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TS Holdings

（Taishin Holdings）

2025 Annual Report

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TS Holdings

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TS Holdings
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I. Letter to Shareholders

I. Letter to Shareholders

A. Macroeconomic and Financial Analysis

In 2025, the global economy exhibited moderate performance due to uncertainties surrounding trade policies and weak consumer demand in major economies. However, driven by explosive growth in the AI industry, which sparked a global wave of investment and production, the economic performance of major countries such as the United States, Japan, and China exceeded market expectations. With respect to central bank policies, Japan was the only country that leaned toward gradual interest rate hikes in response to rising long-term inflation expectations, while other major central banks adopted relatively neutral or accommodative policy stances.

Driven by continued strong demand for AI applications, Taiwan's total exports reached a record high in 2025. According to preliminary statistics from the Directorate General of Budget, Accounting and Statistics, the annual economic growth rate for 2025 amounted to 8.68%, marking a 15-year high. However, the economic structure continued to exhibit significant "K-shaped" divergence. Due to weak global consumer demand, coupled with uncertainties surrounding international tariff policies, exports in most traditional manufacturing sectors witnessed a year-on-year decline.

In 2025, the pre-tax profit of Taiwan's three major financial sectors totaled NT$988 billion. Although this represented a year-on-year decrease of 6.69%, overall profit remained near the NT$1 trillion threshold, setting the second-highest record in history. Driven by economic growth fueled by strong exports of AI-related products and a vibrant financial market, the pre-tax profit of the banking sector reached NT$627.9 billion, representing an 11% year-on-year increase, while the pre-tax profit of the securities, futures, and investment trust sectors stood at NT$166.4 billion, representing a 9.69% year-on-year increase. The pre-tax profit of the insurance sector was NT$193.7 billion, representing a year-on-year decrease of 43.28% primarily attributable to significant exchange rate fluctuations in the first half of the year and the provisioning of foreign exchange valuation reserves (hereinafter referred to as "foreign exchange reserves") at the end of the year.

Looking ahead to 2026, productivity gains driven by investments in AI-related industries and upgrades to production equipment led by physical AI applications such as robotics will remain the primary engine of global economic growth. While AI-driven exports of information and electronic products will face a high base effect, they are expected to maintain strong growth momentum as global cloud service providers continue to significantly expand their capital expenditure on data centers and high-performance computing. Nevertheless, trade protectionism, concerns over the return on massive AI capital expenditure, and the impact of geopolitical conflicts in the Middle East on energy supplies will be the primary risks. Overall, the structure of global economic growth in 2026 will be similar to that of 2025; however, attention must be paid to the risk of an economic downturn driven by geopolitical conflicts.

In February, the Directorate General of Budget, Accounting and Statistics raised its forecast for Taiwan's 2026 economic growth rate to 7.71%, reflecting the boost from AI-related capital expenditure by global cloud service providers. Considering the impact of the U.S.-Iran conflict, disruptions to global energy supplies could fuel inflation and subsequently dampen consumer sentiment, which would be particularly detrimental to midstream and downstream consumer goods, sectors such as consumer electronics, apparel, and footwear. The Directorate General of Budget, Accounting and Statistics estimates that a 10% increase in international oil prices would reduce Taiwan's 2026 annual economic growth rate by 0.12 percentage points and raise the Consumer Price Index by 0.24 percentage points.

Driven by continued strong demand for AI, and despite uncertainties such as the conflict in the Middle East and U.S.-Taiwan tariffs, the Central Bank of the Republic of China (Taiwan) believes that the impact of these factors on Taiwan's economic performance in 2026 should be limited. Major domestic and international institutions maintain their view that Taiwan's economy will achieve high growth. Consequently, capital markets are expected to remain vibrant, driving trading activity and wealth management demand and thereby sustaining the operational momentum of the three financial sectors, including investment returns in the life insurance sector, loans and fee income in the banking sector, and brokerage and proprietary trading profits in the securities sector. Additionally, the life insurance sector, coupled with the progressively strengthened foreign exchange reserves mechanism and the new regulation for amortizing unrealized exchange differences, is expected to further enhance financial resilience and risk-bearing capabilities.

B. Overall Business Performance

In 2025, the Company operated according to the operating revenue and expenditure budget. With active trading in domestic and international equities, bond, and foreign exchange markets, as well as steady performance across all core business operations, the Company recorded a net profit after tax in 2025 of NT$37.361 billion, an EPS of NT$1.91, and a ROE of ordinary shares of 11.52%; as of the end of 2025, the book value per share was NT$17. In terms of capital structure, the capital adequacy ratio was 111.14% and the double leverage ratio was 116.10% at the end of 2025. The capital structure remained sound.

In order to capitalize on various opportunities for change and growth, expand the scale of operations, and strengthen competitiveness to build a resilient business foundation, the Extraordinary Shareholders' Meeting held on October 9, 2024 approved the merger with Shin Kong Financial Holding Co., Ltd. (hereinafter referred to as Shin Kong Financial Holding). The Financial Supervisory Commission (hereinafter referred to as the FSC) approved the aforementioned merger on March 31, 2025, and the Company completed the merger on July 24, 2025, changing its name to TS Financial Holding Co., Ltd. Taishin Securities Investment Trust, a subsidiary of the Company, merged with Shin Kong Investment Trust on November 24, 2025, with Taishin Securities Investment Trust as the surviving entity. Taishin Life Insurance merged with Shin Kong Life Insurance on January 1, 2026, with Taishin Life Insurance as

the surviving entity and renamed Shin Kong Life Insurance. Taishin Securities merged with MasterLink Securities on April 6, 2026, with Taishin Securities as the surviving entity. The remaining subsidiaries will complete mergers sequentially in accordance with the overall planning and the schedule approved by the competent authorities.

At the end of 2025, the latest rating reports from various credit rating institutions maintain the same credit ratings for the Company and Taishin Bank as those stated in the previous annual business report. The credit ratings for the Company and the main subsidiaries are listed as follows:

Company	Rating Category	Rating Agency	Credit rating		Outlook	Publication date
			Long-term	Short-term		
TS Holdings	Global Rating	Fitch Ratings	BBB	F3	Rating Watch Negative	2025/11
		S&P Global Ratings	BBB	A-2	Negative rating	2025/12
	Domestic Rating	Fitch Ratings	A+ (twn)	F1 (twn)	Rating Watch Negative	2025/11
		Taiwan Ratings	twA+	twA-1	Negative rating	2025/12
Taishin International Bank	Global Rating	Fitch Ratings	BBB+	F2	Stable	2025/09
		S&P Global Ratings	BBB+	A-2	Developing	2025/12
	Global Rating	Fitch Ratings	AA- (twn)	F1+ (twn)	Stable	2025/09
		Taiwan Ratings	twAA-	twA-1+	Developing	2025/12
Taishin Life Insurance	Global Rating	S&P Global Ratings	BBB+		Negative rating	2025/12
	Global Rating	Taiwan Ratings	twAA-		Negative rating	2025/12
Taishin Securities	Global Rating	Fitch Ratings	BBB	F3	Rating Watch Negative	2025/12
	Global Rating	Fitch Ratings	A+ (twn)	F1 (twn)	Rating Watch Negative	2025/12

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.

In terms of overseas business expansion, the subsidiary Taishin Bank is deepening its presence in Asian financial centers through its branches in Hong Kong and Singapore; the Tokyo Branch (including the Fukuoka Sub-Branch) serves the semiconductor industry cluster in Japan; the Brisbane Branch in Australia and the Labuan Branch in Malaysia (including the Kuala Lumpur Marketing Service Office) deepen international syndicated loan and localized business operations and are supplemented by a network of Asia-Pacific representative offices in Ho Chi Minh City, Vietnam, Yangon, Myanmar, Shanghai, China, and Bangkok, Thailand. Moving forward, Taishin Bank will continue to expand its presence in Asia while maintaining a global perspective. Aligning with the trend of global supply chain restructuring, the Bank will strategically develop a presence in high-potential markets, continuously strengthen its overseas financial service capabilities, and increase the proportion of overseas revenue.

The Company has established a dedicated organization to accelerate the development of innovative fintech services. It has recruited professionals with expertise in project planning and technologies such as AI and big data to persue a diverse range of business applications. Through technologies including AI and big data analytics, the Company is committed to creating an innovative and intelligent financial environment.

In response to the rapid development of generative AI technology, the Company has developed “Taishin Shin Kong Brain,” integrating professional knowledge from diverse business units, including banking, securities, and life insurance to establish a foundation for AI applications centered on the Group’s collective knowledge. With this as the core, the Company has successively launched several concrete implementation projects, such as intelligent customer service, knowledge management assistants, and voice quality inspection. These initiatives have improved overall work efficiency, decision-making quality, and service accuracy while laying a solid foundation for the Group’s intelligent operations.

Additionally, Taishin Bank’s digital brand Richart has applied for multiple invention and utility model patents, including pre-login preview, cardless withdrawal, instant transfers, Richart multi-recipient function, Richart x KKBOX music-linked time deposits, Richart sub-accounts cross-industry deposit accounts (securities sub-accounts/JKOPay sub-accounts), and phishing website warning pop-ups. Taishin Bank consistently ranks second among domestic private financial institutions in the number of approved patents. Moving forward, the Bank will continue to enhance operational efficiency through innovative digital services and applications, thereby delivering smarter and more convenient financial experiences to customers to solidify its market leadership.

In terms of information security, the Company integrates the Group’s information security resources, optimizes information security maturity, and promotes the adoption of international standards across subsidiaries to foster a Group-wide information security culture. Furthermore, the Security Operations Center (SOC) conducts round-the-clock event monitoring and correlation analyses throughout the year, enabling real-time oversight of subsidiaries’ information security status while horizontally integrating and strengthening the Group’s joint defense and collaboration capabilities. The Company is advancing a defense in depth architecture to enhance its information security capabilities while overseeing information security drills and training programs at each subsidiary to validate their response mechanisms and strengthen awareness of information security risks.

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

1. Taishin International Bank

In 2025, Taishin Bank reported a pre-tax profit of NT$26 billion, an increase of approximately 18% from the previous year, and a full-year net profit after tax of NT$21.4 billion, an increase of approximately 16% from 2024; EPS was NT$1.74, and ROE was 10.22%, representing increases of approximately 14% and 9%, respectively, from 2024. Net worth per ordinary share amounted to NT$17.43. Total deposits stood at NT$2,491.8 billion, and total loans at NT$1,817.1 billion, representing year-over-year increases of 5.93% and 8.50%, respectively, with a loan-to-deposit ratio of 72.92%. Credit asset quality was kept at a satisfactory level, and the non-performing loan (NPL) ratio at the end of 2025 was 0.14%, with NPL coverage ratio at 892.70%. At the end of 2025, the bank for international settlements ratio (BIS) was 15.38%, the Tier 1 capital ratio was 13.64%, and the Core Tier 1 capital ratio was 12.05%. The capital structure remained sound.

(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.

In the retail banking sector, as of the end of 2025, the outstanding balance of secured loans stood at NT$849.6 billion, an increase of approximately 4% from the end of the previous year, while the outstanding balance of unsecured loans was NT$135.8 billion, an increase of approximately 14% from the end of the previous year. Overall, total retail banking loans increased by approximately 5% compared to 2024.

With regard to payment solutions, the number of credit cards in circulation exceeded 6.63 million, representing a market share of 11% and ranking 5th in the market. The active card ratio was 73.2%, ranking second among the top six issuing banks. The number of credit card merchants exceeded 187,000, representing an increase of 7.5% from the end of the previous year and a market share of over 20%, ranking 1st in the market for yet another year.

In terms of wealth management, ever since being the first domestic financial institution to open a wealth management flagship branch in 2003, the Bank has implemented a sophisticated customer segmentation process, by which it is able to provide a wide range of exclusive financial services, addressing customer needs in areas such as professional financial advice, exclusive offers and experiences, and one-stop-shopping. Guided by a commitment to sustainability and customer-centricity, Taishin Bank has introduced the “Wealth Management Family Membership Program,” expanding wealth management from individual customers 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 customers’ asset needs. Furthermore, Taishin Bank combines big data analysis with digital processes to provide tailored asset allocation

recommendations. Through regular performance reviews, risk management, and market trend analysis, the Bank assists customers in achieving steady asset appreciation. Upholding the spirit of "Dedication, Professionalism, and Understanding," Taishin Bank continues to safeguard customers' wealth growth and has received numerous prestigious domestic and international awards in recognition of its achievements.

In terms of digital finance, Taishin Bank's Richart is a leading digital banking brand in Taiwan, dedicated to integrating with daily life to provide customers with a more convenient digital platform and a diverse range of products and services. Taishin Bank launched 24/7 foreign exchange services covering 13 major currencies, enabling real-time transactions. It optimized credit service processes, offering weekend disbursements and automated verification, with funds disbursed in as little as 18 minutes. Taishin Bank also introduced financial mobile transfers to simplify interbank transfer processes and partnered with Taishin Securities to launch a regular investment debit on a daily basis for Taiwan stocks and lottery-based subscription reservation services, providing a one-stop solution for diverse wealth management needs. In 2025, Taishin Bank consolidated its credit cards into the Taishin Richart Card, featuring the Taishin Point rewards program. Customers can switch between 7 reward plans and redeem points via the Richart Life mobile app. Furthermore, in 2025, Taishin Bank launched an e-payment account and introduced the Taishin Pay+ service on the Richart Life moblile app, extending payment scenarios to overseas markets and continuing to build a comprehensive lifestyle financial ecosystem.

