on a monthly basis, which helps establish the Company's cybersecurity protection performance in the financial industry. We also conduct inside out evaluations every quarter, using ODMs (Outcome Driven Metrics) to assess and measure the current state of cybersecurity for the Company and its subsidiaries.
3. The Taishin FHC Security Operations Center (SOC) was created to centralize retention of all IT/IS equipment's system logs for the Company and subsidiaries and perform 24/7 cybersecurity incident monitoring and reporting throughout the financial holding group. The SOC is an early warning, defense, and joint defense mechanism for cybersecurity threats. The SOC also facilitate incident tracking and processing through incident management platforms.
4. The Company has implemented a complete information security chain that gathers information security data, such as hacker techniques and latest threats and trends from around the world. In addition, the banking subsidiary has joined relevant defense alliances such as the Financial Information Sharing and Analysis Center (F-ISAC) and the Forum of Incident Response and Security Teams (FIRST). By gathering intelligence across different organizations and fields of expertise, we are able to assure the ongoing effectiveness of internal protection measures and detect, warn, and respond to incidents in a timely manner.

5. The FFIEC/CAT is adopted to assess the whole subsidiaries' maturity of information security governance every year, the results of which are used for continuously strengthening overall protection on information security of Taishin.

c. Losses suffered by major information security incidents: In 2023, no major information security incidents occurred in the Company and its subsidiaries.

J. Important contract

Taishin Financial Holding Co., Ltd.:

Contract type	Party	Start date/ Expiration Date	Contents	Restrictive
Merger Agreement	Shin Kong Financial Holding Co., Ltd.	2024/08/22 ~ the effective date of the merger	Merger matter	None
The Amendment to the Merger Agreement	Shin Kong Financial Holding Co., Ltd.	2024/09/11 ~ the effective date of the merger	Merger matter	None

Taishin International Bank Co., Ltd.:

Contract title	Parties involved	Contract beginning and ending date	Main contents	Restrictive terms
Procurement contract	Lien An Services Co., Ltd. Anfeng Enterprise Ltd.	2023/01/01~2025/12/31	ATM cash security services	None
Procurement contract	Taiwan Security Co., Ltd.	2021/12/04~2026/12/04	Cash delivery service (CPC revenue)	None
Procurement contract	Taiwan Security Co., Ltd.	2023/01/01~2025/12/31	Cash delivery service (Bank branch)	None
Procurement contract	Acer E-Enabling Service Business Inc.	2024/01/01~2026/12/31	Microsoft EA large account procurement	None
Procurement contract	Mercuries Data System Ltd.	2023/01/01~2024/12/31	Automated service equipment (ATM, deposit machine, bankbook entry machine)	None
Procurement contract	M-Power Information Co., Ltd.	2023/01/01~2024/12/31	Software maintenance (Oracle)	None
Procurement contract	CyberPower Field Services Corporation	2024/11/28~2027/11/27	POS terminal maintenance and operation services	None
Procurement contract	Apollo power co., ltd.	2024/07/17~2026/03/31	Renewable energy power procurement	None

Taishin Securities Co., Ltd.: None.

Taishin Securities Investment Trust Co., Ltd.: None.

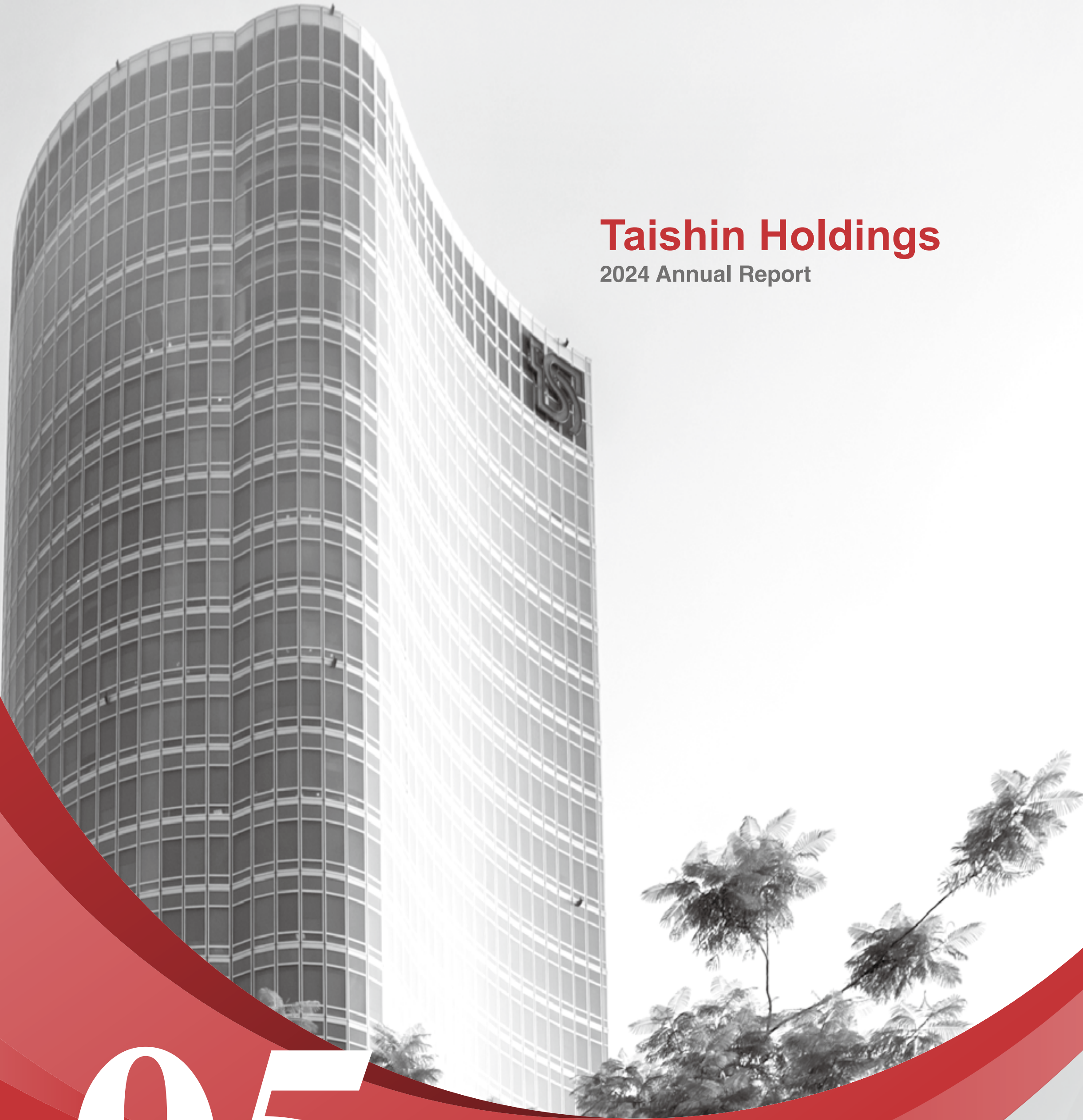
Taishin Securities Investment Advisory Co., Ltd.: None.

Taishin Asset Management Co., Ltd.: None.

Taishin Venture Capital Investment Co., Ltd.: None.

Taishin Life Insurance Co., Ltd.:

Contract title	Parties involved	Contract beginning and ending date	Main contents	Restrictive terms
Reinsurance Treaty	Central Reinsurance Corporation	1996/01/01~no ending date	Reinsurance	None
Reinsurance Treaty	General Reinsurance Ag Taiwan Branch	1998/12/01~ no ending date	Reinsurance	None
Reinsurance Treaty	The Toa Reinsurance Company, Limited	2019/02/25~ no ending date	Reinsurance	None
Reinsurance Treaty	RGA Reinsurance Company	2002/01/01~ no ending date	Reinsurance	None
Insurance agent contract	Taishin International Bank Co., Ltd.	2010/04/24~2025/04/23	Appointment of insurance agent	None
Insurance broker contract	Honesty Insurance Brokers Co., Ltd.	2022/05/01~ no ending date	Appointment of insurance broker	None
Insurance broker contract	Golden Insurance Brokers Co., Ltd.	2022/06/15~ no ending date	Appointment of insurance broker	None
Insurance broker contract	Yung Shiu Insurance Brokers Co., Ltd.	2022/07/01~ no ending date	Appointment of insurance broker	None
Insurance broker contract	Ho Tai Insurance Brokers Co., Ltd.	2022/08/15~ no ending date	Appointment of insurance broker	None
Insurance broker contract	Golden Eagle Insurance Brokers Ltd.	2023/02/15~ no ending date	Appointment of insurance broker	None
Share purchase agreement	Star Shining Energy Corporation	2021/12/15~no ending date	Share purchase	None
Limited Partnership agreement	Taiwania Capital Buffalo Fund Vi Co.,Ltd.	2021/08/23~2032/05/11	Joint Capital	None
Investment agreement	Top Taiwan Xiv Venture Capital Co., Ltd.	2022/09/23~no ending date	Share purchase	None
Limited Partnership agreement	Affinity Health Fund One, L.P	2023/01/16~no ending date	Joint Capital	None
Share purchase agreement	WANG TIEN WOOLEN TEXTILE CO., LTD.	2023/5/15~no ending date	Share purchase	None
Limited Partnership agreement	AB Value GP I Co., Ltd.	2023/8/18~no ending date	Joint Capital	None
Limited Partnership agreement	Affinity Capital Inc.	2023/11/08~no ending date	Joint Capital	None
Purchase agreement	Sun Toward Tech Corp.	2024/01/24	estate purchase	None
Purchase agreement	LI CHIANG DEVELOPMENT Co., Ltd	2024/12/06	estate purchase	None



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V | Review and Analysis of Financial Conditions, Financial Performance, and Risk Management

V. Review and Analysis of Financial Conditions, Financial Performance, and Risk Management

A. Standalone financial status

Unit: NT$1,000

Item	2023	2024	Variation	
			Amount	(%)
Cash and cash equivalent	19,767,643	21,314,190	1,546,547	7.82
Financial assets at fair value through other comprehensive income	10,856,781	10,271,040	(585,741)	(5.40)
Investment in resale bills and bonds	250,000	550,000	300,000	120.00
Receivables - net	2,914,459	1,196,277	(1,718,182)	(58.95)
Current tax assets	0	0	0	-
Investments accounted for using the equity method, net	230,493,885	246,917,298	16,423,413	7.13
Other financial assets	0	0	0	-
Property and equipment - net	3,021	13,062	10,041	332.37
Right-of-use assets - net	12,139	6,069	(6,070)	(50.00)
Deferred tax assets - net	0	0	0	-
Other assets	20,519	25,226	4,707	22.94
Total assets	264,318,447	280,293,162	15,974,715	6.04
Financial liabilities at fair value through profit or loss	175,500	127,782	(47,718)	(27.19)
Commercial paper issued	6,445,988	12,026,865	5,580,877	86.58
Payables	706,559	893,564	187,005	26.47
Current tax liabilities	3,597,148	2,146,710	(1,450,438)	(40.32)
Bonds payable	36,844,602	36,233,272	(611,330)	(1.66)
Lease liabilities	13,430	7,260	(6,170)	(45.94)
Reserve for liabilities	0	0	0	-
Other liabilities	0	0	0	-
Total liabilities	47,783,227	51,435,453	3,652,226	7.64
Capital stock	135,770,618	140,761,443	4,990,825	3.68
Capital surplus	38,197,778	38,197,778	0	0.00
Retained earnings	43,361,276	50,104,233	6,742,957	15.55
Other equity	(794,452)	(116,447)	678,005	(85.34)
Treasury stock	0	(89,298)	(89,298)	100.00
Total equity	216,535,220	228,857,709	12,322,489	5.69

Figures exceeding NT$100 million and changed by 20% or higher are analyzed as follows:

(1) Increase in the total of cash, cash equivalents, and resale bills and bonds as at December 31, 2024, over December 31, 2023, was mainly attributed to the remaining balance of commercial paper issued for distributing cash dividends.

(2) Decrease in receivables as at December 31, 2024, over December 31, 2023, was mainly attributed to the decrease in consolidated taxes receivable from subsidiaries.

(3) Increase in commercial papers payable as at December 31, 2024, over December 31, 2023, was mainly attributed to the payment of cash dividends.

(4) Increase in payables as at December 31, 2024, over December 31, 2023, was mainly attributed to the increase in consolidated taxes payable from subsidiaries.

(5) Decrease in current income tax liabilities as at December 31, 2024, over December 31, 2023, was mainly attributed to the decrease in income tax payable.