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 inovation, 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 2025, Taishin Bank's wholesale banking loans stood at NT$831.7 billion, representing a 12.6% increase from the end of the previous year. To fulfill corporate funding needs, the Bank developed Automated Clearing House (ACH) in collaboration with the Taiwan Clearing House in 2025 and continues to lead the market in terms of the number of payment-receiving transactions. For factoring, the Bank maintained its market-leading position by balancing customer relationships, competitive pricing, and risk management.

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 repid access to comprehensive financial solutions.

In terms of SME business development, Taishin Bank continues to deepen its commitment to SME financial services and actively responds to corporate customers' needs for industrial upgrading. By optimizing credit approval processes, strengthening risk management mechanisms, and leveraging government policy-based financing, the bank assists SMEs in smoothly securing working capital. By the end of 2025, the outstanding balance of loans to SMEs had reached NT$336 billion, representing a 10% increase from the end of the previous year. Taishin Bank ranked among the top three private banks in the number of cases processed under the "Financial Support Measures - Trade Finance Interest Rate Reduction Program." Additionally, Taishin Bank actively aligns with government policies, receiving the SME Credit Special Award under the FSC's "Program to Incentivize Lending by Domestic Banks to Enterprises in Target Countries of the New Southbound Policy" and ranking first in the "Outstanding Bank for Lending to Six Core Strategic Industries" category. It also received the "Sustainable Finance Award" from the Joint Credit Information Center for the first time. The Bank actively promotes green loans and sustainability-linked loans and has incorporated the "Corporate ESG Information and Sustainable Economic Activities Self-Assessment Questionnaire" into its corporate financing review process, leveraging finance to drive sustainability and helping corporate customers accelerate sustainability upgrades. These accolades demonstrate that the Bank has achieved tangible results in fostering the sustainable development of SMEs and supporting the real economy. Taishin Bank also plays a role as a strategic driver helping domestic SMEs expand their business operations in Southeast Asia and establish a global presence, thereby further enhancing the Bank's market coverage.

(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.

In 2025, Taishin Bank was one of the five leading banks in the country in terms of the volume of derivative trading at NT$13.6530 trillion; the bond underwriting volume was NT$27.18 billion. In addition to being an active participant in bond issuance planning for the financing of onshore and offshore companies, the Bank offers a wide range of overseas-issued bonds to give Taiwanese investors more investment choices. In the future, it 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.

2. Shin Kong Bank

Shin Kong Bank's after-tax profit for 2025 was NT$5.95 billion. When excluding merger-related expenses, such as provisions for employee relocation plans and system migration, after-tax profit amounted to NT$8.09 billion, exceeding internal budget targets. As of 2025, the loan balance amounted to NT$896.4 billion, representing a growth rate of 4.9%, and the deposit balance amounted to NT$1,180.5 billion, reflecting a growth rate of 5.2%, with a loan-to-deposit ratio of 75.93%. In terms of profitability, excluding merger-related expenses, the after-tax ROA and ROE were 0.60% and 10%, respectively. Overall, despite challenges posed by market interest rates, exchange rate fluctuations, and competition, Shin Kong Bank achieved steady growth across all business lines in 2025. Net interest income grew by 1.5%, and net fee income increased by 10.6%. Notably, wealth management fee income surged by 16.0%, contributing to an overall net income growth of 4.5%. In terms of asset quality, Shin Kong Bank's non-performing loan (NPL) ratio for 2025 was 0.12%, with coverage ratio at 1,051.05%, both metrics outperforming the average of domestic banks.

(1) Retail Banking Services

Shin Kong Bank continues to place high-quality service at the core of its operations, offering a diverse range of financial products tailored to the needs of different customer segments. It has maintained steady growth across consumer banking, wealth management, and digital finance businesses.

In 2025, the outstanding balance of retail banking loans stood at NT$464.6 billion, an increase of NT$5.9 billion from 2024, representing a growth rate of 1.3%. The micro-enterprise loan product disbursed NT$2 billion, a 25% increase compared to 2024, with an outstanding balance of NT$3.8 billion, an increase of NT$3 million compared to 2024, representing a growth rate of 8.6%.

In terms of payment and finance, the number of credit cards in circulation reached 1.06 million, with a market share of 1.7%, ranking 13th in the market; the effective card rate was 51.5%, ranking 13th among banks with millions of cards; the number of credit card acquiring merchants was 8,209, an increase of 2.1% compared to the end of the previous year, with a market share of 0.9%, ranking 16th in the market.

In wealth management, fee income reached NT$4.31 billion in 2025, an increase of NT$600 million from 2024, representing a growth rate of 16.0%. This growth was primarily driven by a

41.3% increase in insurance products and a 65.1% increase in proprietary bonds. In 2025, the balance of specific money trusts reached NT$124.98 billion, representing a market share of approximately 1.92%, ranking 17th in the industry. In 2025, Shin Kong Bank received the “Best Customer Recommendation among Domestic Banks” and “Best Creative Marketing among Domestic Banks” awards at the Financial Times Wealth Management Awards.

In digital finance, the number of digital users exceeded 1.57 million in 2025, a 10% increase from 2024’s 1.43 million. Digital transactions accounted for over 90% of total transactions. Shin Kong Bank focused on experience and collaboration, reducing operating costs, deepening digital customer management, and optimizing the experience to enhance platform revenue. In 2025, it received the “Best Digital Financial Services Bank” award from Global Business and Finance Magazine.

(2) Wholesale Banking Services

In 2025, the outstanding balance of wholesale banking loans (including the Hong Kong branch) stood at NT$431.9 billion, an increase of NT$36.1 billion from 2024, representing a growth rate of 9.2%. The outstanding balance of SME loans reached NT$227 billion, an increase of NT$23.8 billion from 2024, representing a growth rate of 11.7%. SME lending remains a key focus of business development, and Shin Kong Bank continues to expand its SME customer base in neighboring regions, effectively utilizing the Small and Medium Enterprise Credit Guarantee Fund of Taiwan to attract high-quality customers across diverse industries and building a comprehensive wholesale banking product line to strengthen relationships with SMEs.

(3) Financial Market Business

With respect to financial product trading, Shin Kong Bank, while pursuing business growth, has consistently upheld rigorous trading discipline as the cornerstone of its operations. This ensures that proprietary trading profit targets are achieved on a sound and stable foundation, thereby creating long-term value for customers. To address global financial market volatility and diverse customer needs, Shin Kong Bank is committed to providing a wide range of financial products, including spot, derivative, and structured products such as foreign exchange and interest rate instruments. Through an integrated financial trading platform, the bank assists customers in capturing market trends and implementing risk control, aiming to meet the trading and wealth management needs of both domestic and international corporate and individual customers. In 2025, proprietary bond trading volume reached NT$36.3 billion, an increase of NT$11.7 billion compared to 2024, representing a growth rate of 47.6% and ranking among the top four in the industry. The issuance volume of domestic structured products reached NT$8.8 billion, with a focus on diversified structures to provide investors with rich and diverse investment options.

b. Insurance subsidiary

In 2025, Taiwan's life insurance industry was affected by international developments, with market volatility primarily stemming from changes in global trade tariff policies, geopolitical tensions, and shifts in the international interest rate environment. These factors led to a significant increase in investment and hedging costs. In particular, the rapid appreciation of the New Taiwan Dollar exerted a significant impact on the value of the life insurance industry's foreign currency assets, forcing an increase in hedging ratios. At the same time, during the transition period for International Financial Reporting Standard 17 (hereinafter referred to as IFRS 17) and the new Taiwan Insurance Capital Standard (hereinafter referred to as TW-ICS), volatility in international markets exerted a more direct impact on the capital levels of the life insurance industry.

In 2025, due to the continuous recovery of market sentiment, the total premium income for Taiwan's life insurance market reached NT$2,623.9 billion, a 7.5% increase from the same period last year; first-year premium income was NT$1,007.4 billion, an increase of 19.7% from the previous year, and renewal premium income was NT$1,616.5 billion, an increase of 1.1% from the previous year.

1. Taishin Life Insurance

In response to the adoption of IFRS 17 and TW-ICS, Taishin Life Insurance has focused on asset-liability management to continuously reduce the cost of liability, narrow the duration gap, maintain asset-liability matching, and optimize product structures. The company has grown its Contractual Service Margin (hereinafter referred to as CSM) to meet customer needs and balance capital management.

In 2025, Taishin Life Insurance's total premium income reached NT$75.2 billion, a significant year-over-year increase of 59.2%. First-year premium income reached NT$46.7 billion, up 80.3% year-over-year; renewal premium income reached NT$28.5 billion, up 33.5% year-over-year; and new business CSM reached NT$15.68 billion, demonstrating Taishin Life Insurance's strong growth momentum. Overall, the premium income growth rates of Taishin Life Insurance outperformed the industry average, demonstrating the subsidiary's exceptional market competitiveness and robust growth momentum.

Looking at the distribution channels, in 2025, Taishin Life Insurance's tied agents channel focused on high-protection-coverage products, driving first-year premium income to NT$1.64 billion (a 6.7% increase year-over-year), with CSM reaching NT$3.96 billion and the overall CSM ratio at 241%. In 2025, first-year premium income from the bancassurance and brokerage channels reached NT$34.38 billion and NT$10.69 billion, respectively, representing high growth rates of 61.1% and 254.4% compared to the same period last year.

2. Shin Kong Life Insurance

In response to the IFRS 17 and TW-ICS alignment of Taiwan's life insurance industry in 2026, in addition to making the accumulation of new business CSM a key operational objective, the development of a product line featuring high value and comprehensive coverage has become the primary focus of the subsidiary's business development plan. Amid the accelerating wave of digital transformation, Shin Kong Life Insurance (hereinafter referred to as Shin Kong Life) is proactively integrating digital technologies across all service touchpoints. It continues to enhance system functionality, expedite the rollout of digital services, and strengthen data governance, thereby delivering customer-friendly financial services and upholding the principle of fair treatment of customers. By leveraging targeted customer lists to gain deeper insights into customer needs and refine customer segment management, Shin Kong Life will stimulate customer potential and advance digital business development, further enhancing overall customer satisfaction.

Total premium income for 2025 was approximately NT$187.6 billion, ranking fifth in the industry. The number of in-force policies was 18.0937 million, an increase of 182,400 policies compared to the previous year, representing a growth rate of 1.01%. In 2025, first-year premium amounted to approximately NT$59.3 billion, of which first-year premiums for individual health insurance totaled approximately NT$3.9 billion, an increase of approximately NT$2.2 billion compared to the same period last year, representing a growth rate of 131.54%. New business CSM reached NT$64.73 billion, demonstrating solid business momentum.

Looking at the distribution channels, Shin Kong Life's tied agents channel was one of the key drivers for high-CSM products in 2025. For the year, first-year premium income reached NT$35.35billion, with new business CSM amounting to NT$40.66 billion and an overall CSM ratio of 115%. The bancassurance channel recorded first-year premium income of NT$17.52 billion in 2025, representing a strong year-over-year growth of 50.3%. The brokerage channel generated NT$3.38 billion in first-year premium income (a 14.2% increase compared to the same period last year). The subsidiary also successfully expanded the sale of protection products through this channel, resulting in an overall CSM ratio of 379%. In addition, the group accident insurance channel continued to contribute stable new business premiums annually, with first-year premium income of approximately NT$3.0 billion in 2025.

In the face of global political, economic, and climate-related risks, Taishin Life Insurance (renamed Shin Kong Life Insurance following the merger on January 1, 2026 and hereinafter refered to as Shin Kong Life) will uphold its core corporate values of "Integrity, Commitment, Innovation, and Collaboration" and steadily advance a customer-centric, comprehensive product strategy and distribution channel deployment. Shin Kong Life will accelerate its smart transformation to enhance service efficiency and strengthen market competitiveness. At the same time, it will further embed

ESG considerations into its operational decision-making, adopt the TCFD framework to reinforce climate risk management and disclosure—recognized globally as a standard for climate-related financial reporting—and develop sustainable and inclusive financial products. While continuing to pursue stable growth and improved profitability, Shin Kong Life remains committed to creating long-term value for the environment, society, and all stakeholders.

c. Securities and Investment Trust subsidiaries

1. Taishin Securities & MasterLink Securities

In 2025, Taiwan's stock and currency markets initially plummeted due to U.S. tariffs and monetary policy. However, following the clarification of tariff negotiations and growing global demand for AI, the TAIEX rose after initial falls, with total trading volume on the centralized market reaching NT$101.08 trillion for the year, marking the highest annual trading volume in the history of the Taiwan stock market. At the end of the year, the TAIEX reached 28,963.6, marking an annual increase of 5,928.5 or 25.74% and setting a record for the largest gain in its history. Taishin Securities reported operating revenue of NT$6.663 billion for 2025, with after-tax profit of NT$2.445 billion, EPS of NT$3.53, and book value per share of NT$18.3, all of which were record highs. MasterLink Securities, leveraging sound management and flexible strategies, reported operating revenue of NT$10.774 billion for 2025, with after-tax profit of NT$2.134 billion, EPS of NT$1.33, and book value per share of NT$17.9, fully demonstrating the subsidiary's operational strength and profitability.

Taishin Securities' cumulative brokerage market share in the Taiwan stock market reached 2.21% in 2025, while its margin financing market share stood at 3.82%. Both cumulative brokerage trading volume and monthly active account numbers maintained solid momentum and achieved steady growth. In terms of the proprietary trading business, the subsidiary strove to respond promptly to market changes in managing its positions and adjusted its strategies accordingly. For the underwriting business, the subsidiary is committed to serving high-quality enterprises as its primary focus and actively seeks out high-quality domestic initial public offerings, over-the-counter listings, and fundraising cases. By the end of 2025, Taishin Securities had completed 37 underwriting cases as the lead underwriter, ranking first in the market, with a total underwriting amount of NT$24.231 billion, representing an increase of NT$6.326 billion compared to the previous year.

Adhering to a prudent business philosophy, MasterLink Securities recorded a cumulative brokerage market share of 2.93% in Taiwan's equity market in 2025. The scale and market position of its proprietary trading business continued to strengthen. Throughout the year, the subsidiary consistently ranked second in the market in secondary bond market trading, CBAS fixed-income and options trading volume, as well as the cumulative underwriting volume of structured products. In the warrant business, with the total issuance amount reaching NT$63.29 billion and maintaining the fourth-largest cumulative market share, the subsidiary delivered an outstanding 21% growth in the average monthly market share of warrant time value, demonstrating strong product competitiveness and trading momentum.

Following the completion of the merger between Taishin Securities and MasterLink Securities on April 6, 2026, with Taishin Securities as the surviving entity, the subsidiary has integrated the strengths of both firms in sustainable finance and digital technology to build a more scalable and innovation-driven full-service securities platform. In terms of corporate sustainability, the merged entity continues to deepen its underwriting and advisory capabilities in the ESG and renewable energy sectors, aligning with the capital market's growing focus on sustainability disclosure and transition trends. By leveraging its professional expertise and capital market influence, the subsidiary plays a pivotal role in facilitating sustainable transformation and supporting enterprises in achieving long-term sustainable development. On the fintech front, building upon its established foundation in digital trading and innovative applications, the subsidiary has enhanced its fully online account opening services, segregated account settlement mechanisms, diversified product trading systems, and high-frequency trading platform performance. It has also optimized the functionality of its mobile investment app and streamlined intelligent processing workflows, comprehensively improving product depth, transaction efficiency, and customer experience. Through the integration of sustainable finance expertise and digital innovation capabilities, the merged Taishin Securities possesses a strengthened competitive advantage, advancing sustainable operations and digital transformation in parallel.

2. Taishin Securities Investment Trust

Taishin Securities Investment Trust completed its merger with Shin Kong Investment Trust on November 24, 2025. Following the merger, the subsidiary's EPS for 2025 stood at NT$3.11. Total assets under management for public, private, and discretionary funds reached NT$541.2 billion in 2025 (including Shin Kong Investment Trust's assets prior to the merger), an increase of approximately NT$69.4 billion compared to 2024. Of this figure, public funds amounted to NT$318.6 billion, representing a 2.80% market share and ranking 9th overall. As for money market funds, the subsidiary held a 15.70% market share, maintaining the top market ranking. It will develop customer services and strengthen product designs on an ongoing basis to achieve even greater synergy.

In summary, TS Holdings has demonstrated outstanding performance across various professional sectors, including banking, insurance, securities, and asset management. In addition to committing to financial innovation to meet customer needs, the Company rigorously manages risks while pursuing business growth. These efforts have been recognized by domestic and international professional institutions, resulting in the receipt of 217 awards.

In the face of rapid transformations in the financial industry, Taishin Bank has led the way in innovative services with a forward-thinking approach, comprehensively enhancing digital capabilities and customer experience across personal finance, wealth management, and corporate banking. In personal financial services, the Bank continues to achieve breakthroughs in financial inclusion, digital transformation, and service experience. It won three major awards, including the "Best Personal Bank in Taiwan" from Retail Banker International. After obtaining approval for Wealth

Management 2.0, the wealth management business has been named “Best Wealth Management by a Domestic Bank” by Wealth Magazine for the eighth consecutive year, demonstrating comprehensive competitiveness from regulatory innovation to service innovation. In terms of AI technology applications, the Bank has received multiple digital innovation awards, including the “Best Technology Experience Award” and “Best Data Analytics Experience Award” from The Digital Banker, as well as the “Best Big Data and AI Application in Asian Private Banking Award” from PWM. Leveraging its strengths in product diversity, service variety, and global perspective, the private banking business was named “Best Ultra-High-Net-Worth Private Bank in Taiwan” by Euromoney and received the “Outstanding Growth in Ultra-High-Net-Worth Customers Award” from Private Banking International (PBI). The corporate banking business actively aligns with government policies; it received the “Credit Guarantee Gold Award” from the Ministry of Economic Affairs for 13 consecutive years and was ranked first in the “Outstanding Bank for Lending to Six Core Strategic Industries” category by the FSC. Additionlly, in recognition of its digital innovation, the Bank received the “Innovation Platform Award” at the Want Want China Times Financial Awards, as well as the “Best Gen-AI Initiative” award from The Digital Banker, underscoring Taishin Bank’s commitment and achievements in supporting SMEs and advancing industrial development.

Shin Kong Life has demonstrated exceptional competitiveness across all aspects of business performance, digital transformation, and social responsibility. In 2025, the subsidiary received numerous accolades from authoritative domestic and international institutions, underscoring the solid foundation of its sound management. In terms of ethical business management and customer services, the subsidiary has upheld the principle of fair treatment of customers. It earned the distinction of being ranked in the top 25% of life insurance companies as an “Outstanding Operator” in the FSC’s evaluation and has retained the Gold Award for Trusted Brands from Reader’s Digest for 10 consecutive years. At the same time, the subsidiary has continuously optimized claims processing quality and has been honored with the “Insurance Quality Award” (Highest Distinction) and the “Excellence in Claims Service Award,” reflecting its core value of customer-oriented philosophy. With respect to digital finance and product innovation, Shin Kong Life has demonstrated strong R&D momentum. For its “CIS Big Data Vulnerable Protection & Collaborative Anti-Fraud Defense,” the subsidiary won the “National Grand Prize” at the National Brand Yushan Award, was recognized with the “Gold Award for Intelligent Innovation Applications” at the Wealth Magazine Taiwan Financial Award, and the “Insurance Technology of the Year Award” from the international Charlton Media Group. By leveraging AI fraud prevention and intelligent policy diagnostic platforms, the subsidiary transforms technology into a tangible force for safeguarding the public’s assets. In terms of sustainable development (ESG) performance, Shin Kong Life achieved “Platinum Level” at the TCSA Taiwan Corporate Sustainability Awards and “Silver Level” at the GCSA Global Corporate Sustainability Awards. Furthermore, it led the industry by receiving the inaugural “Corporate Marine Sustainability Contribution Award.” The subsidiary demonstrates its distinctive green impact and continues to create a better and more sustainable environment for society.

In the face of competition in the capital markets and the development of digital finance, Taishin Securities continues to strengthen its core competitiveness through a dual-pronged strategy of sound management and technological innovation. In the investment banking and underwriting sector, by leveraging its exceptional advisory capabilities, the subsidiary secured second place for "Recommended Advisory Performance for Listing on the Emerging Stock Board," second place for "Recommended Advisory Market Capitalization Award for TPEx Listings," and third place for "Recommended Advisory Performance Award for TPEx Listings." In addition, it was recognized by the Taiwan Stock Exchange at the IPO Awards Ceremony with third place in the "Future Award – IPO Fundraising Amount" and third place in the "Future Award – IPO Market Capitalization," demonstrating its leadership position in the industry. In terms of digital services, Taishin Securities has enhanced the investor experience through innovative applications such as "Hsiaohsin Dividend Inquiry." In sustainability, the subsidiary was honored with the "Case Impact Category – Sustainability Themed Investing Silver Award" at the Taiwan Sustainable Investment Awards and the "Corporate Sustainability Report Awards - Gold Award" from the TCSA. Looking ahead, Taishin Securities will continue to expand its influence in the capital markets to create long-term value for the subsidiary and its shareholders.

In the face of stiff market competition and the ongoing development of fintech, MasterLink Securities has achieved outstanding results in various evaluations through sound management and innovative R&D. Focusing on derivatives market-making as its core business, the subsidiary won first place in the "Top Warrant Issuer Award" from the TPEx and the "Warrants Growth Award" from the Taiwan Stock Exchange (hereinafter referred to as the TWSE), while retaining the "OTC Stock ETF Market-Making Hero Award," solidifying its leadership position. The wealth management platform of Masterlink Securities won the top national prize at the National Brand Yushan Award; for information security, the subsidiary was recognized by the FSC's F-ISAC as an "Outstanding Information Sharing Institution" and by the TWSE with the "Anti-Fraud Evaluation Excellence Award," building the most robust protective network for customer assets. In terms of sustainable development, MasterLink Securities was honored with the Taiwan Sustainability Action Awards (TSAA) "SDG 4 Quality Education Gold Award," demonstrating the subsidiary's tangible achievements in advancing financial education and fulfilling its corporate social responsibility.

Facing market volatility, Taishin Securities Investment Trust has deepened its competitiveness through prudent operations. Its "Taishin High Dividend Yield Balanced Fund" demonstrated consistent long-term returns and was honored at the TFF-Bloomberg Best Fund Awards. The subsidiary also retained all three honors of the 3-year, 5-year, and 10-year TWD flexible mixed-asset funds at the LSEG Lipper Fund Awards Taiwan 2025. Taishin Securities Investment Trust's outstanding performance in risk management and its mid- to long-term asset appreciation capabilities have been widely recognized.

C. Corporate Governance

Since the TWSE announced the results of the first Corporate Governance Evaluation in 2015, TS Holdings has achieved excellent results every year. The consistent high rankings reflect a recognition for hard work done in the name of implmenting 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. There are now two female independent directors, enhancing corporate governance and promoting gender diversity within the board.

D. Corporate Sustainable Development

Upholding the sustainability motto "Earnest Sustainability and Green Living," the Company focuses on three key issues: climate action, financial prosperity, and sustainability empowerment, taking concrete actions across all issues. In addition to ongoing participation in domestic and international sustainability initiatives, including responding to the Task Force on Climate-related Financial Disclosures (TCFD), the Equator Principles (EP), the Stewardship Principles, adherence to the Principles for Responsible Banking, passing the Science Based Targets initiative (SBTi) review, committing to SBTi Net-Zero targets, and becoming a member of the Partnership for Carbon Accounting Financials (PCAF), the Company continues to collaborate with industry, government, and academia to amplify its impact on sustainability. The Company has hosted the Net-Zero Summit Forum for four consecutive years. In 2025, the forum focused on the IFRS Sustainability Disclosure Standards, inviting representatives from regulatory authorities and the industry to share the latest developments regarding the standards, as well as the challenges and potential opportunities associated with their implementation. The subsidiary Taishin Bank has also leveraged its core financial capabilities to collaborate with CRIF Taiwan to establish a quantitative and standardized ESG assessment framework in an attempt to assist enterprises in their sustainable transformations.

The Company's efforts in sustainable development have repeatedly received high recognition from professional award and rating organizations both domestically and internationally. The Company was again featured in the 2026 Sustainability Yearbook, where it has now ranked among the global top 1% in the banking sector for three consecutive years. Furthermore, it has been included in the Dow Jones Best-in-Class Indices World and Emerging Markets Indices (DJBIC, formerly DJSI) for eight consecutive years. In the 2025 CDP Climate Change Questionnaire, the Company once again achieved the highest A rating. In the MSCI ESG ratings, it received the top AAA rating for the first time. In Time Magazine's 2025 list of the "World's 500 Most Sustainable Companies," the Company was again honored as the 75th most sustainable company globally across all industries and placed 2nd in all of Taiwan. Moreover, the Company continues to be selected as a constituent of indices such as the Taiwan High Compensation

100 Index, the Taiwan Sustainability Index, and the FTSE4Good Emerging Markets Index. It has also consistently been recognized with awards such as the "Top 100 Sustainable Model Enterprises in Taiwan" from the Taiwan Institute for Sustainable Energy and the "CommonWealth Magazine Excellence in Corporate Social Responsibility Award."

Moving forward, the Company will continue to monitor international ESG trends, adhere to the FSC's sustainability campaigns and guidelines, leverage the financial sector's pivotal role in directing funds, become everyone's Smart Partner in sustainability, and create a better future for all.

E. Future Prospects

In light of overall trends in the financial sector, the Company will continue to uphold its core business philosophies of "Dedication, Innovation, and Sustainability" to steadily advance the development of all business operations. Following the merger with Shin Kong Financial Holding, the Company has risen to become Taiwan's fourth-largest financial holding company in terms of total assets, officially ushering in a new era of economies of scale and diversified growth. Moving forward, the Company will continue to integrate existing resources and strengths, leveraging banking, life insurance, and securities as core diversified profit engines to shape a more balanced and competitive operational structure and gradually expanding market share to enhance operational efficiency. In keeping with the trends toward digital finance and green transformation, the Company will maintain its leading position in the industry. While actively aligning with government financial policies and adhering to relevant laws and regulations, it will continue to strengthen operational resilience and risk management capabilities to provide customers with comprehensive and competitive financial services, with the aim of establishing the Company as a comprehensive financial group with international competitiveness.

With respect to the life insurance business, the Company will continue to focus on accumulating new business CSM and developing high-value protection-oriented products as key growth drivers, thereby enhancing the quality of new policies and strengthening long-term value creation. At the same time, it will further reinforce its asset allocation and investment management capabilities. Under the premise of rigorous risk control and maintaining steady business growth, the Company will continue to optimize its capital structure to enhance long-term operational resilience and financial stability. In terms of digital transformation and fintech applications, TS Holdings will leverage the market-leading advantages of the Richart digital brand, together with the Group's extensive and well-established customer base. By fully utilizing big data analytics and AI-driven technological applications, TS Holdings aims to accurately identify customer needs and deliver comprehensive financial solutions that integrate efficiency improvements with a human touch.