(6) Increase in other equity as at December 31, 2024, over December 31, 2023, was mainly attributed to the decrease in unrealized loss for subsidiaries on financial assets.

B. Standalone financial Performance

Unit: NT$1,000

Item	2023	2024	Variation	
			Amount	%
Income/loss on equity-accounted investments	15,222,401	20,807,244	5,584,843	36.69
Other income	599,442	679,630	80,188	13.38
Operating expenses	(554,926)	(833,219)	(278,293)	50.15
Other expenses and losses	(665,225)	(748,625)	(83,400)	12.54
Pre-tax income (loss)	14,601,692	19,905,030	5,303,338	36.32
Income tax (expense) benefit	0	159,366	159,366	100.00
Net Income	14,601,692	20,064,396	5,462,704	37.41
Other comprehensive income (loss), net of tax	7,018,241	1,787,379	(5,230,862)	(74.53)
Total comprehensive income	21,619,933	21,851,775	231,842	1.07

Figures exceeding NT$100 million and changed by 20% or higher are analyzed as follows:
(1) Increase of Income on equity-accounted investments in 2024 over 2023 was due to the increase in recognized investment profits from subsidiaries.
(2) Increase in operating expenses in 2024 over 2023 was mainly attributed to the increase in employee expenses.
(3) Increase in income tax gains in 2024 over 2023 was mainly attributed to the increase in income tax benefits arising from consolidated tax calculation.
(4) Decrease in other comprehensive income in 2024 over 2023 was mainly attributed to the decrease in the reversal of unrealized loss on financial assets of subsidiaries.

C. Cash flow

Analysis of cash flow in the coming year

Unit: NT$1,000

Initial cash balance (1)	Expected cash flow from operating activities for the whole year (2)	Expected cash flow from investing and financing activities for the whole year (3)	Expected cash surplus (shortage) (1)+(2)+(3)	Remedies for expected cash shortage	
				Investment plan	Financing plan
21,864,190	14,690,262	(10,213,392)	26,341,060	Nil	Nil

D. Influence on finance of major capital outlays in the recent one year

The Company did not incur any major capital outlay in 2024.

E. Investment policy in the recent year

The company carries out investments in compliance with the articles 36 and 37 of Taiwan's Financial Holding Company Law, with considering returns on investment and cross-selling synergy among subsidiaries. In order to meet the demand of clients for assets accumulation and wealth management planning, the company has been expanding its business scope and providing comprehensive professional financial services. Going forward and facing intensive competition and a fast-changing financial environment, the company will continue, via organic or external growth, expanding its scale and market shares in broad range of financial sectors, such as banking, securities, insurance, investment finance, commercial paper/bond, and overseas markets, so as to tap the businesses of clients invarious sections, sharpen competitive edge, and expand profit sources.

F. Assessment of risk management

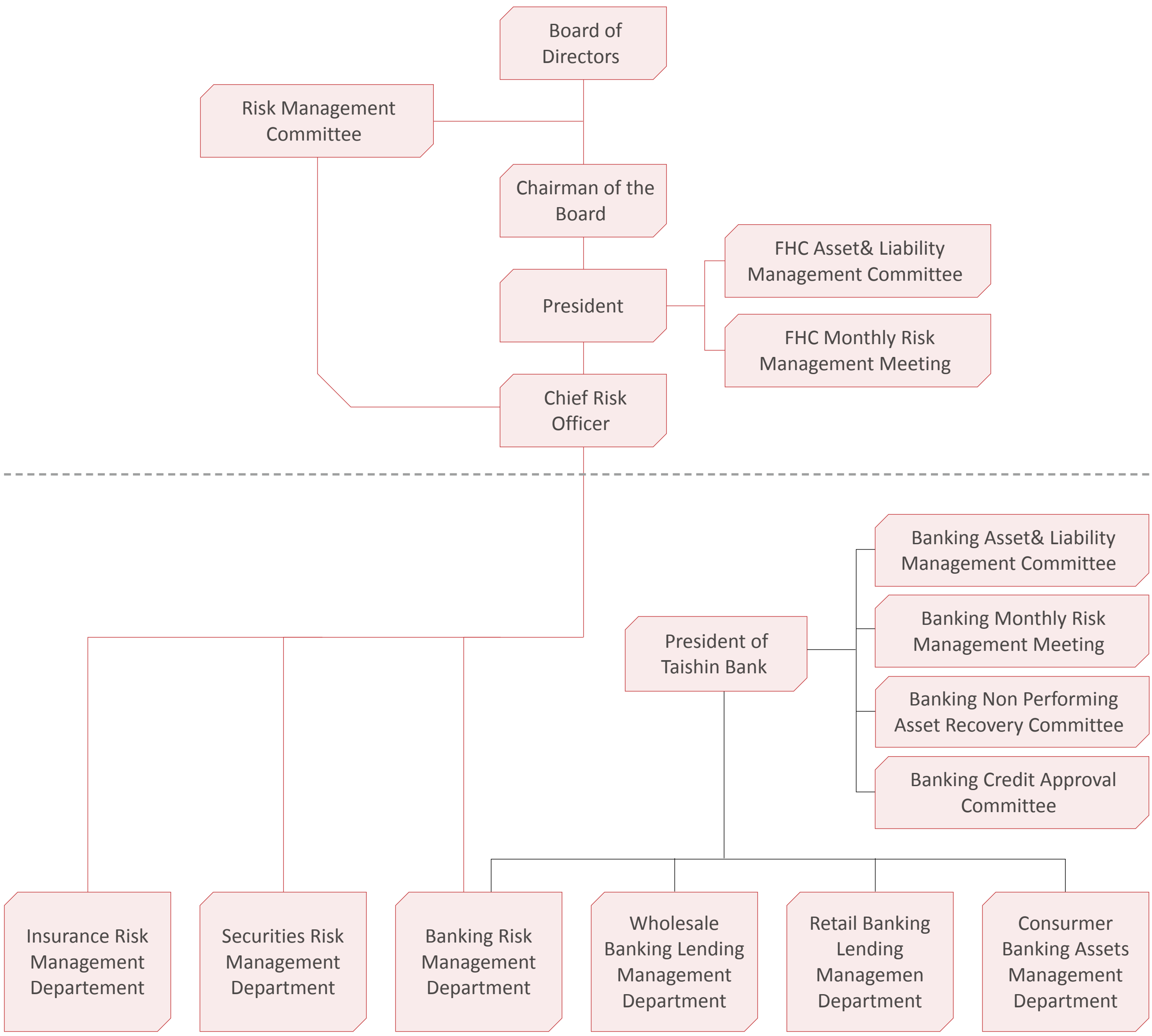
a. Risk management framework and policy of the financial holding company and subsidiaries

To cope with its comprehensive business scope, the company needs to identify, assess, consolidate, and manage the risks, in addition to properly allocate capital to various business units. The company manages risks via a procedure closely associated with its risk management policy, organizational framework, risk assessment, and business activities. According to overall risk management planning, the financial holding company has instituted an independent risk management organization, with its frameworks listed below:

Organization	Contents
Board	1. Approval of risk management policy and procedure. 2. Supervise material matters of risk management, including capital management and risk appetite of the financial holding company.
Risk Management Committee	1. Members of the committee shall be appointed by the board meeting to select three or more members of the board, more than half of whom shall be independent directors. Members of the committee will then elect one person among them to be the convener and chair the meetings. Committee members shall serve the same term as those of them do concurrently on the board of directors. 2. Review of the risk management policy of the financial holding company. 3. Review of the financial holding company's regular integrated risk management reports and TCFD report. 4. Review of other material risk management matters as defined by the company or by the competent authority.
Monthly risk management meetings.	1. The President will serve as the convener. 2. Review of the risk management policy and procedure of the financial holding company. 3. Review or filing with the authorities of policies and regulations regarding market risks, credit risks, and operational risks in subsidiaries. 4. Supervise and establish market risk, credit risk, and operating risk control mechanism. 5. Review performance report of the risk management units of subsidiaries and the overall risk analytical report of the financial holding company. 6. Monitor various risks undertaken by the company, adopting necessary measures for controlling large risk exposure. 7. Report of other risk related projects.
Chief Risk Officer	1. Deputy convener of monthly risk management meetings. 2. Implement risk management strategy and instituting risk management framework approved by the board. 3. Supervise Chief Risk Office and risk management units of subsidiaries in executing related policy. 4. Assure effective cross department communication and coordinate risk management functions.
Chief Risk Office	1. Formulate and institute of risk management mechanism. 2. Disclose of risk management implementation. 3. Produce overall risk analytical report for the financial holding company. 4. Coordinate and contact for risk management affairs with subsidiaries. 5. Institute integrated risk management information system.
Risk management units of subsidiaries	1. Provide of risk management related information. 2. Implement subsidiary's risk management mechanism under the principle of the financial holding company's risk management policy.

Risk Management Organizational of Taishin Financial Holding co., Ltd.

Base date: Dec. 31 2024



b. Risk assessment method and quantified information on the risk exposure of the financial holding company and subsidiaries

1. Holdings common regular disclosure

The subsidiaries all operate in financial business, facing credit risk, market risk, and operating risk in operation and legal aspects. Therefore, the financial holding company's risk management covers an extensive scope, including systems and measures suited to the respective operations of subsidiaries and the institution of the integrated risk management policy and organizational framework of the financial holding company, meant to achieve comprehensive and efficient grasp various risks. Climate-related risks are directly or indirectly influence other types of risks depending on the economic environment and the types of business operations conducted by a subsidiary company. Thus, subsidiaries shall take into account their own business operations when identifying how climate-related risks are related to other types of risks, and develop management approaches for climate-related risk.

(1) Credit risk management

A. Wholesale banking

(a) Pinpoint target loan clients, enhance profit margin, and expand low risk business, so as to strengthen risk enduring capability and reduce overall risks.

(b) Ascertain credit analytical report and strengthen the training of credit officers.

(c) Further strengthen internal credit rating mechanism.

(d) Further strengthen post-loan management and review system.

(e) Institute individual management measures for businesses involving specific risk (such as ceiling for loans mortgaged with specific stocks, tracking the price threshold for margin calls, and the undertaking and post management of realty financing).

(f) Institute the system for the alert, notification, and control of abnormal accounts.

(g) Centralized NPL management.

B. Retail banking

(a) In order to analyzing and monitoring risks, the company has formulated various qualitative indicators by product, as well as the NPL ratio, aging analysis, NPL status, loan loses, recovery of loans, write off and return rates.

(b) Further enhancement of risk management technique: introduction and deep cultivation of rating model and policy making model; monitor, adjust, and upgrade of the models' efficiency.

(c) Core risk analytical team: Core professional talents with analytical capability, product design capability, risk management capability, and execution capability.

(d) Lending policy based on client group analysis: Analyze client risks according clients' external and internal behaviors, and flexibly adjust lending policy according to the risk levels of various client groups, as to maintain proper client group ratio.

(e) Prevention of NPL and fraud: Further track the behavioral modes of NPL and fraud cases and repayment status, thereby forging policy and credit examination/ lending flow, as to institute a proactive preventive mechanism.

(f) Client management based on risk analysis, rating model, and policy model, debt collection, and case review system.

(g) Single client credit management.

(2) Market risk management

To consolidate the management of risks deriving from volatility in interest rate, exchange rate, credit spread and equity securities, Taishin calculates marked to market profits and losses on financial positions held by its subsidiaries, and sets limits on VaR, position, and stop loss and MAT alerts for investment portfolios according to the purpose of the portfolio, trading strategies, derivative characteristics, and market practices in order to keep maximum losses under control.

(3) Operational risk management

To achieve a consistent and complete operating risk management system for the company's daily operation and decision making, the company has formulated operational risk management principle and operational risk endurable extent under risk management policy. It has also established "operating risk reporting procedure," "risk control self-assessment procedure," "key risk indicator procedure," and risk offsetting procedure, featuring mutually linked analysis to uphold operating risk forecast capability.

2. Risk management methods and quantified risk exposure information of subsidiaries

(1) Taishin Bank

A. Credit risk

The main goal of risk management is to pursue maximum profits under reasonable risk, so as to uphold shareholders' interest. Effectively grasp the trend of assets quality via regular monitoring of numerical changes in net flow and adjust lending policy and debt collection strategy accordingly.

Utilize internal credit rating system, midterm management and review, diversification and ceiling of credit extension/ investment positions (customer groups), and other methods to monitor constantly risk level and changes in marco economy and financial regime , on top of irregular review or adjustment of risk aversion (diversification) and mitigation strategy via internal procedure. Risk mitigation is carried out mainly via the collection of collateral, which calls for different appraisal method and evaluation period according to their different nature, i.e., realty, or chattel, or securities. By analyzing scenarios of climate change, they shall also calculate the expected credit loss under different scenarios and time span to measure climate-related risks that the bank faces and to adjust their management measures accordingly.

(a) Wholesale banking

I. Wholesale Credit Administration Division is the credit risk management unit for Wholesale Banking Group.
It consists of credit management, screening, global trade, asset management and post-loan administration departments. Credit risk management department is in charge of the planning of internal credit evaluation mechanism, the monitoring of credit extension position, the diversification of credit extension risk, the planning and formulation of management measures, the appraisal of the value of mortgaged properties. Various credit risk management departments are in charge of the review of credit extension cases, the special asset management department is in charge of the statistics of NPL for wholesale banking, the evaluation of the provisions for bad debts, and collection of overdue loans, non-performing loans, and bad debts. The Wholesale Post-Loan administration department is responsible for post-loan review, verification, early alert, reporting of material information, management of watchlisted accounts, examination of lending terms etc., and enhancing post-loan management of borrowers.

II. The evaluation and management of credit risk is undertaken by using internal credit rating system. In addition to credit rating undertaken upon application, all credit extension cases are subject to follow up tracking and management. The internal credit rating system consists of two aspects; one is the credit rating of borrowers, mainly for the evaluation of their capability to fulfill financial commitment, which is undertaken via the use of statistical model and an evaluation table as assistant tools. The second aspect is credit line rating, which is undertaken according to the factors of the existence of collateral, the order of lien, and type of products.

III. Regular analysis of rating migration is carried out every year, to ascertain the stability of the existing rating system. Migration risk analysis and stress/scenario testing is also undertaken, in order to delineate risk exposure with more sensitive risk analysis and ascertain capital adequacy.

(b) Retail banking

I. Retail Banking Credit Division is the credit risk management unit for Retail Banking Group. This division is in charge of cases evaluation and review based on the credit policy. Retail Banking Non Performing Asset Recovery Division is responsible for collection and management of delinquent cases.

II. Formulate proper lending risk management policy by using Application Scoring System, Behavior Scoring System and Credit Bureau Scoring System, along with the product profit model, to pinpoint optimal lending terms to provide profit model for different client groups with different loaning conditions. In this way, to find the best credit conditions that lay equal emphasis on risk losses and bank profits.

III. Flexibly adjust various risk management indicators and segmentation management via periodical assets analysis and default analysis, so as to achieve operating objectives.

(c) Finance and Financial Market

I. Credit risk management unit shall review the credit risk profile and limit proposal of the trading desks annually based on the annual budget and the expected loss of the overall credit risk. According to the management needs of financial transactions and accounting holding purposes, credit risk management unit shall set up the credit risk appetite.

II. Adopting a top-down management structure, credit risk management unit reports the credit risk appetite to the board annually. The annual trading credit limits are set based on the approved credit risk appetite. Through the daily monitoring mechanism and regular post-investment management procedures, risk team keep closely watching on the appearance of the financial transaction credit risk investment portfolio.

III. For Financial Market Group, Financial trading credit management is based on internal rating as the main axis of management, and external rating as auxiliary. The monitoring unit performs daily monitor and reports, performing pre-investment assessment and post-investment management rely on front desk officers. Through a complete program planning and notification mechanism, credit risk unit evaluates various risk indicators to establish overall portfolio mastery.

(d) Quantified information on risk exposure

Credit Risk Exposure and Capital Requirement after Mitigation on Standardized Approach.

Dec. 31, 2024 Unit: NT$1,000

Type of Risk Exposure	Risk Exposure after Mitigation	Capital Requirement
Sovereigns	583,450,863	12,394
Non-central government public sector entities	4,318,390	69,094
Banks (including multilateral development banks)	255,670,734	8,739,428
Corporates	554,462,415	40,044,542
Retail	293,816,916	17,225,757
Real estate	961,771,595	38,681,797
Equitiy investments	8,335,983	1,369,351
Equitiy investments in fund and venture capital	811,985	44,943
Other Assets	54,463,231	2,843,825
Total	2,717,102,112	109,031,131

B. Liquidity risk

(a) Management principle

Risk management for fund liquidity is to assure that under any circumstance at present or in the future, the bank's liquid fund can meet the fund need resulting from assets growth or fulfilling mature obligations.

I. should monitor and manage the following items:

- Under normal market change or emergent situation, possess sufficient fund to meet due obligations and fulfill guarantee and commitment for credit extension.
- Carry out fund maneuvering at reasonable market prices.
- Meet liquidity need for business growth.

II. Basic principles for funding liquidity-risk management include:

- Principle of diversification: avoid over-concentration in fund maneuvering, in terms of maturity date, maneuvering tools, currency, place, funding source, and trading partners.
- Principle of stability: follow the strategy of fund stability to reduce the reliance on unstable funding sources and avoid the effect of market swing on funding sources.
- Principle of maintaining adequate assets liquidity: As the status of market liquidity will indirectly affect funding liquidity, the bank must assure that total assets are sufficient to cover total liabilities and keep a certain share of assets with good liquidity or good for use as collaterals, capable of meeting need of working capital in emergency and short-term liabilities.
- Principle of matching assets and liabilities on maturity.
- Pay attention to payment commitment resulting from credit-extension business.

(b) Quantified information

Maturity Analysis of Assets and Liabilities (New Taiwan Dollars)

Dec. 31, 2024 Unit: NT$1,000

	Total	The Amount for the Remaining Period to Maturity					
		0 to 10 days	11 to 30 days	31 to 90 days	91 to 180 days	181 days to one year	Over one year
Main cash inflow on maturity	2,899,126,223	458,925,368	416,261,384	428,121,634	237,511,623	314,583,962	1,043,722,252
Main cash outflow on Maturity	3,566,902,362	248,688,343	263,821,848	551,458,937	400,426,946	715,496,315	1,387,009,973
Gap	(667,776,139)	210,237,025	152,439,536	(123,337,303)	(162,915,323)	(400,912,353)	(343,287,721)

Maturity Analysis of Assets and Liabilities (U.S. Dollars)

I. The Bank

Dec. 31, 2024 Unit: US$1,000

	Total	The Amount for the Remaining Period to Maturity				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to one year	Over one year
Main cash inflow on maturity	50,447,327	14,548,551	12,952,854	6,265,227	8,495,111	8,185,584
Main cash outflow on Maturity	50,270,827	16,189,678	15,415,934	7,156,589	6,772,221	4,736,405
Gap	176,500	(1,641,127)	(2,463,080)	(891,362)	1,722,890	3,449,179

II. Overseas branch

Dec. 31, 2024 Unit: US$1,000

	Total	The Amount for the Remaining Period to Maturity				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to one year	Over one year
Main cash inflow on maturity	9,343,216	2,637,753	2,393,817	1,098,971	909,834	2,302,841
Main cash outflow on Maturity	9,238,930	3,316,472	2,905,845	1,399,710	942,563	674,340
Gap	104,286	(678,719)	(512,028)	(300,739)	(32,729)	1,628,501

C. Market risk

(a) Strategy and process

I. The bank's risk management strategy calls for setting limits on risk exposure according to risk tolerance and risk adjusted returns rate, whereby increasing return and maximizing value for shareholders under capital restrictions. Accordingly, various business units have to seek approved risk limit before trading and independent risk management units assess gain or loss for trading positions daily, in addition to reporting gain/loss and risk exposure of trading position to executives regularly.

II. The scope and features of risk report and assessment system

Risk report is meant to disclose risk as an important reference for executives in formulating countermeasure and adjusting investment portfolio for achieving business objectives. The bank dedicates to integrating trading management systems for various products, in order to reporting gain/loss and risk exposure of trading position immediately.

(b) Trading and risk management system

I. Quality

The bank stresses the formulation and implementation of risk management policy and norms, as well as the establishment of risk management culture. Risk management units are independent from risk undertaking units and responsible for assessing and analyzing risk exposure and reporting the results to executives for use in policy making, in addition to instituting assessment process, the process for new product launch, and model validation procedure, in the hope of complying with the regulations of the supervisory authority, precisely assessing risk, and standardizing operating and risk management flows.

II. Quantity

The bank sets price sensitivity limits for various products with different risk factors as criteria for risk assessment. It has developed systems to calculate integrated VaR (Value at Risk) for its investment portfolios and sets up VaR limits accordingly, in order to control the impact of market swings.

(c) Quantitative information on risk exposure

Capital Requirement for Market Risk

Dec. 31, 2024 Unit: NT$1,000

Kinds of risks	Capital requirement
Interest Rate Risk	3,346,924
Equity Securities Risk	157,176
Currency Risk	423,167
Commodity Risk	0
Option based on simple method	334,408
Total	4,261,675

D. Operational risk

(a) Operational risk management policy and framework

To attain effective operational risk management, the bank has formulated its operational risk management principle under its risk management policy, according to the norms set by the Basel Committee on Banking Supervision, the Bank for International Settlements, and the Financial Supervisory Commission (FSC). The policy covers operational risk management framework, operational risk management principles, risk identification and assessment technique, and risk reporting/supervision, in order to foster consistent operational risk awareness inside the bank, establish operational risk management culture, and implement risk management system, in addition to specifying the operational risk tolerability of the bank. To assure consistency between the bank's operational risk management mechanism and corporate strategy, the bank has established independent risk management units, further consolidating the bank's operational risk management.

(b) Identification of operational risk

The operational risk is defined as “Risk of loss triggered by the impropriety or mistake involving internal process, staffers, system, or external incidents, including legal risk but excluding strategic or credit standing risks.” In order to identify existing and potential risks, the bank has formulated various operational risk management process, as well as companywide risk glossary, loss incidence reporting system, risk self-evaluation system, key risk indicators, and risk reporting/disclosure procedure, so as to establish operational risk identification, assessment, and supervision method. Meanwhile, for the purpose of controlling various operational risks within endurable range, existing and potential risks should be analyzed and action plans be proposed in order to keep operational risks within acceptable ranges to the bank.

(c) Operational risk assessment and supervision

To strengthen the control of loss amounts associated with operational risks, operational risk estimated loss are established every year for individual units, and monitored in Monthly risk management meetings and as part of the effort to incorporate operational risk management into routine business management.

(d) Quantitative information on risk exposure

Operational Risk Accrued Capital

Dec. 31, 2024 Unit: NT$1,000

Year	Gross Profit	Capital Requirement
2022	40,937,853	-
2023	46,632,362	
2024	51,655,791	
Total	139,226,006	6,836,537

(2) Taishin Securities Co., Ltd.

A. Risk management method

As of 2024, Taishin Securities have effectively evaluated and rigorously control process in the hope of effectively control risk. The strategy, organization, and evaluation of the company's risk management as follows.

B. Risk management strategy and flow

(a) Purpose for risk management

The company's risk management policy is formulated according to the risk management policy of Taishin Financial Holding co., Ltd., with reference to the Risk Management Best Practice Principles for Securities Firms to enhance business performance and faithfully achieve the purpose of risk management in order to achieve the following goals:

I. The establishment and operation of the integrated risk management mechanism for market risk, credit risk, operating risk, liquidity risk, and legal risk, to attain effective risk management via centralized management and risk diversification.

II. To identify how climate-related risks are related to credit risk, market risk, liquidity risk, and operational risk, given the direct or indirect impact that climate change has on the Company's finance, strategies, operations, and products, to establish a climate risk assessment and management mechanism, and to disclose climate risk-related information.