Furthermore, the Company will continue to promote in-depth integration of its corporate culture, fostering a sense of cohesion and mission among all employees to build a highly collaborative and resilient organization. At the same time, it will actively respond to the policy direction of the “Asia Asset Management Center” and formulate development strategies to capture opportunities for the financial industry’s upgrade and internationalization. With regard to sustainable operations, the Company will deepen its implementation of sustainability governance (ESG) practices, integrate the principles of social inclusion and environmental protection into daily operational decision-making, and fulfill its corporate social responsibilities while pursuing sound profitability.

Looking ahead, the Company’s management team will continue to uphold the core values of “Integrity, Commitment, Innovation, and Collaboration”. Building upon this already solid foundation, it will fully leverage synergies to achieve business results where “1+1 is greater than 2,” thereby rewarding shareholders for their long-term support.

Chairman

TS Financial Holding co., Ltd.

April 2026

TS Holdings
2025 Annual Report

02

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

Title	Nationality	Name	Gender / Age	Date of getting elected (Date of appointment)	Term	Date of first getting elected	Shareholding upon election				Current shareholding				
							Ordinary shares		Preferred shares		Ordinary 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	
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	27,278,142	0.11	1,396,284	0.03	
		Representative: Wu, Tong-Liang	Male Over 71			2001/12/07	-	-	-	-	13,143,600	0.05	589,789	0.01	
Vice chairman	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	0.03	304,820	0.01	
		Representative: Wei, Pao-Sheng	Male 61~70			2025/07/24	-	-	-	-	546,696	0.00	0	0.00	

Base date: Feb. 28, 2026 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
	Ordinary shares		Preferred shares		Ordinary shares		Preferred shares				Title	Name	Relationship	
	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake						
	0	0.00	0	0.00	0	0.00	0	0.00	•Chairman of TS Holdings and Taishin Bank •Chairman of CNAIC, Chairman of Taishin Charity Foundation •Chairman and Director of Taishin Venture Capital Investment •Chairman and President of Shin Kong 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 Shin Kong Insurance and the pre-merger Shin Kong Life Insurance MBA, University of California, Los Angeles (UCLA), CA, USA	Note 1	Director	Kuo, Jui-Sung	Brother in law	None
	16,664,851	0.07	1,095,413	0.02	23,747,915	0.10	10,087,832	0.22			Senior Vice President	Wu, Shin-Hau	Son	
	0	0.00	0	0.00	0	0.00	0	0.00	•Vice Chairman of TS Holdings, Chairman of Shin Kong Life Insurance •Chairman of Shin Kong Financial Holding and the pre-merger Shin Kong Life Insurance •Chairman of KGI Bank, KGI Securities, AIC General Insurance (Charties), AIG Securities, AIG Investments •Managing Director of Nan Shan Life Insurance •Director-General of the Insurance Bureau of the Financial Supervisory Commission, the Executive Yuan •Division Director of the Securities and Futures Commission, the Ministry of Finance •Foreign commercial service in Washington, D.C., U.S.A. appointed by the Ministry of Economic Affairs. MBA (International Business), George Washington University, DC, USA	Note 2	None	None	None	None
	160,760	0.00	0	0.00	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				
							Ordinary shares		Preferred shares		Ordinary 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.	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	2.03	9,371,667	0.21	
		Representative: Wu, Cheng-Ching	Male Over 71			2001/12/07	-	-	-	-	0	0.00	0	0.00	
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	13,751,388	0.06	883,864	0.02	
		Representative: Kuo, Jui-Sung	Male Over 71			2010/06/18	-	-	-	-	763,841	0.00	2,263	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	

Base date: Feb. 28, 2026 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
	Ordinary shares		Preferred shares		Ordinary shares		Preferred shares				Title	Name	Relationship	
	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake	Number of shares	Share of stake						
	0	0.00	0	0.00	0	0.00	0	0.00	•Director and Supervisor of TS 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 3	None	None	None	None
	8,118,599	0.03	227,823	0.01	0	0.00	0	0.00						
	0	0.00	0	0.00	0	0.00	0	0.00	•Director of TS 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 4	Chairman	Wu, Tong-Liang	Brother in law	None
	3,936,792	0.02	550,186	0.01	2,792,461	0.01	10,000,000	0.22						
	0	0.00	0	0.00	0	0.00	0	0.00	•Independent Director of TS 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

Title	Nationality	Name	Gender / Age	Date of getting elected (Date of appointment)	Term	Date of first getting elected	Shareholding upon election				Current shareholding				
							Ordinary shares		Preferred shares		Ordinary 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	
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 Jin Xian Investment.

Note 2: Representative Wei, Pao-Sheng is concurrently acting as Chairman of Shin Kong Life Insurance, Independent Director of Nuvoton Technology, Independent Director of Advanced Lithium Electrochemistry , Independent Director of Ainos, Director of Unitravel Services, Director of Ascendo Biotechnology.

Base date: Feb. 28, 2026 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
	Ordinary shares		Preferred shares		Ordinary 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	•Independent Director of TS 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 •Independent Director of Trust Bank Singapore Limited MBA, University of Southern California, CA, USA	Note 6	None	None	None	None
	424	0.00	110	0.00	0	0.00	0	0.00	•Independent Director of TS 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 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.

Note 4: 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 5: Wang, Mei-Hua is concurrently acting as Independent Director of Taishin Bank.

Note 6: Kuan, Kuo-Lin is concurrently actingas Independent Director of Trust Bank Singapore Limited.

Note 7: Chang, Min-Yu is concurrently acting as Independent Director of Taishin Bank, Independent Director of Microloops.

Major shareholders of institutional shareholders

Base date: Feb. 28, 2026

Names of Institutional shareholders	Major shareholders of institutional shareholders
Chia Hao Co., Ltd.	Wu, Tong-Liang 99.177%, Peng, Hsueh-Fen 0.823%
Santo Arden Co., Ltd.	Chang, Li-Wan 51.7%, Wang, Wei-Ren 23.7%, Wang, Wei-Hao 23.7%, Wang, Chu-Chan 0.9%
TASCO Chemical Co., Ltd.	Tai-He Investment Co., Ltd. 58.20%, He-Cheng Investment Co., Ltd. 19.55%, Taiwan Fieldrich Corp. 9.94%, Da-Jhan 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%

Major shareholders of major institutional shareholders

Base date: Feb. 28, 2026

Names of major Institutional Shareholders	Major shareholders of major institutional shareholders
Tai-He Investment Co., Ltd.	Wu, Shang-Pin 26.09%, Taiwan Fieldrich Corp. 19.96%, He-Cheng Investment Co.,Ltd. 18.15%, Da-Jhan 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%, Taiwan Fieldrich Corp. 1.89%
Taiwan Fieldrich Corp.	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 9.33%, Wu, Pei-Rong 16.47%
Da-Jhan Investment & Development Co., Ltd.	He-Cheng Investment Co., Ltd. 32.85%, Taiwan Fieldrich Corp. 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

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 TS Holdings and Taishin Bank · Chairman of CNAIC, Chairman of Taishin Charity Foundation · Chairman and Director of Taishin Venture Capital Investment · Chairman and President of Shin Kong 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 Shin Kong Insurance and the pre-merger 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
Wei, Pao-Sheng (Vice Chairman)	Industry experience/Professional training: Financial holding, banking, insurance, securities, risk management Principal Experience: · Vice Chairman of TS Holdings, Chairman of Shin Kong Life Insurance · Chairman of Shin Kong Financial Holding and the pre-merger Shin Kong Life Insurance · Chairman of KGI Bank, KGI Securities, AIC General Insurance (Charties), AIG Securities, AIG Investments · Managing Director of Nan Shan Life Insurance · Director-General of the Insurance Bureau of the Financial Supervisory Commission, the Executive Yuan · Division Director of the Securities and Futures Commission, the Ministry of Finance · Foreign commercial service in Washington, D.C., U.S.A. appointed by the Ministry of Economic Affairs. 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 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. (4) 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. (5) 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. (6) 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. (7) 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.	3

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 TS 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 TS 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, Mei-Hua (Independent director)	Industry experience/ Professional training: Financial holding, banking, law, commerce, risk management Principal Experience: · Independent Director of TS 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 TS 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 · Independent Director of Trust Bank Singapore Limited 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 TS 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 4 Masters degree holders. The members have an extensive range of expertise from business administration, accounting, law, physics, to engineering.

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
Vice Chairman	Wei, Pao-Sheng	Male	V						V				V	V		V	V	V	V	Financials
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
Independent director	Wang, Mei-Hua	Female	V					V	V				V			V	V			Energy, Industrials and 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:

TS Holdings elects its board members according to the " Director Election Policy." 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 director candidates to submit an "Statement of Independent Director", 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	Name	Gender	Date of getting elected	holding of shares				Shares Held by the Spouse and Minor Children				
					Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	
President	R.O.C.	Welch Lin	Male	2018/3/9	7,896,412	0.03%	350,000	0.01%	-	0.00%	-	0.00%	
Chief Auditor	R.O.C.	Amy Hsia	Female	2022/5/12	430,690	0.00%	40,000	0.00%	-	0.00%	-	0.00%	
Chief Investment Officer	R.O.C.	Henry Chan	Male	2026/01/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Senior Executive Vice President	R.O.C.	Carol Lai	Female	2018/01/01	1,789,674	0.01%	-	0.00%	-	0.00%	-	0.00%	
Senior Executive Vice President	R.O.C.	Oliver Shang	Male	2025/07/24	1,584,160	0.01%	-	0.00%	-	0.00%	-	0.00%	
Senior Executive Vice President	USA	Greg Gibb	Male	2025/10/20	481,604	0.00%	-	0.00%	-	0.00%	-	0.00%	
Senior Executive Vice President	R.O.C.	Stephen Chen	Male	2025/07/24	574,077	0.00%	249,499	0.01%	-	0.00%	-	0.00%	
Executive Vice President	R.O.C.	Sam Lin	Male	2023/02/01	1,953,243	0.01%	80,314	0.00%	-	0.00%	-	0.00%	
Chief Information Officer	R.O.C.	Steve Sun	Male	2017/03/01	131,620	0.00%	-	0.00%	7,252	0.00%	1,888	0.00%	
Chief Digital and Technology Officer	USA	Shen Zhang	Male	2024/10/16	-	0.00%	-	0.00%	-	0.00%	-	0.00%	

Base date: Feb. 28, 2026

	Nominee shareholding				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
	Ordinary share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
	-	0.00%	-	0.00%	Chief Financial Officer, Taishin Financial Holding Co., Ltd. General Manager, Taipei Branch, ABN AMRO Securities Asia Limited University of California, Los Angeles (UCLA), Master of Business Administration George Washington University Master of Science	Director, Taishin Life Insurance Co., Ltd. Director, Taishin Securities Co., Ltd. Director, Taishin Venture Capital Co., Ltd. Supervisor, Taishin Asset Management Co., Ltd. Supervisor, Taishin Construction Management Co., Ltd. Director, Taishin Da-An Leasing Co., Ltd. Supervisor, Delin Industrial Co., Ltd. Supervisor, Delin Investment Co., Ltd. Supervisor, Anjie Investment Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Chief Audit Executive, Taishin International Bank Co., Ltd. Department of Law, Chinese Culture University	-	-	-	-	-
	-	0.00%	-	0.00%	Chief Executive Officer, Finance and Financial Market Group, Taishin International Bank Co., Ltd. City, University of London Master of Science in Investment Management	Chief Executive Officer, Finance and Financial Market Group, Taishin International Bank Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Chief Financial Officer and Chief Investment Officer Taishin Financial Holding Co., Ltd. Executive Vice President Chang Hwa Commercial Bank, Ltd. B.A. in Accounting, Department of Business Administration National Taiwan University	Chairman, Taishin Securities Investment Trust Co., Ltd. Director, Cosmos Foreign Exchange Intl. Co., Ltd. Director, Taipei Metro Management Consulting Co., Ltd. Director, Yuanta Capital Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Vice Chairman and President, Taishin International Bank Co., Ltd. Head of Global Consumer Banking, CTBC Bank Co., Ltd. University of Delaware Master of Business Administration	Vice Chairman and President, Taiwan Shin Kong Commercial Bank Co., Ltd. Director, Taishin Sports Entertainment Co., LTd.	-	-	-	-
	-	0.00%	-	0.00%	Chairman, Shanghai Lujiazui International Financial Asset Exchange Co., Ltd. Chief Innovation Officer, Ping An Insurance (Group) Company of China, Ltd. Chief Operating Officer, Taishin Financial Holding Co., Ltd. Middlebury College Major in East Asian Studies	-	-	-	-	-
	-	0.00%	-	0.00%	President, Shin Kong Financial Holding Co., Ltd. The University of Bath Master of Business Administration	Chairman and President, Shin Kong Venture Capital International Co., Ltd.	-	-	-	-
	0	0%	0	0%	President, UBS Global Asset Management Executive Vice President, Taishin International Bank Co., Ltd. Claremont McKenna College,Master of Accounting	Vice Chairman, Taishin Securities Investment Trust Company Limited Director, Taishin Sports Entertainment Co., LTd. Chief Executive Officer, Private Banking and Wealth Management Group, Taishin International Bank Co., Ltd. Director, Yong Sheng Trading Company	-	-	-	-
	0	0%	0	0%	Vice President, IBM Taiwan Corporation Executive Master of Business Administration (EMBA), College of Commerce, National Chengchi University	Executive Vice President, Taishin International Bank Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Chief Risk Officer (Retail) and Chief Data Officer, Ping An Bank Co., Ltd. Ph.D. in Statistics from The Ohio State University	Executive Vice President, Taishin International Bank Co., Ltd.	-	-	-	-