III. Upgrade assets quality.

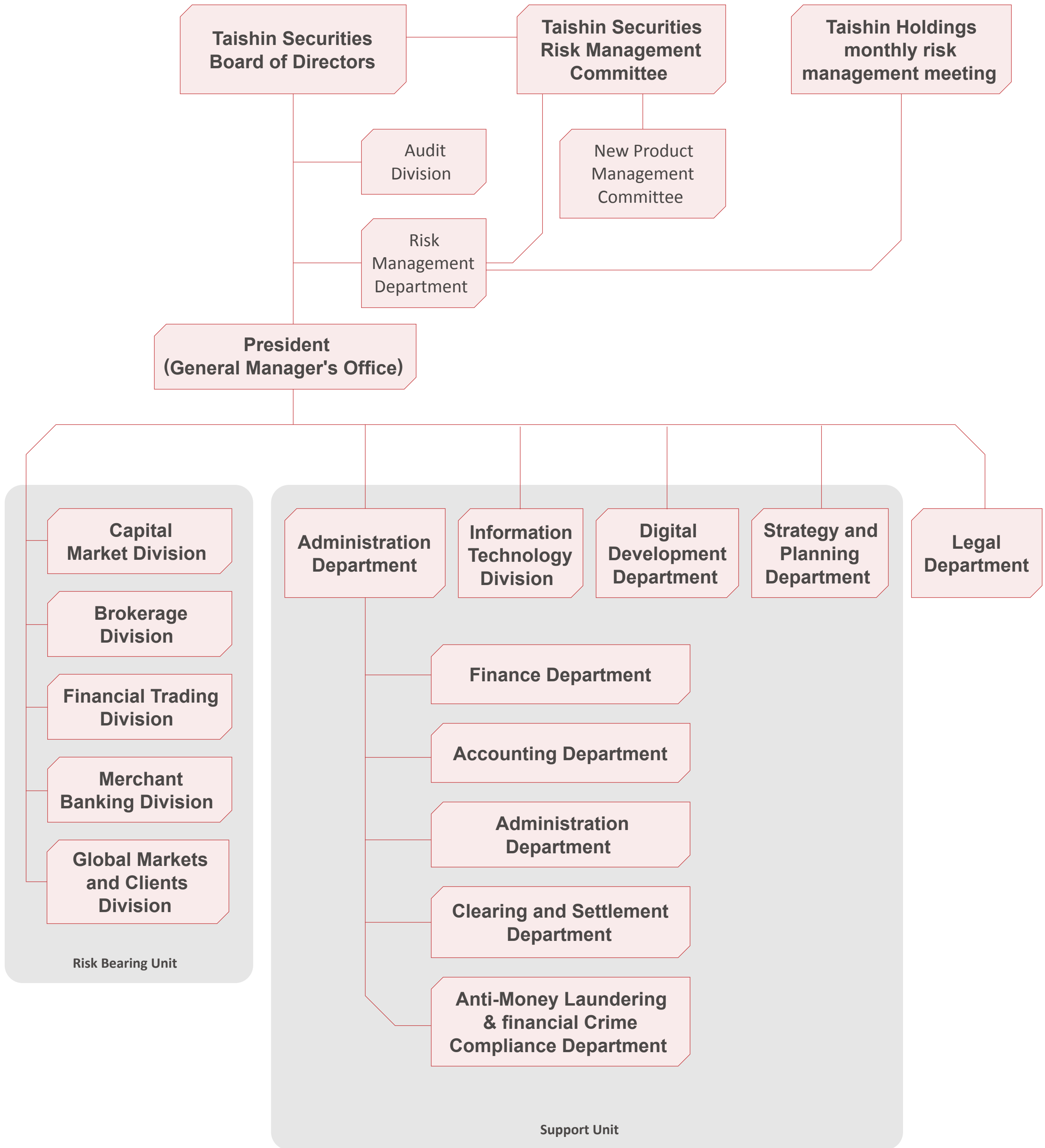
IV. Upgrade the efficacy of capital allocation, so as to maximize returns after risk adjustment.

(b) Process for formulation and approval of risk policy

The company's risk management policy is formulated by risk management unit and approved by the board of directors before its implementation.

C. Organization and framework of risk management system

(a) Chart for overall risk management system framework



(b) Powers and duties of various risk management units

I. Board of directors

i. Establish an appropriate risk management mechanism and risk management culture for the company, and allocate necessary resources to ensure validity of the risk management practice and be ultimately responsible for risk management.

ii. Approve the company's risk management policy and procedure.

iii. Approve risk capital allocation and related risk limit.

iv. Oversee the formulation and implementation of the Company's climate risk strategy and business plan, and review new supervisory measures derived from climate risk and its impact on the company's reputation and legal obligations.

II. Risk management committee

Set up the "Risk Management Committee" to effectively integrate the Company's various risk functions, including market risk, credit risk, operational risk, liquidity risk and legal risk, with the board of directors dispatching at least one director to take part and dispatch persons to be the convener and chairperson of its meetings.

i. Review the company's risk management policy and procedure.

ii. Review various risk related measures and guidelines.

iii. Establish various risk management mechanism.

iv. Review analytical reports on overall risk in order to report timely the execution of risk management to the board of directors and propose necessary improvement suggestions.

v. A new Product Management Committee was created directly under this committee to review the risks involved in new products undertaken by the sales units.

III. Risk bearing units

The risk bearing units conduct business and undertake risk within the limits allocated by the board of directors and the appropriate levels of authority for the purpose of generating profits and achieving business targets. According to the risk management structure, these units are the first line of defense in risk management and should ensure compliance of their business activities with the law and internal guidelines.

IV. Risk Management Department

Risk management Department is in charge of monitoring the company's overall risk and the risk of various divisions and regularly reports the status of loss/benefits and financial risk exposure to the risk management division. It is independent from various profits centers and is directly responsible to the board of directors, in charge of the company's various risks.

i. The second line of defense in risk management.

ii. To help devise risk management policies, measures, and limits.

iii. To ensure implementation of risk management policies approved by the board of directors.

iv. To build a risk management information system.

v. To inspect derivative valuation models used by the risk bearing units.

vi. Appointment and dismissal of the head of the risk management unit shall be passed by the board of directors. The head shall be responsible for heading operations in risk measurement, monitoring, evaluation, reporting, and disclosure.

V. Audit Division

The audit unit is the third line of defense in the risk management structure. It is responsible for regularly inspecting compliance of the risk management policy and related guidelines and making recommendations for improvement as needed in order to facilitate the board of directors and the management in performing their management duties.

VI. Legal Department

i. Planning, management, and execution of the compliance system.

ii. Review and refinement of legal documents.

iii. Conducting litigation and non-litigation matters.

iv. Providing legal advice, collecting and studying laws and regulations relevant to the business.

v. Managing debt collection.

VII. Finance Department

In charge of the management of the company's fund liquidity risk, establish emergent response mechanism for liquidity crisis, formulate fund risk limit, in consideration of market environment, the company's financial structure, risk tolerance, and fund maneuvering capability.

VIII. Information Technology Division

i. Manage computer system resources, server room and equipment management and maintenance of the Company.

ii. Develop and maintain various computer applications.

iii. Information security planning, promotion and daily management of the Company.

iv. Promote information projects.

D. Risk management method

Kinds of Risk	Management Method
Market risk	1. Monitor and control risk profile within the risk appetite (which is approved by the Board of Directors for the year) and market risk limit (which is approved by the Board of Directors and the Chairman); the quantification and management of market risks include position/notional amount limits and profit/loss information, sensitivity limit for risk factor management, and value at risk (VaR) limit. Regularly conduct backtesting on model validity to ensure that VaR estimates are accurate, and present the test results to the Board of Directors. 2. Set up stress scenarios for various financial products, conduct stress testing to calculate stress loss, so as to evaluate possible loss to be endured by the company under extreme market status and manifest the risk status of existing position, as reference for the company in capital allocation.
Credit risk	1. Ensure that risk profile is within appetite (which is approved by the Board of Directors for the year) and market risk limit (which is approved by the Board of Directors and the Chairman), the company control credit risk of issuers, counterparties, and qualified clearing brokers, by setting up limits according to the nature of financial trading and credit rating. 2. Set up risk control measures such as position concentration limits, industry concentration limits, and country risk concentration limits to achieve risk diversification. 3. Summarize credit risk position for the same person and the same related party in a group, and submit the position to risk management unit of the financial holding firm for unified management. 4. Regarding margin trading and Non-restricted purpose loans in the brokerage business, the account opening procedures follow Taishin's internal control system and related regulations. KYC procedures are enforced, and margin trading limits are established according to internal/external regulations. In addition, margin trading percentages for individual stocks are adjusted in response to changes in financial markets, and account maintenance ratios are monitored daily. 5. For security lending, the open account procedures follow the company's internal control system and relevant policies, KYC process, and set security lending limit according to the internal / external relevant regulations.
Liquidity risk	1. Market liquidity management: Market liquidity management is aimed at avoiding low trading volume and poor liquidity conditions so that prices cannot be easily manipulated when selling a position. Therefore, a cap on holding of single stock is established for controlling spot trades of domestic and foreign shares. A cap on the ratio of shares outstanding is established for the trading of convertible bonds. 2. Liquidity management is handled by financial unit according to the Liquidity Risk and Fund Management Guidelines. The unit sets fund transfer mechanisms, perform liquidity risk stress testing, monitor the overall supply of funds and changes in gaps, and manage liquidity risks.

Kinds of Risk	Management Method
Operational risk	According to the definition of Basel II Capital Accord, operational risk is classified into seven types of loss and eight kinds of businesses, which are identified by various units of the company and reported to risk management unit for arrangement and establishment of operating risk loss database by the financial holding company.

E. Quantitative information for risk exposure

Equivalent Value for Management Risk

Dec. 31, 2024 Unit: NT$1,000

Kinds of Risk	Equivalent Value of Risks
Market risk	2,221,510
Credit risk	1,097,713
Operational risk	603,712
Total	3,922,935

(3) Taishin Life Insurance Co.

A. Risk management strategy and process

(a) Risk management strategy and goals

The Company's risk management strategy aims to ensure the interests of both shareholders and customers by establishing an appropriate risk management mechanism that achieves the following risk management objectives: maintain a strong financial health, protect shareholders' interests, fulfill our commitment to policyholder claims, and safeguard the Company's reputation.

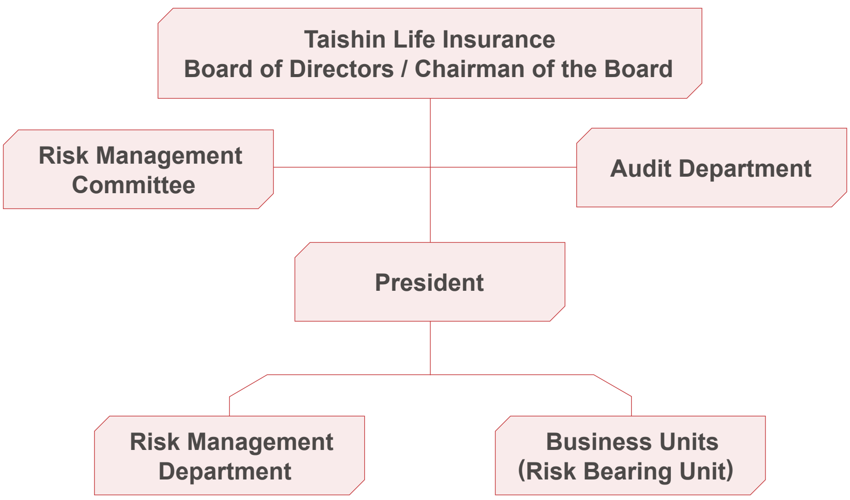
(b) Process flow for formulating and approving risk management policy

The Company's Risk Management Policy is drafted by the risk management division and is implemented with the approval of the board of directors. Any future revision will follow the same procedure.

B. Risk management organization and structure

Our risk management policy has to be approved by the board of directors who bears the ultimate responsibility for the overall risk management operation. The Risk Management Committee, which reports to the board of directors, executes the board's risk management decisions and regularly reviews the development, establishment, and implementation effectiveness of the company's risk management mechanism. The Risk Management Division, as an independent unit, assists the board of directors and the Risk Management Committee in performing risk management activities.

(a) Risk management organizational structure



(b) Risk management organization and responsibilities

The Company's risk management organization is described below:

I. Board of Directors:

i. Recognize the risks faced by the insurance sector in the course of its business operation, ensure effective risk management, and bear the ultimate responsibility for risk management.

ii. Establish an appropriate risk management mechanism and risk management culture, approve and regularly review risk appetite as well as appropriate risk management policy, procedures, and framework, and ensure the most effective allocation of resources.

iii. Manage risks not only by monitoring the risks borne by individual units but also by considering the aggregate effects of all risks to the company as a whole. Take into consideration the statutory capital requirements set forth by the competent authority, as well as various financial and business-related regulations that affect capital allocation.

II. Risk Management Committee:

The Risk Management Committee is a functional committee that reports to the board of directors and shall observe the Company's Risk Management Committee Charter.

III. Risk Management Department:

i. Responsible for the monitoring, measurement and evaluation of routine risks faced by the company. The department shall exercise its authority independently of the company's business departments. The Risk Management Department is tasked with the following:

(i) Help draft risk management policies and enforce them after approval by the board of directors.

(ii) Help draft risk limits based on risk appetite.