Title	Nationality	Name	Gender	Date of getting elected	holding of shares				Shares Held by the Spouse and Minor Children				
					Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	
Executive Vice President	R.O.C.	Frank Lin	Male	2011/02/03	832,456	0.00%	210,667	0.00%	79,137	0.00%	49,843	0.00%	
Chief Financial Officer	R.O.C.	Linda Chen	Female	2026/01/01	129,248	0.00%	14,344	0.00%	-	0.00%	-	0.00%	
Chief Risk Officer	R.O.C.	Jeremy Kung	Male	2022/05/03	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Chief Information Security Officer	R.O.C.	Jeff Chen	Male	2024/01/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	Masson Li	Male	2022/08/01	-	0.00%	14,000	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	David Lee	Male	2025/07/24	230,770	0.00%	40,000	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	Ting-NingYu	Female	2019/09/01	534,522	0.00%	30,255	0.00%	-	0.00%	20,000	0.00%	
Senior Vice President	R.O.C.	Janice Liang	Female	2025/02/01	426,222	0.00%	1,459	0.00%	232,919	0.00%	1,819	0.00%	
Senior Vice President	R.O.C.	Hung-HanTsai	Male	2026/01/01	-	0.00%	31,000	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	Adeline Jai	Female	2021/06/16	384,895	0.00%	46,142	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	Patrick Wu	Male	2022/07/01	-	0.00%	-	0.00%	740,429	0.00%	88,327	0.00%	
Senior Vice President	R.O.C.	Michael Liao	Male	2024/07/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Senior Vice President	R.O.C.	K.P. LIN	Male	2025/07/24	211,823	0.00%	55,162	0.00%	-	0.00%	-	0.00%	

Base date: Feb. 28, 2026

	Nominee shareholding				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
	Ordinary share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
	-	0.00%	-	0.00%	Executive Vice President, TS Financial Holding Co., Ltd. University of Southern California, USA, Master of Public Administration	Executive Vice President, Taishin International Bank Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Executive Vice President, TS Financial Holding Co., Ltd. University of Texas at Austin Master of Business Administration	Director, Taishin Securities Investment Advisory Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, Risk Management Division, Cathay United Bank University of Minnesota: Carlson School Master of Finance	-	-	-	-	-
	-	0.00%	-	0.00%	Chief, Information Division, Criminal Investigation Bureau, National Police Agency Master of Science in Computer Science and Information Engineering, National Taiwan University of Science and Technology	Chief Information Security Officer, Taishin International Bank CO., LTD.	-	-	-	-
	-	0.00%	-	0.00%	President, Taishin Securities Investment Advisory Co., Ltd. University of Wisconsin-Madison Doctor of Philosophy in Economics	Vice Chairman, Taishin Securities Investment Advisory Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, Taishin Securities Co., Ltd. Department of Banking and Insurance, Taipei College of Commerce	Chairman, Taishin Futures Co., Ltd. Director, Chung Tai Leasing Co., Ltd. Senior Vice President, Taishin Securities Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Division of Financial and Economic Law, Department of Law, Fu Jen Catholic University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. University of Southern California Master of Education Studies	Senior Vice President, Taishin International Bank Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Vice President, Taishin Life Insurance Co., Ltd. Department of Finance, National Chengchi University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Department of Law, National Taiwan University (Division of Law)	-	-	-	-	-
	-	0.00%	-	0.00%	Vice Chairman and Director, Taishin International Bank Co., Ltd. Director, Shin Kong Life Insurance Co., Ltd. Vice Chairman, Taishin Life Insurance Co., Ltd. Director, Taishin Securities Co., Ltd. Director, Taishin Sports Entertainment Co., LTd. Director, Taishin Capital Management Consulting Co., Ltd. Director, Shin Kong Financial Holding Co., Ltd. Former Director, Shin Kong Life Insurance Co., Ltd. Director, Shin Kong Insurance Co., Ltd Co-founder and Chief Executive Officer, Dynasty Holding International Limited MBA, Waseda University	Vice Chairman, Taishin International Bank Co., Ltd. Vice Chairman, Taishin Sports Entertainment Co., LTd. Director, Taishin Capital Management Consulting Co., Ltd. Director, Taishin Life Insurance Co., Ltd. Vice Chairman, Mega Solar Co., Ltd. Director, An-Shin Construction Management Co., Ltd. Director, An-Sin Construction Management Co., Ltd. Director, Taiwan Farm Products Dachan Food Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. New York University Master of Science in Real Estate	Director, Taishin Asset Management Co., Ltd. Director, Taishin Real-Estate Management Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Chief Information Security Officer and Chief Information Officer, Shin Kong Financial Holding Co., Ltd. International MBA (IMBA), College of Commerce, National Chengchi University	Vice President, Shin Kong Commercial Bank Co., Ltd.	-	-	-	-

Title	Nationality	Name	Gender	Date of getting elected	holding of shares				Shares Held by the Spouse and Minor Children				
					Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	
Senior Vice President	R.O.C.	Shiou-Yu Chang	Female	2025/07/24	221,271	0.00%	51,179	0.00%	457,613	0.00%	17,570	0.00%	
Vice President	R.O.C.	Geo Chen	Male	2025/08/01	-	0.00%	-	0.00%	1,000	0.00%	-	0.00%	
Vice President	R.O.C.	Carrie Chen	Female	2025/08/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Ronnie Wu	Male	2025/08/01	14,658	0.00%	-	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Waverly Chou	Female	2025/08/01	4,292	0.00%	74	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Haley Ho	Male	2025/08/01	-	0.00%	43,000	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Sarita Hao	Female	2025/08/01	154,892	0.00%	-	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Fox Liu	Male	2025/11/01	1,896	0.00%	-	0.00%	-	0.00%	-	0.00%	
Vice President	R.O.C.	Michael Lin	Male	2026/02/06	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Internal Audit Supervisor	R.O.C.	Hunter Yeh	Male	2025/08/01	125,814	0.00%	52,048	0.00%	35,244	0.00%	4,534	0.00%	
Internal Audit Supervisor	R.O.C.	Marcia Lin	Female	2025/08/01	113,853	0.00%	21,062	0.00%	-	0.00%	-	0.00%	
Internal Audit Supervisor	R.O.C.	Hunter Yeh	Male	2025/08/01	125,814	0.00%	52,048	0.00%	35,244	0.00%	4,534	0.00%	
Internal Audit Supervisor	R.O.C.	Marcia Lin	Female	2025/08/01	113,853	0.00%	21,062	0.00%	-	0.00%	-	0.00%	
Senior Auditor	R.O.C.	Lynn Chang	Female	2025/08/01	51,071	0.00%	58,302	0.00%	8,364	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Teresa Hung	Female	2025/08/01	138,883	0.00%	9,166	0.00%	879	0.00%	229	0.00%	
Assistant Vice President	R.O.C.	Tina Chen	Female	2025/08/01	-	0.00%	4,000	0.00%	-	0.00%	-	0.00%	

Base date: Feb. 28, 2026

	Nominee shareholding				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
	Ordinary share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
	-	0.00%	-	0.00%	Chief Legal Officer, Shin Kong Financial Holding Co., Ltd. Master of Business Administration (MBA), College of Management, National Taiwan University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Master of Science in Finance (M.S.),Department of Finance, National Central University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Executive MBA (Accounting and Management Decision),College of Management, National Taiwan University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. New York Institute of Technology Master of Business Administration	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Univ.of California at Berkeley Master of Business Administration	Responsible Person, Pin Xue Qu Life Enterprise Co., Ltd.	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. Institute of Management Science, National Chiao Tung University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. New York Institute of Technology Master of Arts with distinction Communication Arts	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. EMBA Program, Department of Information Management, National Taiwan University of Science and Technology	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Vice President, TS Financial Holding Co., Ltd. University of Missouri-Columbia,USA Master of Business Administration	-	-	-	-	-
	-	0.00%	-	0.00%	Internal Audit Division Manager, TS Financial Holding Co., Ltd. Department of Business, National Open University	-	-	-	-	-
	-	0.00%	-	0.00%	Internal Audit Division Manager, TS Financial Holding Co., Ltd. Department of Business Administration, Fu Jen Catholic University	-	-	-	-	-
	-	0.00%	-	0.00%	Internal Audit Division Manager, TS Financial Holding Co., Ltd. Department of Business, National Open University	-	-	-	-	-
	-	0.00%	-	0.00%	Internal Audit Division Manager, TS Financial Holding Co., Ltd. Department of Business Administration, Fu Jen Catholic University	-	-	-	-	-
	-	0.00%	-	0.00%	Senior Auditor, TS Financial Holding Co., Ltd. Department of Law, National Chung Hsing University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Central Queensland University Business Administration	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. University of Southern California Communication Management	Supervisor, Dong Hong Investment Co., Ltd.	-	-	-	-

Title	Nationality	Name	Gender	Date of getting elected	holding of shares				Shares Held by the Spouse and Minor Children				
					Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	Ordinary shares	Share of stake (%)	Preferred shares	Share of stake (%)	
Assistant Vice President	R.O.C.	Justin Ho	Male	2025/08/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Mike Chang	Male	2025/08/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Jennifer Chen	Female	2025/08/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Shirley Lin	Female	2025/08/01	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Lirong Huang	Female	2025/08/01	1,873	0.00%	7,537	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Stone Fang	Male	2025/08/01	-	0.00%	10,264	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Hsin-Nan Li	Male	2025/08/01	99,595	0.00%	25,936	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Emily Lu	Female	2025/08/01	35,620	0.00%	15,276	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Jerry Wei	Male	2025/08/01	-	0.00%	-	0.00%	627	0.00%	163	0.00%	
Assistant Vice President	R.O.C.	Nathan Liang	Male	2025/08/01	48,000	0.00%	-	0.00%	-	0.00%	-	0.00%	
Assistant Vice President	R.O.C.	Chiu-LinYeh	Female	2025/08/01	25,508	0.00%	17,275	0.00%	-	0.00%	-	0.00%	
Senior Manager	R.O.C.	Eva Wu	Female	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	Compensation	Share in after-tax net profit
				Company and title	Date of retirement					
None										

Base date: Feb. 28, 2026

	Nominee shareholding				Education and principal experience	Current jobs with other companies	Spouse or relatives within second-degree kinship who serve managerial posts			Note
	Ordinary share	Share of stake (%)	Preferred shares	Share of stake (%)			Title	Name	Relationship	
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Master's Program, Department of Shipping and Transportation Management, National Taiwan Ocean University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Columbia University in the City of New York Master of Arts"	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. University of British Columbia,Vancouver,Canada Bachelor of Arts in Economics	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. The University of Washington Master of Laws	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Department of Financial and Economic Law, National Taipei University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Graduate Institute of Information Management, Ming Chuan University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Graduate Institute of Epidemiology, National Taiwan University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Graduate Institute of Business Administration, National Central University	Independent Director, SR GROUP HOLDINGS	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Graduate Institute of Technology Management, National Chung Hsing University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. Department of Industrial Engineering and Management Information, Huafan University	-	-	-	-	-
	-	0.00%	-	0.00%	Associate Vice President, TS Financial Holding Co., Ltd. In-Service Master's Program, Department of Banking and Finance, Tamkang University	-	-	-	-	-
					"Senior Manager, Accounting and Tax Department, Finance Division, Next Commercial Bank Co., Ltd. Department of Accounting, National Taiwan University"	-				

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.	130,949	180,212	-	-	198,410	198,410	753	4,329	
	Representative: Wu, Tong-Liang									
Director	Santo Arden Co., Ltd.									
	Representative: Wang, Chu-Chan(2025/7/24 resign)									
Vice Chairman	Santo Arden Co., Ltd.									
	Representative: Wei, Pao-Sheng(2025/7/24 on board)									
Director	Hsiang-Chao Co., Ltd.									
	Representative: Kuo, Jui-Sung									
Director	TASCO Chemical Co., Ltd.									
	Representative: Wu, Cheng-Ching									
Independent Director	Wang, Mei-Hua	17,700	19,756	-	-	48,153	48,153	1,018	2,333	
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 2025; numeration for them is disclosed according to their term in office.

Note 2: Compensations of the driver is NT 2,476,000.

Note 3: All recipients of director remuneration, except for independent directors, are institutional directors. The actual amount of remuneration in 2025 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 2025 is the amount expected to be settled after the vesting period.

Note 7: The Company’s net income after tax for 2025 increased by more than 10% compared to the previous year.Due to the impact of the financial holding company merger, the average annual salary of full-time non-managerial employees was NT1.485million in 2025.Excluding the impact of the merger, the average annual salary of full–time employees of the original company would have been NT1.592 million, representing an increase compared to NT$1.511 million in 2024. Accordingly, the remuneration disclosure for directors and the President is presented on an aggregated basis, with names disclosed by remuneration bracket.

Base date: Dec. 31, 2025 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			
	330,112 (0.88%)	382,951 (1.03%)	-	-	-	-	-	-	-	-	330,112 (0.88%)	382,951 (1.03%)	-
	66,871 (0.18%)	70,242 (0.19%)	-	-	-	-	-	-	-	-	66,871 (0.18%)	70,242 (0.19%)	-

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)	Wu, Cheng-Ching	Wu, Cheng-Ching	Wu, Cheng-Ching	Wu, Cheng-Ching
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)	Kuo, Jui-Sung	Kuo, Jui-Sung	Kuo, Jui-Sung	Kuo, Jui-Sung
NT$10 M. (inclusive) - NT$15 M. (exclusive)	Wei, Pao-Sheng		Wei, Pao-Sheng	
NT$15 M. (inclusive) - NT$30 M. (exclusive)	Hsiang-Chao Co., Ltd/ Mei-Hua Wang/ Kuo-Lin Kuan/ Min-Yu Chang	Hsiang-Chao Co., Ltd/ Wei, Pao-Sheng/ Mei-Hua Wang/ Kuo-Lin Kuan/ Min-Yu Chang	Hsiang-Chao Co., Ltd/ Mei-Hua Wang/ Kuo-Lin Kuan/ Min-Yu Chang	Hsiang-Chao Co., Ltd/ Wei, Pao-Sheng/ Mei-Hua Wang/ Kuo-Lin Kuan/ Min-Yu Chang
NT$30 M. (inclusive) - NT$50 M. (exclusive)	SANTO ARDEN CO., LTD. / TASCO Chemical Co., Ltd.	SANTO ARDEN CO., LTD. / TASCO Chemical Co., Ltd.	SANTO ARDEN CO., LTD. / TASCO Chemical Co., Ltd.	SANTO ARDEN CO., LTD. / TASCO Chemical Co., Ltd.
NT$50 M. (inclusive) - NT$100 M. (exclusive)				
Over NT$100 M.	Chia Hao Co., Ltd./ Wu, Tong-Liang	Chia Hao Co., Ltd./ Wu, Tong-Liang	Chia Hao Co., Ltd./ Wu, Tong-Liang	Chia Hao Co., Ltd./ Wu, Tong-Liang
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, 2025 Unit: NT$1,000

Title	Name	Salary (A)		Job-leaving or retirement payment (B)		Bonus and special allowance (C)		Employee dividend-sharing (D)				Combination of A,B,C and D and share in after-tax net profit		Compensations from investees other than subsidiaries or from parent company
		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			
President	Welch Lin	104,118	115,197	1,503	1,782	247,437	291,343	-	-	-	-	353,058 (0.95%)	408,322 (1.09%)	24
Chief Auditor	Amy Hsia													
Chief Financial Officer	Carol Lai													
Chief Information Officer	Steve Sun													
Chief Risk Officer	Jeremy Gong													
Chief Information Security Officer	Jeff Chen													
Chief Digital & Technology Officer	Shen Zhang													
Senior Executive Vice Prisident	Oliver Shang (2025/07/24 on board)													
Senior Executive Vice Prisident	Stephen Chen (2025/07/24 on board)													
Senior Executive Vice Prisident	Greg Gibb (2025.10.20 on board)													
Senior Executive Vice Prisident	Amy Cao (2025/09/01 resign)													
Executive Vice President	Frank Lin													
Executive Vice President	Sam Lin													
Senior Vice President	David Lee (2025/07/24 on board)													
Senior Vice President	David Chang (2025/03/01 resign)													
Senior Vice President	Janice Liang (2025/02/01 on board)													

Base date: Dec.31, 2025 Unit: NT$1,000

Title	Name	Salary (A)		Job-leaving or retirement payment (B)		Bonus and special allowance (C)		Employee dividend-sharing (D)				Combination of A,B,C and D and share in after-tax net profit		Compensations from investees other than subsidiaries or from parent company
		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			
Senior Vice President	Ting-Ning Yu	104,118	115,197	1,503	1,782	247,437	291,343	-	-	-	-	353,058 (0.95%)	408,322 (1.09%)	24
Senior Vice President	Adeline Jai													
Senior Vice President	Vincent Tsai (2025/05/01 resign)													
Senior Vice President	Patrick Wu													
Senior Vice President	Masson Lee													
Senior Vice President	Christy Shyy (2025/05/01 resign)													
Vice president	Linda Chen (2025/05/01 on board)													
Vice president	Avon Fan													
Vice president	Michael Liao													
Vice president	Keng Shyy (2025/05/01 resign)													
Vice president	K.P. Lin (2025/07/24 on board)													
Vice president	Xiu Yu Chang (2025/07/24 on board)													
Vice president	Wei Xiong Chang (2025/07/24 on board, 2025/10/01 resign)													

Note 1: The individuals on this form include those who served as President or Vice President, newly appointed or resigned notwithstanding, during 2025; numeration for them is disclosed according to their term in office.
Note 2: Compensations of the driver is NT$4,290,000.
Note 3: Information on remuneration in the form of stock appreciation rights (SARs) in 2025 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.	Jeff Chen/ David Chang/ Janice Liang/ Vincent Tsai/ Christy Shyy	
NT$1 M. (inclusive)-NT$2 M. (exclusive)	Wei-Xiong, Chang	David Chang/ Wei-Xiong Chang
NT$2 M. (inclusive)-NT$3.5 M. (exclusive)	Keng Shyy/ K.P. Lin/Xiu-Yu Chang	Christy Shyy/ Kneg Shyy/K.P. Lin/ Xiu-Yu Chang
NT$3.5 M. (inclusive)-NT$5 M. (exclusive)	Avon Fan	Vincent Tsai/ Avon Fan
NT$5 M. (inclusive)-NT$10 M. (exclusive)	Stephen Chen/ Greg Gibb/ David Lee/ Adeline Jai/ Linda Chen/Michael Liao	Stephen Chen/ Greg Gibb/ David Lee/ Adeline Jai/ Linda Chen/Michael Liao
NT$10 M. (inclusive)-NT$15 M. (exclusive)	Steve Sun/ Masson Lee	Steve Sun/ Jeff Chen/Janice Liang/ Masson Lee
NT$15 M. (inclusive)-NT$30 M. (exclusive)	Amy Hsia/ Carol Lai/ Jeremy Gong/ Shan Zhang/ Sam Lin/ Oliver Shang/ Amy Cao/ Frank Lin/ Ting-Ning Yu/ Patrick Wu	Amy Hsia/ Carol Lai/ Jeremy Gong/ Shan Zhang/ Sam Lin/Amy Cao/ Frank Lin/ Ting-Ning Yu/ Patrick Wu
NT$30 M. (inclusive)-NT$50 M. (exclusive)		Oliver Shang
NT$50 M. (inclusive)-NT$100 M. (exclusive)	Welch Lin	Welch Lin
Over NT$100 M.		
Total	29	29

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 2025, total compensations for directors, president, and vice presidents accounted for 2.01% of the after-tax net profit and the percentage in the consolidated financial statements was 2.31%. In 2024, total compensations for directors, supervisors, 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%.
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 "TS Appreciation Rights Plan"and "TS Top Executive Teams Stock Trust 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 (2025), the board of directors convened 19 times and status of attendance by directors follows:

Term	Title	Name	Attendance in Person	Attendance by proxy	Actual attendance rate (%)	Note
The 9th board	Chairman	Chia Hao Co., Ltd. Representative: Wu, Tong-Liang	19	0	100.00	
	Vice Chairman	Santo Arden Co., Ltd. Representative: Wei, Pao-Sheng	8	0	100.00	Reappointed on July 23, 2025; duty commenced on July 24, 2025
	Director	TASCO Chemical Co., Ltd. Representative: Wu, Cheng-Ching	18	1	94.74	
	Director	Hsiang-Chao Co., Ltd. Representative: Kuo, Jui-Sung	18	1	94.74	
	Director (Resigned)	Santo Arden Co., Ltd. Representative: Wang, Chu-Chan	10	1	90.91	Resigned on July 24, 2025
	Independent Director	Wang, Mei-Hua	19	0	100.00	
	Independent Director	Kuan, Kuo-Lin	14	5	73.68	
	Independent Director	Chang, Min-Yu	18	1	94.74	

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 2025				
Date	Agenda	Director names	Reason for conflict of interest	Voting results
2025/01/16	Approval for the number of months paid to directors in 2024	Tong-Liang Wu, Cheng-Ching Wu, Jui-Sung Kuo, Chu-Chan Wnag, Mei-Hua Wang, Kuo-Lin Kuan, Min-Yu Chang	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; or voluntary recusal.	Recusal during discussions and voting
2025/03/27	Adjustment of monthly remuneration for the Chairman	Tong-Liang Wu		Recusal during discussions and voting
2025/05/15	Appointment of members to the 14th directors and supervisors of Taishin Securities	Tong-Liang Wu		Recusal during discussions and voting
2025/07/24	Adjustment of monthly remuneration for the Chairman, the Vice Chairman and directors.	Tong-Liang Wu, Pao-Sheng Wei, Cheng-Ching Wu, Jui-Sung Kuo,		Recusal during discussions and voting
2025/07/24	Appointment of Mr. Wu, Tung-Chin as the Honorary Chairman of the Company.	Tong-Liang Wu		Recusal during discussions and voting
2025/08/28	Appointment and reassignment of the representative of institutional director of Shin Kong Life Insurance, Taishin Securities and Shin Kong Bank.	Tong-Liang Wu		Recusal during discussions and voting
2025/09/25	Temporary cessation of filing a lawsuit in response to the request from the Securities and Futures Investors Protection Center.	Tong-Liang Wu		Recusal during discussions and voting
2025/10/30	Donation to the Chinese National Association of Industry and Commerce.	Tong-Liang Wu		Recusal during discussions and voting
2025/12/18	Appointment and reassignment of the representative of institutional director of Taishin Life Insurance and nomination of candidates for the chairman and vice chairman.	Pao-Sheng Wei, 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	2024/07/01~2025/06/30	Board of directors and functional committees	Internal board self assessment, director self assessment, and functional committee (including the Audit Committee, the Remuneration Committee, the Risk Management Committee, the Nomination Committee and the Corporate Sustainablity Committee) member self assessment	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, The Company 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 2025 (for the period between July 1st, 2024 and June 30th, 2025). All results were rated "target exceeded". The result above has been submitted to the 25th meeting of the 9th board of directors on October 30th, 2025 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, 2023 and December 31, 2023) 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 (2025) audit committee convened 17 times and status of attendance:

Term	Title	Name	Actual number of attendance	Attendance by Proxy	Attendance rate (%)	Note
The 4th committee	Independent Director	Chang, Min-Yu	17	0	100.00	
	Independent Director	Wang, Mei-Hua	17	0	100.00	
	Independent Director	Kuan, Kuo-Lin	13	4	76.47	

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 TS FHC. The financial statements have been audited and certified by CPA Wen-Fang Fuh and CPA Cheng-Tao Chang of EY 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 TS FHC. On September 22, 2025, it was reviewed and passed in the 23rd meeting of the 4th Audit Committee and the 22nd meeting of the 9th board of directors that CPA Wen-Fang Fuh and CPA Cheng-Tao Chang of EY Taiwan met the independence criteria and were sufficiently qualified to perform accounting certification for TS 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
2025/02/20 11th meeting of the 4th Audit Committee	2024 consolidated financial statements	Approved	None	N/A
2025/03/27 14th meeting of the 4th Audit Committee	2024 audited financial statements	Approved	None	N/A
	2024 statement on the Internal Control System	Approved	None	N/A
2025/04/07 16th meeting of the 4th Audit Committee	2024 earnings distribution plan	Approved	None	N/A
2025/04/24 17th meeting of the 4th Audit Committee	Proposed issuance of the Company's ordinary shares, class G registered preferred shares, and class H registered preferred shares in connection with the merger with Shin Kong Financial Holidng.	Amendment approved	None	N/A
	Subscription of fractional shares resulting from the issuance of ordinary shares and class H registered preferred shares to fund the merger consideration.	Approved	None	N/A
	2024 Business Report	Amendment approved	None	N/A
	Amendments to the Company's Articles of Incorporation.	Amendment approved	None	N/A
2025/05/15 18th meeting of the 4th Audit Committee	2025 Q1 consolidated financial statements	Approved	None	N/A
	Appointment of Wu, Shin-Hau as the 14th representative of institutional director of Taishin Securities.	Approved	None	N/A
2025/06/26 19th meeting of the 4th Audit Committee	Proposed application to the Luxembourg Stock Exchange to participate in the issuance of global depositary receipts for the purpose of succeeding the outstanding depositary receipts issued by Shin Kong Financial Holidng.	Approved	None	N/A
2025/07/24 21st meeting of the 4th Audit Committee	Appointment of Mr. Wu, Tung-Chin as the Honorary Chairman of the Company.	Approved	None	N/A
2025/08/28 22nd meeting of the 4th Audit Committee	Amendment of 2025 audit plan	Amendment approved	None	N/A
	2025 H1 consolidated financial statements	Approved	None	N/A
	Appointment and reassignment of the representative of institutional director of Shin Kong Life Insurance and Taishin Securities.	Amendment approved	None	N/A
	Amendments to the Remuneration Committee Charter.	Amendment approved	None	N/A
2025/09/22 23rd meeting of the 4th Audit Committee	Replacement of the CPAs and termination of the current CPAs from the third quarter of 2025.	Approved	None	N/A
2025/09/25 24th meeting of the 4th Audit Committee	Temporary cessation of filing a lawsuit in response to the request from the Securities and Futures Investors Protection Center.	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
2025/10/30 25th meeting of the 4th Audit Committee	Donation to the Chinese National Association of Industry and Commerce.	Approved	None	N/A
	With respect to accounting treatment concerns related to redeemable financial bonds indirectly acquired by the Company due to the merger with Shin Kong Financial Holding, please promptly request an interpretation of relevant matters from the Accounting Research and Development Foundation based on the materials prepared by the Audit Committee.	Approved	None	N/A
2025/11/27 26th meeting of the 4th Audit Committee	2025 Q3 consolidated financial statements	Amendment approved	None	N/A
2025/12/18 27th meeting of the 4th Audit Committee	2026 audit plan	Approved	None	N/A
	Appointment of Wei, Pao-Sheng as the 10th representative of institutional director of Taishin Life Insurance and removal of Kuan, Kuo-Lin from his positions as the 10th representative of institutional director and independent director of Taishin Life Insurance.	Amendment approved	None	N/A
	Appointment of Linda Chen as Financial Officer	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 2025 to prevent conflicts of interest				
Date of Audit Committee meeting	Agenda	Name of independent director	Reason for conflict of interest	Voting result
2025/12/18 27th meeting of 4th Audit Committee	Appointment of Wei, Pao-Sheng as the 10th representative of institutional director of Taishin Life Insurance and removal of Kuan, Kuo-Lin from his positions as the 10th representative of institutional director and independent director of Taishin Life Insurance.	Kuo-Lin Kuan	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