(iii) Compile a summary of the risk information provided by each department, coordinate and communicate with each department to enforce the policy and risk limit.

(iv) Submit risk management reports periodically.

(v) Regularly monitor risk limits and their usage status in each business unit, and take disciplinary action against those that violate the risk limit.

IV. Business Unit:

i. Each department shall appoint a person in charge of risk management who shall assist with matters in relation to risk control and management.

ii. The head of a business unit shall bear the following duties for all risk management operations:

(i) Responsible for daily risk management and reporting in his/her unit, and for taking all types of corresponding measures.

(ii) Ensure that relevant risk management information is regularly communicated to the Risk Management Department.

iii. The business unit shall bear the following duties for risk management operations:

(i) Identify risks and give report on the status of risk exposure.

(ii) Measure the extent of impact (quantitative or qualitative) at the time of risk occurrence and ensure the timely and correct communication of risk information.

(iii) Regularly review risks and limits and ensure the effective execution of rules on risk limits within business departments.

(iv) Monitor the status of risk exposure and report on instances where limits are exceeded, including corrective measures adopted by the business unit in question.

C. Risk management approach

Risk type	Management Method
Market risk	This refers to the risk of potential loss of asset value due to market price changes over a certain period of time. Market risk factors include interest rate risk, equity risk, foreign exchange risk, and real estate risk. We have procedures and controls in place to manage market risk (including VaR limit control, stop loss mechanisms, and market risk limit control) in order to ensure market risk is managed effectively. Review results are submitted to the management regularly.
Credit risk	This refers to the risk of a debtor having its credit rating downgraded or being unable to repay debt or a counterparty being unable or refusing to fulfill its obligation. It includes default risk, downgrade risk, credit risk, credit spread risk, and concentration risk. We have procedures and controls in place to manage credit risk (including credit risk analysis, credit risk limit management, and credit risk watch list management) in order to ensure credit risk is managed effectively. Review results are submitted to the management regularly.
Liquidity risk	This is divided into funding liquidity risk and market liquidity risk. Funding liquidity risk refers to the risk of being unable to liquidate assets into cash or obtain sufficient funds and thereby failing to fulfill obligations as they become due. Market liquidity risk refers to the risk of facing significant changes in market price due to inadequate market depth or disorder when disposing or writing off positions. We have liquidity risk management mechanisms in place to mitigate the impact of liquidity risk. We also have an emergency response plan to ensure monitoring, reporting, and other response procedures are executed in the event of a major liquidity issue that may damage solvency.
Operational risk	To manage operational risk, we use Loss Event Database (LED) notification, Risk Control Self-Assessment (RCSA) and key risk indicators (KRI) as the primary management tools. They provide support for the business units in risk identification, measurement, response, monitoring and information, and communication and documentation. Other risk management measures are also in place to enhance operational risk management
Insurance risk	Insurance risk refers to the risk of losses caused by unexpected changes when, after receiving the insurance premium, the company assumes the risk transferred from an insured and pays the insurance claim and related expenses pursuant to the contract. Insurance risk covers risks in underwriting, claim, catastrophes, reinsurance, product design and pricing, and reserves: (a) Management of underwriting and claims risks: Underwriting and claim processes and procedures both follow the Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises. These risks are mitigated through analysis of statistical reports. (b) Management of catastrophic risks: Catastrophes that may cause material losses to the company are identified by product features. Catastrophes risk is measured and managed based on catastrophic risk loss records or scenario analysis as needed. (c) Management of reinsurance risks: Cumulative limits on per risk unit and per risk event basis are set based on a holistic assessment of risk attributes, current business operations, and financial structure. Risks in excess of the limits are transferred through reinsurance in order to ensure solvency and safety of the business. In addition, to mitigate the risk of reinsurers being unable to fulfill reinsurance obligations, which result in premiums, alims or other expenses, list of reinsurers currently in business relationships with the company is reviewed quarterly, and the credit ratings of these reinsurers are monitored regularly. (d) Management of product design and pricing risks: To mitigate the risk arising from inadequacy, inconsistencies or unexpected changes in product design, policy provisions, and base of pricing assumptions, product features are reviewed to ensure compliance with applicable regulations, in addition to building adequate safety margins into actuarial assumptions and assessment through profit testing or sensitivity analysis. Experience study with analysis, asset allocation plans, and risk transfer proposals are reviewed regularly after product launch to assess and confirm the adequacy, reasonableness, and fairness of the premium, and to adjust the product pricing or product features when necessary. (e) Management of reserve risks: Reserving follows the Regulations Governing the Setting Aside of Various Reserves by Insurance Enterprises and other applicable regulations. Reserves are calculated according to the principles and standards of actuarial practice. In addition, related operational procedures are in place to ensure the correctness and completeness of reserves. The company also follows the cash flow testing method in annual Appointed Actuary's Report to assess the reserve adequacy.

Risk type	Management Method
Asset liability matching risk	Asset liability mismatch risk refers to risks caused by inconsistent changes in the value of asset and liability. This is mainly duration gap management. Changes in durations of assets and liabilities are reviewed regularly to monitor risk in unmatched asset liability matching.
Climate change risks	The Company manages climate change risks by taking into account the direct or indirect impact that the economic environment and the business operations conducted by the company have on existing risks such as credit risk, market risk, operational risk, and liquidity risk, to identify how climate-related physical risks and transition risks intensify risks to the traditional financial industry and to evaluate how they affect the company's operations and financing/investing activities, and ultimately to determine the major climate change risks, formulate response strategies, and disclose climate risk related information.

D. Information on quantified risk exposure:

	2023/12/31	2024/12/31	Note
RBC Ratio	353%	349%	All greater than the statutory ratio of 200% and risk appetite of 250%

c. Influence of important domestic and foreign policy and legal changes on the finance of the financial holding company and countermeasures

Regulations/Policies	Impact	Response measures
Regulations Governing Establishment of Internal Control Systems by Public Companies	In order to strengthen companies' management and reliability of sustainability information, the FSC requires listed companies to incorporate sustainability information management into internal control systems and list it as a necessary annual audit item.	The Company has continued to plan and carry out relevant preparations for sustainability information management in accordance with the schedule set forth by the competent authority.
Reference Guidelines on the Introduction of Zero Trust Architecture in the Financial Industry	In order to encourage financial institutions to introduce zero trust architecture, the FSC has published the guidelines on introduction, recommending that high-risk and low-impact scenarios be given priority for introduction, and that information security protection be gradually strengthened through maturity assessment.	The Company has carried out inventory and introduction planning, and regularly reviewed and supervised the introduction progress of each subsidiary. At the same time, the Company will adjust its information security policy accordingly based on the actual implementation and provide guidance in a timely manner.
Guidelines on Use of Artificial Intelligence (AI) for the Financial Industry	In order to encourage financial institutions to leverage technology, focus on responsible innovation, apply reliable artificial intelligence (AI), and develop financial services more in line with the needs of the public, the FSC has issued the Guidelines as a reference for financial institutions to introduce, use and manage AI.	Based on the Guidelines, the Company has started to establish internal operating procedures and plan relevant internal regulations.

d. Effects of technological and industrial changes on the finance of the financial holding company and countermeasures.

Fast technological advances are fueling accelerated transformation in the financial sector. Innovation of banking services has become one of the keys to the future of banking. It is inevitable for more banks to start forming cross industry alliances but also a potential source for more opportunities. Taishin will continue to work with partners in other industries and provide a wider range of innovative services in order to build trusted services of digital finance for customers.

In order to strengthen the overall information security protection capability, the Company has deployed various information security protection measures. The Company has become a member of the Financial Information Sharing and Analysis Center (F-ISAC) in Taiwan and also joins the global incident response association called FIRST. Members of them have access to early information security alerts and joint defense services in order to facilitate preventive, detective, and corrective planning. In addition, the Company signed MOUs with government agencies in the country and became part of the joint information security defense system for key infrastructures. As one of the first financial institutions to join the state- affiliated information security task force, the Company helps enhance security for stakeholders and financial services as a whole.

e. Effect of change in the corporate images of the financial holding company and its subsidiaries on the company and countermeasures

Apart from its financial businesses, Taishin Financial Holding co., Ltd. has long dedicated itself to caring for society and sport development and has devoted itself to charitable work and environmental protection. Taishin is well-aware of the responsibilities a company owes to the society, and therefore actively supports environmental protection, charitable, cultural and artistic or sport development activities, in the hope of bringing about social change and real benefits for the socially disadvantaged, and fulfilling its role as a member of the society.

f. Anticipated Acquisition benefits, potential risks and countermeasures

1. Anticipated benefits

(1) Enlarge financial scope, increase assets scale and market share ranking, and enhance business competitiveness.

(2) Expand marketing & sales network to provide more convenient service to customers.

(3) Create more business synergy from acquisition to maximize shareholders' profit.

(4) Deepen client relationships from full-set financial services.

(5) Decrease concentration and extend business fields.

2. Possible risks

(1) Inadequate business integration could lead to profit loss, which would affect company's financial performance.

(2) Inadequate information systems integration could defer business operation and synergy outcome.

(3) Loss of talents, which would indirectly decrease business performance.

3. Countermeasures

Our company sets up efficient management mechanism and communication platform to mitigate potential risks mentioned above, which smooth acquisition integration and boost business synergy.

g. Possible risks from business concentration and countermeasures

The Taishin Financial Holdings group's main businesses are banking, securities and life insurance. In order to avoid risks caused by excessive business concentration, it has been committed to providing diverse financial services and strengthening its risk control. In addition, through active expansion overseas markets, it also reduces the possible impact of business concentration in specific regions.

h. Influence of massive share transfer or exchange by board directors, supervisors, or major shareholders with over 1% stake, risk, and countermeasures

The company's paid-in capital is large and its share ownership widely is dispersed. Transfer or change of share ownership is not likely to have a material impact on the company's shareholding structure or cause any major impact or risk to the company.

i. Influence of management right on the financial holding company, risk, and countermeasures

Director share ownership at Taishin complies with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies. There is no risk of change in management. There has not been any material change in the ownership of the company by the end of 2024.

j. Litigation and non-litigation incidents

1. Taishin Financial Holding co., Ltd: Nil.

2. Taishin International Bank:

Unappealable judgment, or under litigation	The facts of the dispute	Value of Claim	The initiation of Litigation	The involved parties	The current status
Claim for damage compensation	The Taiwan Taipei District Court sentenced Zhou in the criminal case regarding unauthorized withdrawals of clients' funds to ten years and six months in prison. Taishin Bank filed an ancillary civil action with the Taiwan Taipei District Court, and the court transfered the case to the civil court.	NT$262,832,542 + US$1,730,000	2021.08	Taishin Bank vs Zhou, Huang, and Zhou	Final judgment of January 8, 2025 (2024 Zhong-Lao-Shang-Zi No.24)

3. Taishin Securities: Nil.

4. Taishin Asset Management: Nil.

5. Taishin Venture Capital: Nil.

6. Taishin Securities Investment Trust: Nil.

7. Taishin Securities Investment Advisory: Nil.

8. Taishin Life Insurance Co., Ltd.: None.

k. Other key risks and countermeasures:

Emerging Risk:

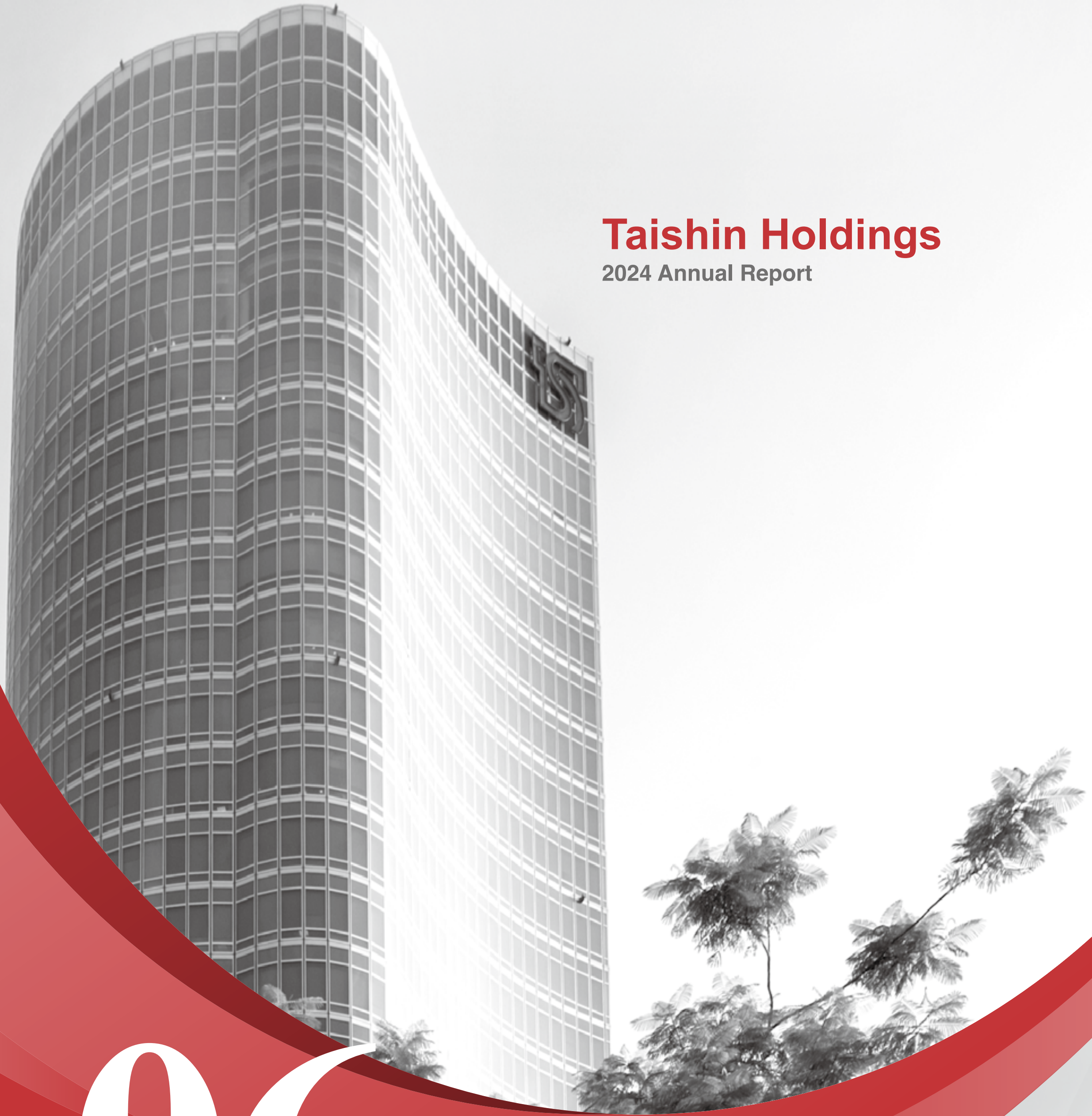
Emerging Risk Topics	WEF Risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
New financial frauds - counterfeiting and AI-assisted frauds	Technological	In the Risks Report 2025 published by the World Economic Forum (WEF), fake news generated by AI has topped the list of the “biggest risk facing the world in the next two years” for two consecutive years. The number of financial crimes has increasing rapidly due to the widespread use of generative AI. According to statistics from the Criminal Investigation Bureau, there were a total of 122,805 fraud cases in 2024, a significant increase from 37,823 cases last year. Among which, fake investment fraud was the most serious, with 43,015 cases and financial losses of NT$37.22 billion. Due to the widespread use of AI, risk of traditional financial fraud continues to rise as a result of the complex fraudulent techniques and increased difficulty of identifying them.	• Through generative AI, Deepfake voice and image technology, scammers forge the identities of financial institution employees or customers to commit crimes such as online banking frauds, investment frauds and fraudulent loans. Such frauds may not only cause financial losses to customers, but also affect banks’ reputation and customer trust. • AI-generated fake news and erroneous financial information may also exert a serious impact on market stability and investor confidence, and in turn affect Taishin’s own business activities.	• Enhancing information security monitoring and fraud prevention mechanisms: We will establish a security operation center (SOC) to enhance real-time monitoring and response capabilities in order to swiftly identify and block potential risks. At the same time, the risks of fake identities and fraudulent transactions may be reduced by strengthening identity recognition technology, such as multi-factor authentication and enhancement in KYC and audit mechanisms. • Payment security and fraud prevention: Taishin Bank leverages AI technology to analyze suspicious transaction patterns and abnormal behaviors, and has developed the "Taishin War God Model" to identify the latest fraud patterns. The model can instantly identify suspected fraudulent transactions and issue warnings. Once suspicious behavior is detected, it will immediately block fraudulent transactions. Taishin Bank cooperates with the public sector to share fraud intelligence and improve overall fraud prevention capabilities. In addition, it actively promotes consumer education and raise awareness of payment security and credit card risks to reduce the occurrence of frauds. • Establishing a warning and abnormal transaction handling mechanism: The Company will strengthen identity authentication and transaction review of abnormal accounts involving suspected fraud crimes, take control measures such as freezing and suspending transactions, and notify the judicial police authorities as and when necessary. Transaction records for relevant operations should be retained, and regulations governing AML and CFT should be implemented. Abnormal account information should be shared with peers to enhance financial security.

Emerging Risk Topics	WEF Risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
Turmoil in global economic markets	Economic	According to the "Economic Situation and Outlook in 2025" published by the National Development Council, Taiwan's economic growth rate in 2025 could reach more than 3%. However, international political and economic uncertainties, geopolitical risks, China's economic downturn and climate change may have made the outlook for the global economy and markets uncertain. Since returning to the White House, U.S. President Trump has introduced a number of tariff measures and may impose additional tariffs on more imported goods. Countries affected by tariffs may take countermeasures. Trade barriers between global economies will rise, resulting in an increase in the risk of a global economic downturn.	• High tariffs will directly lead to higher costs of imported goods, reduced consumer purchasing power and lower corporate competitiveness, which may result in weaker overall demand and affect economic stability. • The risks posed by ongoing regional conflicts to international trade may increase uncertainty in shipping costs of customers. • Regional conflicts will create barriers to international trade (such as the U.S.-China trade war and the U.S. tariff increase), affect the uncertainty of capital flows and restrict transactions in specific products, thereby increasing credit or non-credit risks.	• Continuously strengthening risk monitoring and early warning mechanisms: We will continue to monitor tariff developments and their impact on various markets, and adjust response measures as and when appropriate. • Adopting diversified trading portfolio and dynamic asset allocation to diversify risks: We will adjust trading portfolio according to market changes, diversify market volatility risks, and avoid over-reliance on a single type of asset or market. We will utilize financial instruments to hedge related market volatility risks and ensure the stability of the asset portfolio. • Reducing leverage and strengthening liquidity management: In an event of increased market uncertainty, we will reduce leverage appropriately to ensure sufficient liquidity in trading operations to cope with extreme market conditions.
Information security - introduction of AI and cloud services	Technologic	Artificial intelligence (AI) and cloud services can improve business operational efficiency, but also pose challenges to information security. AI may affect information security and decision-making accuracy due to training data bias and hacker attacks. Cloud services, on the other hand, involve risks such as insufficient data access control, supplier security vulnerabilities, and DDoS attacks, which may lead to the leakage of confidential information or system paralysis. Hackers can attack software suppliers and implant malicious programs in the bank's core systems or payment platforms, causing large-scale information security incidents.	• The introduction of AI and new fintech products is expected to reduce costs and improve productivity, but it may also increase the risk of theft of customer information or assets. The risk of confidential information of Taishin FHC or its subsidiaries and relevant customer information becoming the target of cyber crime may also increase. • Third-party software and cloud services expose the company to the risk of software supply chain attacks. Hackers can attack software suppliers and implant malicious programs in the bank's core systems or payment platforms, causing large-scale information security incidents. If critical business systems are affected, this may lead to business interruption, leakage of customer information and even regulatory penalties.	• Enhancing information security protection and monitoring: The Company has established a comprehensive information security management framework and introduced a data loss protection (DLP) system to strictly control the access and transmission of sensitive information to prevent the risk of data leakage. The information security protection mechanism covers technologies such as firewalls, email auditing and web security gateways, and is adjusted and optimized based on the latest information security environment. • Information security education and cross-departmental collaboration: The Company has joined the Forum of Incident Response and Security Teams (FIRST) to proactively collaborate with outstanding teams in response to changing and complex cyber threats. It has also actively participated in domestic and international information security joint defense organizations to jointly respond to borderless cyber threats, thereby enhancing the overall resilience of the global information security protection network. • Cloud resources and artificial intelligence (AI) governance: The Company has strengthened the information security assessment of cloud services, identified potential risks, and regularly reviewed the security of cloud resources to ensure the stability and compliance of data storage and transmission. With respect to AI technology application, the Company has introduced AI guidelines promulgated by the competent authorities, formulated policies on the use of AI to ensure data privacy and fairness, established AI governance regulations and control measures, and built a trustworthy and responsible AI system to ensure compliance with ethical and regulatory standards.

G. Crisis management and response mechanism

To assure the uninterrupted operation of the company's major business activities, strengthen the company's responsive capability for emergent incidents, and minimize the influence of disaster and resume normal operation within the shortest time possible, the company has formulated the BCM (Business Contingency Management), specifying the definition of emergent incidents, grading risks, and pinpointing responsibilities, and related handling procedure. Regarding emergency response measures against threats to the business activities of financial institutions, the subsidiaries have implemented Contingency Funding Plan, Management Guidelines for Continuous IT Operations, and disaster recovery guidelines that establish appropriate response procedures and responsibility assignments to effectively reduce the impact of such incidents.

H. Other Important items:Nil.



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VI | Special Disclosure

VI. Special Disclosure

A. Information regarding the company's subsidiaries

a. Declaration for consolidated financial statements of affiliates

The companies to be included in the consolidated financial statements of affiliates pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises and the companies to be included in the consolidated financial statements pursuant to IFRS 10 in 2024 are the same for Taishin FHC. Furthermore, since the information to be disclosed in the consolidated financial statements of affiliates has been disclosed in the aforesaid consolidated financial statements, the consolidated financial statements of affiliates will not be prepared in addition.

b. Affiliation reports: N/A.

c. Basic information

Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Date of establishment	Address	Paid-in capital	Major business or production items
Taishin International Bank Co., Ltd.	1992.02.25	1st,fl. and 1st basement, No. 44, Sec. 2, Jhongshan N. Rd., Taipei City	98,709,186	1. Deposit reception (reception of check deposit, demand deposit, time deposit, and savings deposit originally listed in its business license are included in the item) 2. Issuance of financial bonds 3. Loan extension (short-, medium- and long-term loan extension, loan mortgaged by certificates of time deposit, consumption loan originally listed in its business license are included in the item 4. Discounting negotiable instruments 5. Securities investment (investments in government bonds, short-term bills, corporate bonds, financial bond, and company stocks originally listed in its business license are included in this item) 6. Currency conversion 7. Cashing of banker's acceptance 8. Issuance of domestic L/C 9. Guarantee for corporate-bond issuance 10. Provision of domestic guarantee. (Guarantee business originally listed in the business license is included in the item) 11. Surrogate collection/payment 12. Securities Underwriting (The undertaking of government bonds, treasury notes, corporate bonds, and corporate stocks originally listed in the business license is included in the item) 13. Custody and warehouse business 14. Lease of safe 15. Agency services related to the various businesses listed in the business license and approved by the regulator 16. Credit card (credit card and cash advance businesses originally listed in the businesses license is included in the item) 17. Sale of gold bullions and gold and silver coins 18. Trading in gold ingots, gold coins, and silver coins 19. Export/import forex, common outward and inward remittance, foreign- currency deposit, foreign-currency loan, and guarantee for secured foreign-currency payment 20. Derivatives approved by the regulator 21. Businesses permitted by Trust Industry 22. Dealer business in government bonds 23. Brokerage, dealing, certification, and underwriting of short- term bills 24. Wealth Management 25. Financing advisory services

Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Date of establishment	Address	Paid-in capital	Major business or production items
Taishin International Bank Co., Ltd.	1992.02.25	1st,fl. and 1st basement, No. 44, Sec. 2, Jhongshan N. Rd., Taipei City	98,709,186	26. Discretionary trust investment services 27. Non-financing related advisory services 28. Prepaid cash cards issued 29. Proprietary bond trading 30. Concurrently securities investment consulting business 31. Special-purpose money trusts investing in foreign securities and domestic securities investment trust funds 32. Third party payment services 33. Agency for personal insurance 34. Agency for property insurance 35. Provide third party payment services on inward wire of offline payments for cross border online transactions for recipient clients 36. Provide third party payment services on inward wire of offline payments for offline transactions by use of offshore payment accounts in the Republic of China for recipient clients who are natural persons in other countries and do not have residence in Taiwan 37. Provide foreign exchange and foreign currency transfer services for inward wire arising from the services under the two subparagraphs above for customers or upon customer request 38. Electronic payment (O2O third party payment services, reload processing, and fund transfer between electronic payment accounts) 39. Provide third party payment services on outward wire of offline payments for cross border online transactions for clients (cross border outward transfer)
Taishin Asset Management Co., Ltd.	2002.08.19	2nd-3rd fl., No. 9, Dehui Street, Taipei City	671,000	1. International Trade 2. Residence and Buildings Lease Construction and Development 3. Industrial Factory Buildings Lease Construction and Development 4. Funeral Places Lease Construction and Development 5. Specialized Field Construction and Development 6. Public Works Construction and Investment 7. New County and Community Construction and Investment 8. Land Levy and Delimit 9. Urban Renovation 10. Realty transaction 11. Realty lease 12. Financial institution creditor's right purchase 13. Financial Institution Creditor's Right (Money) Appraisal and Auction 14. Financial Institution Creditor's Right (Money) Management and Services 15. Account Receivable Purchase Business 16. Other Financing, Insurance and Just Third Party Property Auction Real Estate Not Elsewhere Classified 17. Investment consulting services 18. Management consulting services 19. Software design services 20. Data processing services 21. Digital Information Supply Services 22. General Advertising Services 23. Overdue Receivables Management Services 24. Industry and Commerce Credit Bureau Services 25. Leasing 26. Agency Services 27. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.

Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Date of establishment	Address	Paid-in capital	Major business or production items
Taishin Venture Capital Investment Co., Ltd.	2003.09.25	18th fl., No. 118, Jenai Rd. Sec. 4, Taipei City	7,140,927	1. Ventral capital 2. Investment consulting services 3. Management consulting services
Taishin Securities Co., Ltd.	1990.01.15	2nd fl., No. 44, Sec. 2, Jhongshan N. Rd., Taipei City	6,924,125	1. Securities Brokers 2. Securities Dealer 3. Securities Underwriter 4. Futures Commission Merchant 5. Securities administration agency services 6. Other financial businesses acknowledged by the regulator
Taishin Life Insurance Co., Ltd.	2000.11.03	10F, No. 161, Nan-King E. Rd., Sec. 5, Songshan Dist., Taipei City, Taiwan (R.O.C.)	11,039,560	Life Insurance
Taishin Securities Investment Trust Co., Ltd.	2004.06.03	1F, No. 9-1, Dehui St., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	831,350	1. Raise mutual funds via issuance of certificates of benefits 2. Invest in securities and other related products with mutual funds raised from issuance of certificates of benefits 3. Undertake other related businesses approved by the regulator 4. Undertake discretionary-account operation for clients
Taishin Securities Investment Advisory Co., Ltd.	1989.03.21	16th fl., No. 118, Sec. 4, Jenai Rd. Taipei City	300,000	Securities-investment consulting business
Taishin D.A. Finance Co., Ltd.	1997.10.13	7th fl., No. 44, Sec. 2, Jhongshan N. Rd. Taipei	3,248,608	1. Leasing 2. Wholesale of Drugs, Medical Goods 3. Wholesale for machinery equipment 4. Retail Sale of Medical Equipments 5. Retail for machinery and apparatuses 6. Wholesale for precision equipment 7. Retail for precision equipment 8. Auto retail 9. Retail Sale of Motorcycles 10. Retail for ships and parts 11. Retail for aircrafts and parts 12. Car Leasing 13. Financial institution creditor's right purchase 14. Management consulting services 15. Software design services 16. Data processing services 17. Energy Technical Services 18. Other industry and commerce services not elsewhere classified. 19. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.

Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Date of establishment	Address	Paid-in capital	Major business or production items
Taishin Real-Estate Management Co., Ltd.	1995.08.17	2nd-4th fl., No. 9, Dehui Street, Taipei City	200,000	1. Construction management 2. Residence and building development and lease 3. Factory construction and lease 4. Specific professional area development 5. Investment and construction of public construction 6. New town and new community development 7. Area expropriation and urban land rezoning 8. Urban renewal 9. Realty transaction 10. Realty lease 11. Business investigation 12. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.
Taishin Financial Leasing (China) Co., Ltd.	2011.07.12	30F, Building4, Financial City, No.248, Lushan Road, Jianye District, Nanjing, China	2,437,967	Leasing
Taishin Securities Venture Capital Co., Ltd.	2013.12.31	11th fl, No. 96, Section 1, Jianguo North Road, Zhongshan District, Taipei	373,281	1. Venture capital business 2. Investment consulting services 3. Management consulting services 4. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.
Taishin Capital Co., Ltd.	2019.08.30	11th fl, No. 96, Section 1, Jianguo North Road, Zhongshan District, Taipei	53,648	1. General investment 2. Venture capital business 3. Investment consulting services 4. Management consulting services 5. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.
Taishin Futures Co., Ltd.	2022.12.02	2 F.-1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City 104496, Taiwan	818,000	Futures brokerage business
Taishin Health Investment Ltd.	2021.02.20	11th fl, No. 96, Section 1, Jianguo North Road, Zhongshan District, Taipei	20,123	1. General Investment 2. In addition to the licensed activities, Taishin Holdings may also engage in other business activities that are not prohibited or restricted by law.

Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Date of establishment	Address	Paid-in capital	Major business or production items
Taishin Sports Entertainment Co., Ltd.	2023.07.06	2nd fl., No. 111, Sec. 4, Bade Rd., Songshan Dist., Rd. Taipei City	60,000	1. Arts and Literature Service 2. Live House 3. Product Designing 4. Sports Performance 5. Sports Tournaments 6. Sports Training 7. Athletics and Recreational Sports Stadium 8. Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles 9. All business items that are not prohibited or restricted by law, except those that are subject to special approval

d. Directors, supervisors and major managers of the company's subsidiaries

Date: Dec.31, 2024

Name of enterprise	Position	Representative	Shareholding	
			Share	(%)
Taishin International Bank Co., Ltd.	Chairman	Wu, Tong-Liang	Taishin holding company owns 9,870,918,614 shares (100%).	
	Vice Chairman	Oliver Shang		
	Director	Wu, Shang-Pin		
	Director	Kao, Chih-Shang		
	Director	Wu, Tong-Shung		
	Director	Chang, Yun-Peng		
	Director	Kuo, Jui-Sung		
	Director	Wu, Shin-Hau		
	Independent Director	Wang, Mei-Hua		
	Independent Director	Chang, Min-Yu		
	Independent Director	Lee, Hsien-Yuan		
	President	Sharon Lin	-	-
Taishin Asset Management Co., Ltd.	Chairman	Wu, Tong-Shung	Taishin holding company owns 67,100,000 shares (100%).	
	Director	Wu, Tong-Liang		
	Director	Liao, Hung-Che		
	Director	Tiao, Chieh-Sheng		
	Supervisor	Welch Lin		
	President	Pei, Cheng-Pang	-	-

Date: Dec.31, 2024

Name of enterprise	Position	Representative	Shareholding	
			Share	(%)
Taishin Venture Capital Investment Co., Ltd.	Chairman	Syu, De-Nan	Taishin holding company owns: 714,092,688 shares (100%).	
	Vice Chairman	Alex Shih		
	Director	Welch Lin		
	Supervisor	Wu, Tong-Shung		
	President	Lin, Yu-Sheng	-	-
Taishin Securities Co., Ltd.	Chairman	Jerry Guo	Taishin holding company owns 692,412,444 shares (100%).	
	Director	Lu, Po-Yung		
	Director	Welch Lin		
	Director	Maggie Bao		
	Director	Sharon Lin		
	Director	Wu, Shin-Hau		
	Independent Director	Janathan Lin		
	Independent Director	Chih, Lai-Pin		
	Supervisor	Wu, Tong-Shung		
	Supervisor	Peter Tsai		
	President	Chen, Li-Kuo	-	-
Taishin Life Insurance Co., Ltd.	Chairman	Welch Lin	Taishin holding company owns 1,103,955,999 shares (100%).	
	Vice chairman	Wu, Shin-Hau		
	Director	Tsai, Kang		
	Director	Yang, Pan-Chih		
	Director	Liu, Chi-Husan		
	Intendment Director	Lee, Shyan-Yuan		
	Intendment Director	Kuang, Kuo-LIn		
	Intendment Director	Chih, Lai-Pin		
	Intendment Director	Steve K. Chen		
	President	Joseph Dai	-	-

Date: Dec.31, 2024

Name of enterprise	Position	Representative	Shareholding	
			Share	(%)
Taishin Securities Investment Trust Co., Ltd.	Chairman	Chen,Cheng-Mount	Taishin holding company owns 83,134,964 shares (100%).	
	Vice chairman	Sam Lin		
	Director	Kuo, Li-Cheng		
	Director	Perry,Huang		
	Director	Sylvia Chen		
	Director	Liu,Teng-Cheng		
	Supervisor	Vincent Tsai		
	President	Jackie Yeh	-	-
Taishin Securities Investment Advisory Co., Ltd.	Chairman	Hung, Su-Chen	Taishin holding company owns 27,599,513 shares (92%).	
	Director	Masson Li		
	Director	Kuo, Sung-Show		
	Director	Christy Shyy		
	Director	Lin, Long-Su	-	-
	Supervisor	Yumin Yang	-	-
	President	Jerry Lu	-	-

e. Directors, supervisors and major managers on affilities

Date: Dec.31, 2024

Name of enterprise	Position	Company's Name / Representative	Shareholding (Share)	(%)
Taishin Real Estate Management Co., Ltd.	Chairman	Taishin International Bank	12,000,000	60
		Tiao, Chieh-Sheng	0	0
	Director	Taishin International Bank	12,000,000	60
		Wu, Tong-Liang	0	0
	Director	Taishin International Bank	12,000,000	60
		Liao, Hung-Che	0	0
	Director	Taishin International Bank	12,000,000	60
		Wu, Tong-Shung	0	0
	Supervisor	Taishin Asset Management	8,000,000	40
		Welch Lin	0	0
	President	Pei, Cheng-Pang	0	0
Taishin D.A. Finance Co., Ltd.	Chairman	Taishin International Bank	324,860,773	100
		Andy Chang	0	0
	Director	Taishin International Bank	324,860,773	100
		Welch Lin	0	0
	Director	Taishin International Bank	324,860,773	100
		Bruce Chien	0	0
	Director	Taishin International Bank	324,860,773	100
		Eric Chen	0	0
	Supervisor	Taishin International Bank	324,860,773	100
		Peter Tsai	0	0
	President	Emily Tsai	0	0
Taishin Financial Leasing (China) Co., Ltd.	Chairman	Taishin D.A. Finance Co., Ltd.		100
		Andy Chang		0
	Director	Taishin D.A. Finance Co., Ltd.		100
		Eric Chen		0
	Director	Taishin D.A. Finance Co., Ltd.		100
		Emily Tsai		0
	Supervisor	Taishin D.A. Finance Co., Ltd.		100
		Peter Tsai		0
	President	Zheng Sheng Liang		0