(3) Between independent directors and internal auditors and CPAs

A. Between independent directors and internal auditors in 2025

(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
2025/02/20	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 Q3 and Q4.	Duly noted. Proceeded as recommended.
2025/02/20	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2024 Q4.	Duly noted. Proceeded as recommended.
2025/05/15	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2025 Q1.	Duly noted. Proceeded as recommended.
2025/08/28	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 2025 Q1 and Q2.	Duly noted. Proceeded as recommended.
2025/08/28	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2025 Q2.	Duly noted. Proceeded as recommended.
2025/11/27	The Audit Division presents regular report to the Audit Committee.	Submission of the results of audit work for 2025 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
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
2025/05/15	Forum	Auditors	1. Presented results of the Q1 2025 financial statement audit. 2. Reported on other important issues.	No objection
2025/06/19	Forum	Auditors	1. Reported of the key audit items of the H1 2025 financial statement. 2. Reported on other important issues.	No objection
2025/08/28	Forum	Auditors	1. Presented results of the H1 2025 financial statement audit. 2. Reported on key audit items. 3. Reported on other important issues.	No objection
2025/11/27	Forum	Auditors	1. Presented results of the Q3 2025 financial statement audit. 2. Reported on other important issues.	No objection
2025/12/18	Forum	Auditors	1. Reported of the key audit items of the 2025 financial statement. 2. Reported on other important issues.	No objection
2026/02/26	Forum	Auditors	1. Presented results of the 2025 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.tsholdings.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	Deviations from the Corporate Governance Best-Practice Principles for Banks and the reasons
			Summary description	
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 the Company's major shareholders. This information is also disclosed in the Company'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 the Company has established and implemented in affiliated companies: TS Holdings has established a Related Party Transaction Policy and rules of implementation to regulate transactions with stakeholders. In addition, the Company and its main subsidiaries (including banking, life insurance and securities) have established information security policies and management guidelines to strengthen risk control over information systems and electronic data among affiliated companies, and have established firewall mechanisms to ensure connection security.	

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, TS 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, 2025, 4 committee meetings have been held and the attendance rate was 91.67%. 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. Four committee meetings were held in 2025 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 TS Holdings's Corporate Governance Principles and Guidelines for Assessing Independence and Suitability of CPAs, TS Holdings conducts annual assessments of the independence of its CPAs. The results were submitted to and underwent deliberation in the 23rd meeting of the 4th Audit Committee and the 22nd meeting of the 9th Board of Directors on September 22, 2025. TS Holdings deems that CPA Wen-Fang Fuh and Cheng-Tao Chang of EY Taiwan meet TS Holdings' independence requirements (Note) and are sufficiently qualified to be TS 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>2025/8/22</td><td>Chinese National Association of Industry and Commerce</td><td>2025 Taishin Shin Kong Net Zero Summit</td><td>3</td></tr>
<tr><td>2025/9/11</td><td>Chinese National Association of Industry and Commerce</td><td>Treating Customers Fairly: From Regulatory Requirements to Governance Practices</td><td>2</td></tr>
<tr><td>2025/9/11</td><td>Chinese National Association of Industry and Commerce</td><td>Financial Inclusion and Protection of Vulnerable Groups: Issues in Inclusive Governance</td><td>1</td></tr>
<tr><td>2025/9/26</td><td>Securities and Futures Institute</td><td>2025 Insider Trading Prevention Advocacy Seminar</td><td>3</td></tr>
<tr><td>2025/10/16</td><td>Chinese National Association of Industry and Commerce</td><td>Seeing Is Not Always Believing: Virtual Assets and Real-World Money Laundering</td><td>2</td></tr>
<tr><td>2025/10/16</td><td>Taiwan Corporate Governance Association</td><td>Risk and Cybersecurity Issues in the Age of AI</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?	✓		The Company has established an official corporate website available in both Chinese and English, with a dedicated department responsible for collecting and disclosing financial, business, corporate governance, corporate sustainability, and other material information for investors' reference.	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.)?			The Company has established an official corporate website available in both Chinese and English, with a dedicated department responsible for collecting and disclosing financial, business, corporate governance, corporate sustainability, and other material information for investors' reference. The Company has a spokesperson mechanism in place to facilitate external communications. All material information relevant to investors' interests are announced on the Market Observation Post System (MOPS). The spokesperson provides further elaboration where deemed necessary. The Company 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). In principle, the Company holds quarterly investor conferences. The audio and video recordings of conference proceedings are uploaded to our website and the Market Observation Post System (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. TS Holdings made public and filed its 2025 annual financial statements early, within two months after the end of the fiscal year. 2. TS Holdings made public and filed its financial statements for Q1, Q2, and Q3 of 2025 before the deadline, and made public and filed monthly operating status before the deadline. In 2026, 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 TS 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) TS 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. TS Holdings performed splendidly in Taiwan Stock Exchange's 12th Corporate Governance Evaluation, and has been chosen as one of the constituent stocks of the TWSE CG100 Index since June 2015. 2. TS Holdings is committed to providing support in four areas, which are : charity and welfare, arts and culture, sports sponsorship, and financial education. TS Holdings 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 TS 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 TS Holdings 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 TS Holdings · 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 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 had held 9(A) meeting between Jan 1, 2025, and Dec. 31, 2025

(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	9	0	100%	
Member	Wang, Mei-Hua	9	0	100%	
Member	Kuan, Kuo-Lin	7	2	78%	

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) Remuneration Committee practices

Remuneration Committee	Agenda and follow-up	Resolutions	Company reaction base on the opinion of Remuneration Committee
1st meeting of 6th term committee on Jan. 02, 2025	1. Proposal for formulation of the company's 2024 annual bonuses. 2. Proposal for implementation of the "2024 TS Stock Appreciation Rights Program". 3. Proposal for approval of the number of months paid to the company's directors in 2024.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
2nd meeting of 6th term committee on Feb. 06, 2025	1. Proposal for approval of the reservation and deferral of remuneration to the company's directors in 2023. 2. Proposal for distribution of director and employee remuneration of the company for 2024.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
3rd meeting of 6th term committee on Mar. 19, 2025	Report on 2024 performance evaluation results for Taishin FHC employees assigned to subsidiaries.	Noted	-
	1. Proposal for review of the company's director remuneration system. 2. Proposal for regular review of the company's manager remuneration system. 3. Proposal for adjustment of the company's remuneration for managers in 2025. 4. Proposal for adjustment of monthly remuneration for the chairman of the company.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
4th meeting of 6th term committee on Jul. 17, 2025	Proposal for amendments of the company's "Guidelines for Director Remuneration" and "Consultant Management Measures".	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
5th meeting of 6th term committee on Jul. 24, 2025	1. Proposal on the performance evaluation results for 2024 and reappointment for 2025 of the Company's Senior Consultant. 2. 2Proposal for adjustment of monthly remuneration for the chairman, vice chairman and directors of the company.	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
6th meeting of 6th term committee on Aug. 28, 2025	Proposal for amendments of the company's "Wages and Bonuses Guidelines".	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
7th meeting of 6th term committee on Sep. 25, 2025	Proposal for the remuneration plan for the company's newly appointed managers.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
8th meeting of 6th term committee on Oct. 30, 2025	Proposal for the remuneration plan for the company's newly appointed managers.	Passed by a unanimous vote	Submitted to the board of directors and passed by a unanimous vote
9th meeting of 6th term committee on Dec. 18, 2025	1. Proposal on the performance evaluation results for 2024–2025 and reappointment for 2026–2027 of the Company's Senior Consultant. 2. Proposal for the remuneration plan for the company's managers with effect from January 1, 2026.	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.

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 (2025). 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 3rd committee	Convener	Kuo, Jui-Sung	Financial holding, banking, information technology, risk management	3	0	100.00	
	Committee Members	Kuan, Kuo-Lin	Financial holding, banking, insurance, risk management	2	1	66.67	
	Committee Members	Chang, Min-Yu	Financial holding, banking, accounting, information technology, risk management	3	0	100.00	

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.

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
2025/03/27 2nd meeting of the 3rd Nomination Committee	Status of ethical corporate management of the Company in 2024	Approved	None	N/A
2025/08/28 3rd meeting of the 3rd Nomination Committee	Amendments to the Company’s "Ethical Corporate Management Best Practice Principles"	Approved	None	N/A
	Amendments to the Company’s "Nomination Committee Charter"	Approved	None	N/A
2025/10/30 4th meeting of the 3rd Nomination Committee	Performance evaluation reports on the board of directors and functional committees of the Company	Approved	None	N/A
	2026 continuing education plan for directors of the Company	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 Department, 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 2025, the Corporate Sustainability Committee convened four meetings, including the 2025 ESG implement report, 2026 ESG plan, implement plan of IFRS Sustainability Disclosure Standards, 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>TS Holdings 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. TS Holdings 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" and apply the internal carbon pricing mechanism to the company's capital expenditure decision-making.
◆ Follow the "Environmental Sustainability Management Manual" 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 and ISO 50001</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 TS Holdings and its subsidiaries to promote the development of sustainable finance.
◆ Formulate the "Guidelines for Loan Applications Applicable to the Equator Principles" and the "ESG 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. Enviromental 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"Environmental Sustainability Management Manual", the company 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, and establishes essential performance goals through an analysis of energy consumption over previous periods. In 2024, the Company expanded the boundary of ISO14064-1 certification (assurance) to include domestic and foreign subsidiaries under its consolidated financial statements, and complete the Financial Supervisory Commission's " Sustainable Development Roadmap for TWSE- and TPEx-Listed Companies" ahead of schedule. The Company has mobilized a total of 159 subsidiaries and branches to respond to the Ministry of Environment's green office initiative, continuously track the carbon emissions of TS Holdings to assess the achievement of carbon reduction science-based targets, and create a low-carbon and energy-saving office environment.

TS Environmental Management Process
<table><tr><th>ISO international standards</th><th>Scope of 2025 inventory</th><th>Future plans</th></tr><tr><td>ISO 14064-1
Greenhouse Gas Inventory</td><td>TS Holdings
(including subsidiaries and Second-tier subsidiary)</td><td>Continuously execution</td></tr><tr><td>ISO 14001
Environmental Management System</td><td>Main building
of TS Holdings subsidiaries</td><td>Continuously execution</td></tr><tr><td>ISO 50001
Energy Management System</td><td>Main building
of TS Holdings 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 continuously requires employees to bring their own environmental friendly cups, print double-sided, and recycle paper, and sets up stationery recycling boxes, to create a green office environment. The company also hires a qualified professional cleaning service to recycle and process waste. In 2025, the "smart recycling machines" installed across 27 locations of the Company recycled a total of 104,699 batteries, 300,264 PET bottles, and 32,753 aluminum cans, reducing carbon emissions from plastic recycling by approximately 18.9 tCO2e. 2. Green procurement In order to reduce carbon footprint of items purchased, the 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 total value of green procurements in 2025 amounted to NT$302.707 million. 3. Products and services Facing the FinTech wave, Taishin has always adopted the customer-oriented approach. Through the development of new technologies, it provides friendlier financial services that can better meet the needs of customers. Taishin is committed to reducing paper consumption in its operations through innovation and reform proposals and business process management (BPM) projects. By deploying digital and AI technologies, digitizing correspondence and notifications, optimizing systems, and streamlining documentation and operational processes, Taishin aims to improve customer service experience and operational efficiency, dedicated to building a more inclusive and sustainable financial environment. In 2025, total saved paper amounted to 11,056,538 sheets, equivalent to a reduction of approximately 68.1 tCO2e. 4. Improvement in Energy Efficiency The Company adheres to the Net Zero Trilogy and facilitates voluntary carbon emission reduction using multiple energy saving measures (equipment upgrades and behavioral changes among employees). It also evaluates the introduction of new technologies to economize electricity. Any shortfall in carbon reduction is offset by purchasing renewable energy or renewable energy certificates. In addition, internal carbon pricing is adopted to evaluate the most carbon-efficient decisions at the procurement end, thereby controlling the energy consumption of equipment at the source.	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. TS Holdings considers the types of climate risks and opportunities suggested by the TCFD framework, references the IFRS S2 industry-based implementation guidelines, and regularly screens issue lists based on business characteristics, external trends, and internal operational changes. These issue lists are selected from perspectives such as operations, investments, credit, collateral, insurance targets, and suppliers. 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, TS Holdings identify and rank the major climate risks for this year, including increased climate-related regulations, and increased frequency and severity of natural disaster events; the major climate opportunities are green financial products and services. TS Holdings 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:
The complete assurance information has been disclosed in the TS Hodlings Sustainability Report.
<table>
<tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Scope 1(tCO2e)</td><td>5,328</td><td>5,122</td></tr>
<tr><td>Scope 2 - Market-based (tCO2e)</td><td>38,972</td><td>35,839</td></tr>
<tr><td>Total (tCO2e)</td><td>44,299</td><td>40,961</td></tr>
<tr><td>Intensity (tCO2e / NT$ million revenue)</td><td>0.35</td><td>0.51</td></tr>
<tr><td>Scope of data</td><td>Former Taishin Financial Holding’s domestic and foreign subsidiaries included in the consolidated financial statements, and former Shin Kong Financial Holding’s first-tier subsidiaries</td><td>TS Holding’s domestic and foreign subsidiaries included in the consolidated financial statements</td></tr>
</table>
Note 1: The data for 2024 is the aggregate of assurance data from the former Taishin Financial Holding and the former Shin Kong Financial Holding. As of 2025, a complete greenhouse gas assurance opinion has not yet been obtained. Greenhouse gas emissions and intensity figures are estimates. Once assured, the relevant data will be disclosed in the Sustainability Report.
Note 2: Intensity is estimated based on full-year data.</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></td><td></td><td></td><td>
2. Water consumption in last 2 years:
<table>
<tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Total water consumption (Kiloliter)</td><td>572,182</td><td>527,029</td></tr>
<tr><td>Intensity (Kiloliter/NT$ Million revenue)</td><td>4.48</td><td>6.62</td></tr>
<tr><td>Scope of data</td><td>Former Taishin Financial Holding's domestic and foreign subsidiaries included in the consolidated financial statements, and former Shin Kong Financial Holding's first-tier subsidiaries</td><td>TS Holding's domestic and foreign subsidiaries included in the consolidated financial statements</td></tr>
</table>
Note 1: The data for 2024 is the aggregate of data from the former Taishin Financial Holding and the former Shin Kong Financial Holding. Water consumption for some companies in 2024 is based on internal calculations and has not been verified. Water consumption for 2025 has been verified by BSI.
Note 2: Intensity is estimated based on full-year data.