Date: Dec.31, 2024

Name of enterprise	Position	Company's Name / Representative	Shareholding (Share)	(%)
Taishin Securities Venture Capital Investment Co.,Ltd.	Chairman	Taishin Securities	37,328,117	100
		Chen, Li-Kuo	0	0
	Director	Taishin Securities	37,328,117	100
		Zhi Gang Wang	0	0
	Director	Taishin Securities	37,328,117	100
		Jeffer Yeh	0	0
	Supervisor	Taishin Securities	37,328,117	100
		Shu Teng Lin	0	0
	President	Hsiao, Juo-Shan	0	0
Taishin Capital Co., Ltd.	Chairman	Taishin Securities	5,364,801	100
		Chen ,Li-Guo	0	0
	Director	Taishin Securities	5,364,801	100
		Alex Shih	0	0
	Director	Taishin Securities	5,364,801	100
		Wu, Shin-Hau	0	0
	Director	Taishin Securities	5,364,801	100
		Jeffery Yeh	0	0
	Supervisor	Taishin Securities	5,364,801	100
		Ming Ming Lin	0	0
	President	Chien Chih Chen	0	0
Taishin Futures Co., Ltd.	Chairman	Taishin Securities	81,800,000	100
		Lee, Ying Wei	0	0
	Director	Taishin Securities	81,800,000	100
		Wang, Wei-Kai	0	0
	Director	Taishin Securities	81,800,000	100
		Liao,En Ching	0	0
	Supervisor	Taishin Securities	81,800,000	100
		Kao, Chang-Lung	0	0
	President	Lin, Bo-Shiou	0	0
Taishin Health Investment Ltd.	Director	Taishin Capital Co., Ltd.		
		Chien Chih Chen		
Taishin Sports Entertainment Co., Ltd.	Chairman	Taishin Venture Capital Investment	6,000,000	100
		Tiao, Chieh-Sheng	0	0
	Vice chairman	Taishin Venture Capital Investment	6,000,000	100
		Sam Lin	0	0
	Director	Taishin Venture Capital Investment	6,000,000	100
		Oliver Shang	0	0
	Director	Taishin Venture Capital Investment	6,000,000	100
		Wu, Shin-Hau	0	0
	Supervisor	Taishin Venture Capital Investment	6,000,000	100
		Vincent Tsai	0	0
	President	Chris Lin	0	0

f. Operation overview on affiliates

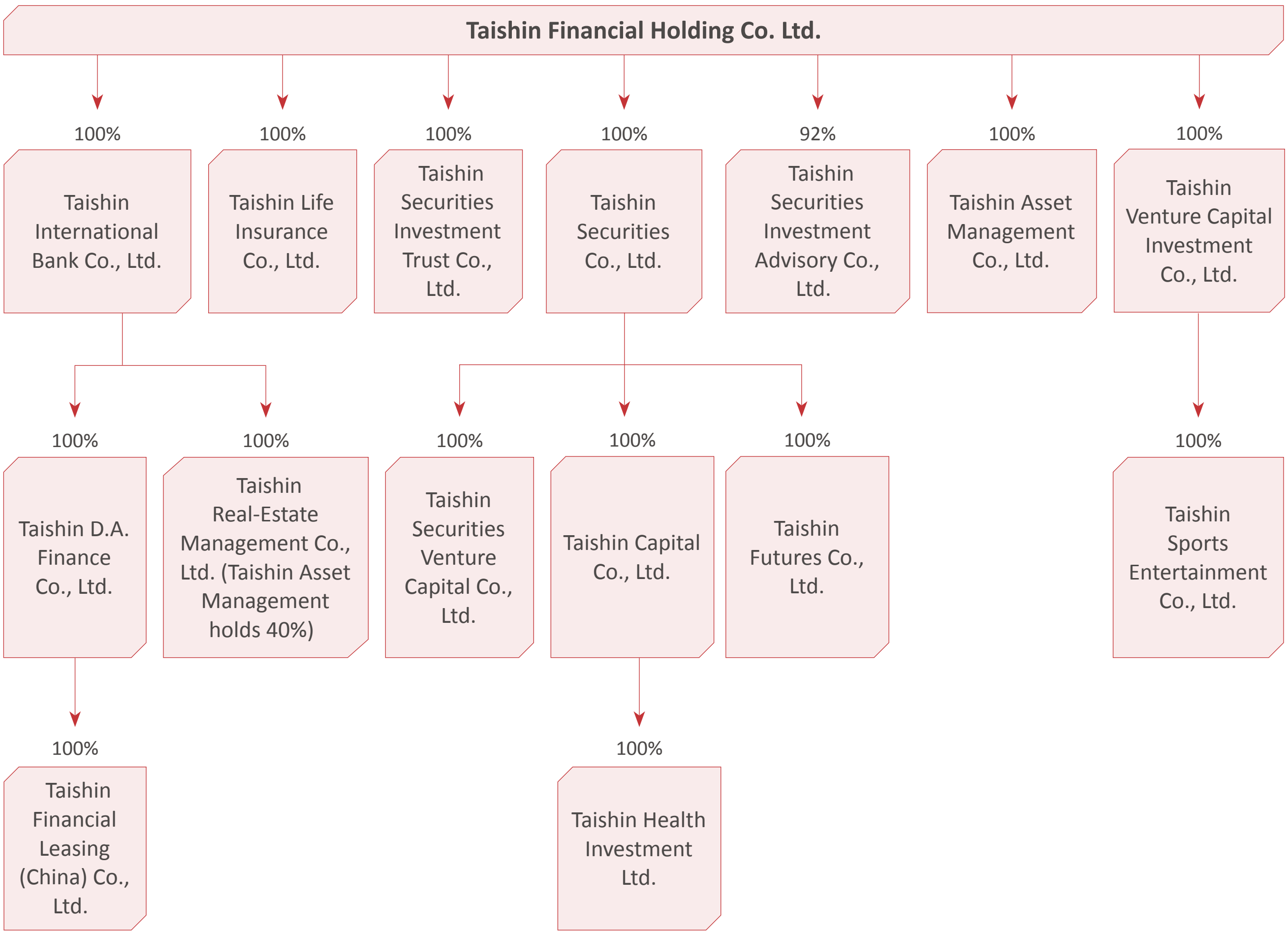
Date: Dec. 31, 2024 Unit: NT$1,000

Name of enterprise	Capital	Total Assets	Total Liability	Equity	Operating Revenue	Operating Profit	Income (After Tax)	EPS (After Tax;NT$)
Taishin International Bank Co., Ltd.	98,709,186	2,839,984,476	2,635,854,542	204,129,934	53,079,944	22,139,049	18,509,655	1.9
Taishin Asset Management Co., Ltd.	671,000	2,001,263	571,443	1,429,820	360,747	226,950	193,008	2.88
Taishin Venture Capital Investment Co., Ltd.	7,140,927	4,746,834	11,836	4,734,998	16,328	-1,396,794	-1,394,025	-1.98
Taishin Securities Co., Ltd.	6,924,125	67,547,205	55,615,518	11,931,687	6,661,719	2,469,120	2,359,581	3.41
Taishin Life Insurance Co., Ltd.	11,039,560	322,736,542	298,966,374	23,770,168	52,555,844	580,480	1,239,077	1.15
Taishin Securities Investment Trust Co., Ltd.	831,350	1,550,404	291,792	1,258,612	1,023,814	334,825	293,749	3.53
Taishin Securities Investment Advisory Co., Ltd.	300,000	374,204	41,777	332,427	116,633	-7,581	4,079	0.14
Taishin Real Estate Management Co., Ltd.	200,000	602,382	242,487	359,895	41,546	16,901	30,084	1.5
Taishin D.A. Finance Co., Ltd.	3,248,608	18,221,494	13,708,533	4,512,961	921,371	139,554	179,493	0.55
Taishin Financial Leasing (China) Co., Ltd.	2,437,967	11,259,938	8,795,359	2,464,579	885,603	54,251	48,644	-
Taishin Securities Venture Capital Co., Ltd.	373,281	478,235	15,238	462,997	109,228	92,624	88,841	3.30
Taishin Capital Co., Ltd.	53,648	92,472	8,025	84,446	45,293	30,393	30,393	5.67
Taishin Futures Co., Ltd.	818,000	5,610,739	4,728,658	882,081	260,581	-25,198	25,658	0.38
Taishin Health Investment Ltd.	20,123	57,184	248	56,936	36,861	36,356	36,356	-
Taishin Sports Entertainment Co., Ltd.	60,000	92,306	63,941	28,365	250,287	18,009	18,211	3.04

Note : The operational status of affiliated companies disclosed in the annual report is based on the most recent public information.

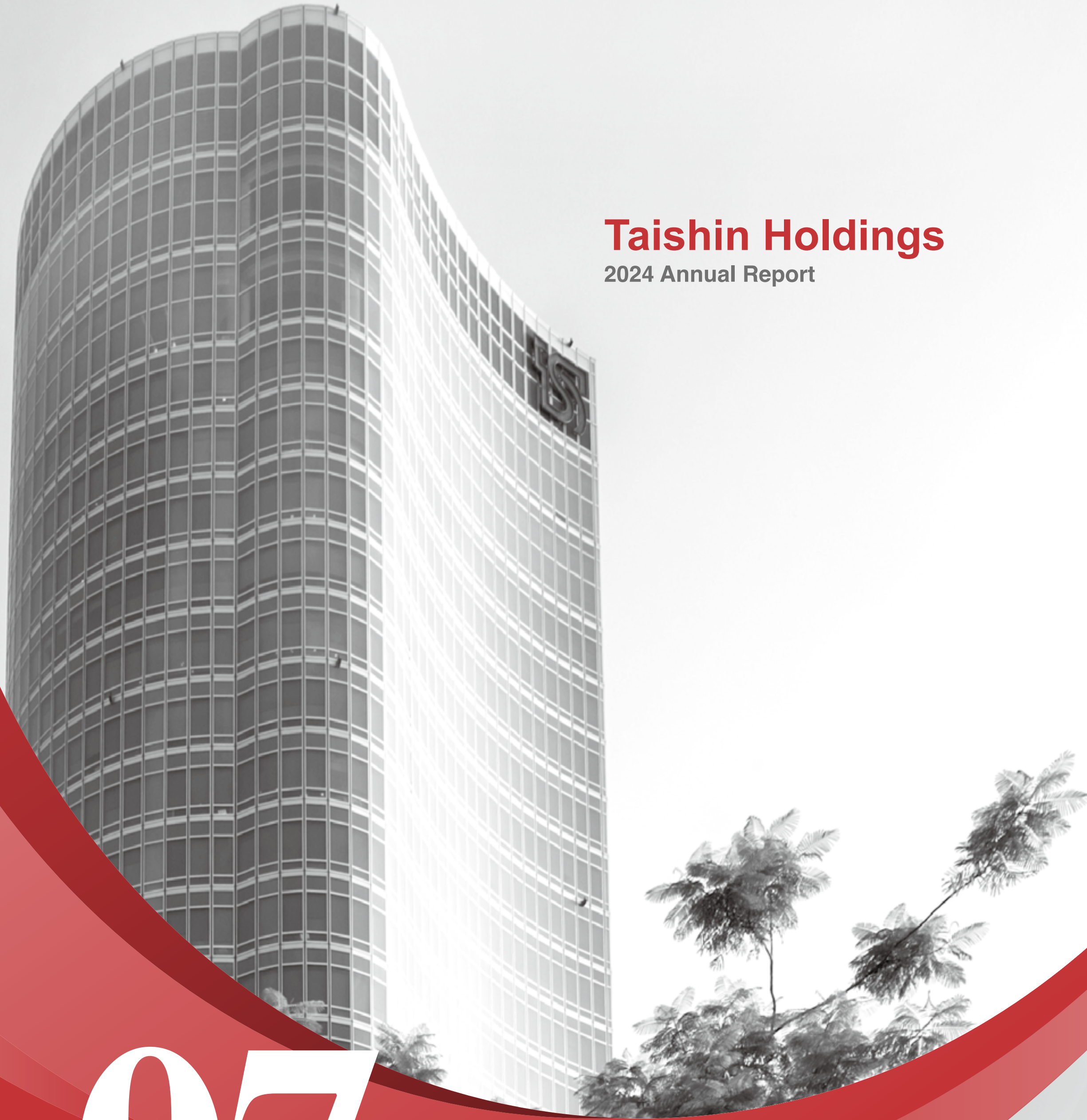
g. Organizational of Taishin Financial Holdings and Its Affiliates:

Organization of Taishin Financial Holding Co., Ltd.



B. Progress of private placement of securities during the latest year and up to the date of annual report publication: Nil.

C. Additional disclosure: Nil.



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VII | Items with Major Effect on Shareholders' Benefits or Securities Prices in 2024 and As of the Date for the Publication of the Annual Report

VII. Items with Major Effect on Shareholders' Benefits or Securities Prices in 2024 and As of the Date for the Publication of the Annual Report

The Company's board of directors approved the merger with Shin Kong Financial Holding on August 22, 2024.

Following the completion of the merger, the Company will be the surviving company and Shin Kong Financial. Holding will be dissolved. The merger is executed through issuing new shares (including common shares and preferred shares) by the Company, exchanging 0.6720 common shares and 0.175 "Class H Preferred Shares" of the Company for each common share of Shin Kong Financial Holding, one "Series G Preferred Share I" of the Company for each "Series A Preferred Share" of Shin Kong Financial Holding and one "Series G Preferred Share II" of the Company for each "Series B Preferred Share" of Shin Kong Financial Holding. The Company approved the merger during its special shareholders' meeting on October 9, 2024. The merger is pending approval from the Financial Supervisory Commission as of the date on February 28, 2025 for the publication of the annual report.

Taishin Financial Holding Co., Ltd.

Chairman

Taishin Holdings

No.118, Sec.4, Ren-ai Rd., Da-an Dist., Taipei City 106, Taiwan R.O.C.
Tel: 886-2-2326-8888
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