3. Waste in last 2 years:
<table>
<tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Total waste (ton)</td><td>2,122</td><td>2,406</td></tr>
<tr><td>Intensity (ton/NT$ million revenue)</td><td>0.02</td><td>0.03</td></tr>
<tr><td>Scope of data</td><td>Former Taishin Financial Holding's domestic and foreign subsidiaries included in the consolidated financial statements, and former Shin Kong Financial Holding's first-tier subsidiaries</td><td>TS Holding's domestic and foreign subsidiaries included in the consolidated financial statements</td></tr>
</table>
Note 1: The data for 2024 is the aggregate of data from the former Taishin Financial Holding and the former Shin Kong Financial Holding. Waste for some companies in 2024 and 2025 are based on internal calculations and has not been verified.
Note 2: Intensity is estimated based on full-year data.

Management targets for the coming years in the TS FHC Sustainability Report in accordance with Article 16 and Article 17 of the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies. The report is made available on the TS FHC website (TS FHC website/Sustainability/Green Operations). Please visit: https://www.tsholdings.com.tw/tsh/responsibility/green/management/.
</td><td></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 2025.	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?			TS Holdings participates in market-wide salary surveys annually, and designs a fair and incentive compensation system. Each year, TS Holdings 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, TS Holdings utilizes long-term incentive plans - Employee Share Ownership Trust Program and TS Holdings Stock Appreciation Rights Program - as a means of employee retention. Meanwhile, TS Holdings 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.	

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)	
(3) Does the company provide a safe and healthy work environment and organize regular health and safety training for employees?	✓		To prevent occupational disasters and maintain employee health and safety, the company has implemented the TS Holdings 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 six major categories as below. 1. The structure of workplace safety and health management: The Company 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. The Taishin Bank Neihu Building and Shin Kong Life Insurance have fully implemented the ISO 45001 Occupational Health and Safety Management System since 2020. Taishin Bank's current certification is valid until May 18, 2026, while Shin Kong Life's certification is valid until January 15, 2027. Both companies maintained the validity of their certifications in 2025 and continue to ensure the robust operation of the system. 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 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, TS Holdings did not incur any fire hazards or major occupational hazards in 2025. 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.	No deviation

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)	
			5. Prevention of illegal infringements at the workplace: To support employees' mental health, we regularly promote the employee assistance program on a monthly basis and provide free psychological counseling services to employees in need. We collaborate with the Teacher Chang Foundation, Tip Top EAP, the Taiwan Institute of Psychotherapy, Metamorphosis Management Co., Ltd., and the Double Good Psychological Counseling Center to offer employees with free psychological counseling. In 2025, a total of 514 employees utilized these services. In 2025, physicians provided on-site consultations for employees on mental and physical stress. We organized 27 in-person or digital mental health seminars on topics such as "Emotional Regulation and Team Communication", "Prevention of Illegal Infringements at the Workplace", "Give Yourself a Moment to Relieve Stress When You're Busy", "Coping with Workplace Stress", and "Rediscover Your Inner Strength - Coping with Workplace Stress". There were 0 cases of illegal infringement in 2025. 6. 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.	

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", "Chatbot" and the "Contact me" message board on the corporate website. The company always responds to customer feedback or suggestions in a timely manner.	
(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" 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 risk -assessment questionnaire","supplier evaluation form" and "supplier conference." In 2025, in response to international attention on the progress of the Global Plastics Treaty draft, the Company shared domestic and international regulatory developments, plastic reduction measures, and recycling initiatives under the theme "Transformation of Plastic Reduction Actions". It also supported the PlastiCircular cup initiative by providing reusable cups for nearly 200 participants, and declared its commitment to sustainability and net zero with suppliers.	
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 TS Holdings 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." TS Holdings 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. TS Holdings 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

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)	
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.				
7. For more corporate sustainability projects and results, please refer to: TS Holdings Sustainability Report: https://www.tsholdings.com.tw/tsh/responsibility/report/ TS Holdings Website: https://www.tsholdings.com.tw/tsh/responsibility/overview/				

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 change 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 sustainability department oversees the task forces. In addition, based on the sustainability policies, strategic directions, and ESG requirements set by the Corporate Sustainability Committee, the Teams plan related projects and consolidates information pertinent to sustainable development.</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>

TS Holdings takes into consideration the types of climate risks and opportunities suggested by the TCFD framework, references the IFRS S2 industry-based implementation guidelines, and regularly screens issue lists based on business characteristics, external trends, and internal operational changes. These issue lists are selected from perspectives such as operations, investments, credit, collateral, insurance targets, and suppliers. 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, TS Holdings identify and rank the major climate risks for this year, including increased climate-related regulations, and increased frequency and severity of natural disaster events; the major climate opportunities are green financial products and services. TS Holdings 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 TS Holdings 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 Evaluation Scope Analysis</th><th>Climate Scenario Evaluation Scope Analysis</th><th>Climate Scenario Evaluation Scope Analysis</th></tr>
<tr><td rowspan="2">Physical risks</td><td rowspan="2">Growing frequency and severity of natural disasters</td><td>◆ IPCC SSP1-2.6
◆ IPCC SSP2-4.5
◆ IPCC SSP3-7.0
◆ IPCC SSP5-8.5</td><td>Locations of TS Holdings and its subsidiaries' own assets within Taiwan (the scope of analysis covers 100% of existing and new business premises)</td><td>A total of 147 sites (69%) of TS Holdings’ own assets are not exposed to climate-related hazard risks, such as flooding, mudslides, or landslides, and are therefore classified as having no material risk exposure. The remaining 66 sites (31%) are identified as being exposed to flooding risk. Under the long-term SSP5-RCP8.5 scenario, the number of high-risk sites increased by four. These sites are all Shin Kong Life branch locations situated in Changhua County, Tainan City, Kaohsiung City, and Pingtung County. TS Holdings will continue to monitor changes in hazard exposure at sites identified as medium- to high-risk. This includes conducting periodic reviews of building protection measures and structural safety, enhancing flood prevention and disaster mitigation facilities, and establishing appropriate contingency plans.</td></tr>
<tr><td>◆ Short-term intensity-adjusted scenario (Impact of severe typhoons such as Typhoon Morakot in the next 1 year)
◆ Net Zero 2050 scenario (global warming below 1.5°C by the end of the century)
◆ Disorderly transition scenario (global warming below 2°C by the end of the century)
◆ Fragmented World scenario (global warming below 3°C by the end of the century)</td><td>Loss in collateral value of mortgage portfolios of the Bank and Life insurance subsidiaries resulting from extreme climate events</td><td>Under the short-term intensity-adjusted scenario, the historical precipitation associated with Typhoon Morakot was recalibrated to reflect increased storm intensity under climate change conditions. The resulting higher rainfall levels led to greater declines in collateral values, thereby driving a significant increase in the expected loss rate.
The long-term scenario analysis shows differentiated impacts across transition pathways. Under an orderly transition pathway toward achieving net-zero emissions by 2050, the expected loss rate increases by 2030 and then declines moderately after 2050. In contrast, under a disorderly transition pathway, where climate action is delayed and implemented more abruptly, the expected loss rate rises by 2030 and does not exhibit a meaningful decline after 2050. Under a fragmented world scenario, characterized by delayed transition efforts and failure to meet decarbonization targets-resulting in more severe warming-the expected loss rate in 2050 exceeds the 2030 level and continues to increase over time.
In addition, across all scenarios-including the short-term intensity-adjusted scenario, the Net Zero 2050 orderly transition, the disorderly transition, and the Fragmented World scenario-the ratio of expected credit losses from the mortgage portfolio to net worth remains below 1%. This indicates a limited financial impact on the overall financial holding company. Furthermore, the majority of collateral exposure is concentrated in Risk Level 1 areas, suggesting a relatively strong degree of climate resilience under current conditions.</td></tr>
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<table>
<tr><th>Items</th><th>Implementation status</th></tr>
<tr><td></td><td>
<table>
<tr><th>Risk category</th><th>Risk factors</th><th>Climate Scenario Evaluation Scope Analysis</th><th>Climate Scenario Evaluation Scope Analysis</th><th>Climate Scenario Evaluation Scope Analysis</th></tr>
<tr><td rowspan="2">Transition risks</td><td rowspan="2">Increased climate related regulations</td><td rowspan="2">◆ Short-term scenario (Impact of severe typhoons such as Typhoon Morakot 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 (global warming below 2°C by the end of the century)
◆ Fragmented World scenario (global warming below 3°C by the end of the century)</td><td>Corporate Credit Exposure of the Bank and Life insurance subsidiaries to certain industries, namely, "Electricity and Gas Supply", "Manufacture of Basic Metals", "Manufacture of Chemical Material and Fertilizers", and "Textiles".</td><td>Under the short-term intensity-adjusted scenario, the Electricity and Gas Supply industry represents a relatively higher share of domestic credit exposure compared to other sectors. As a result, its average loss rate increases by approximately 3~8 basis points (bps) relative to the baseline scenario.
Under the long-term 2050 scenario, high climate-risk industries—including Electricity and Gas Supply, Basic Metal Manufacturing, Manufacture of Chemical Materials and Fertilizers, and Textile Manufacturing—experience increase of approximately 13~83 bps in average loss rates across the three scenarios compared with the baseline.
In the Fragmented World scenario, characterized by delayed policy action and a failure to meet temperature targets, corporates are exposed to significantly elevated transition risks, resulting in a pronounced increase in loss rates. Nevertheless, across all scenario-including the short-term scenario, the Net Zero 2050 orderly transition, the disorderly transition, and the Fragmented World scenarios-the ratio of expected loss to net worth for high climate-risk industries remains below 1%. This suggests that the overall financial impact on the financial holding company is limited. The current asset portfolio exposure to high climate-risk industries therefore demonstrates a certain degree of climate resilience.</td></tr>
<tr><td>Bills, bonds and equity securities positions of the Bank, Life insurance and Securities subsidiaries to certain industry, namely, "Electricity and Gas Supply", "Extraction of Crude Petroleum and Natural Gas Industry", "Manufacture of Basic Metals", "Manufacture of Petroleum and Coal Products", "Sand, Gravel Extraction and Other Mining and Quarrying", and "Manufacture of Chemical Material and Fertilizers".</td><td>Under the short-term scenarios, the average loss rate across the three scenarios increases by approximately 6~7 bps compared to the baseline scenario.
Under the 2030 long-term scenario, the government's accelerated implementation of carbon-related policies generates significant macroeconomic impacts. As a result, the disorderly transition scenario produces the most pronounced expected losses among the three scenarios, representing an increase of approximately 10 bps compared with the baseline. Furthermore, looking ahead to the 2050 horizon, the Fragmented World scenario results in the greatest impact, with expected losses increasing by approximately 30 bps relative to the baseline scenario.
In addition, for industries classified as high climate-risk sectors, the ratio of expected losses to net worth remains below 1% across all scenarios -including short-term, Net Zero 2050, disorderly transition, and Fragmented World scenarios - indicating a limited overall financial impact on the financial holding company. This suggests that the current asset portfolio exposure to high climate-risk industries demonstrates a reasonable degree of climate resilience.</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 ● TS Holdings 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, TS Holdings has established a set of "Climate and Nature 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. ● TS Holdings 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, TS Holdings 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 conducts thorough evaluations of credit applicants during the loan application process through an ESG checklist, incorporating ESG scoring mechanisms into pre-investment assessments. It exercises caution in evaluating the ESG factors and climate-related risks of transaction clients. ● Investment and credit exposure to Sensitive industries (including 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: TS Holdings 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, TS Holdings 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, TS Holdings 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 sensitive 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, TS Holdings 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 a shadow price and internal carbon fee model for internal carbon pricing. With reference to carbon prices of domestic and foreign peers as well as the costs invested in internal carbon reduction projects over the years, it sets the carbon price at NT$2,400 per metric ton. It is mainly applied to the Company's capital expenditure decisions and Scope 2 reduction path, supporting the achievement of the company's carbon reduction targets. In order to reduce emissions in the upstream value chain, when purchasing any items listed in the "ICP Energy-Consuming Equipment Catalog", the procurement units should calculate the cost and benefit of each project according to the "ICP Future Capital Expenditure Evaluation Form" to provide a basis for procurement decision making.
(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 2025, the company's carbon emissions have been reduced by 29%, which was mainly achieved by purchasing 12.8 million kwh renewable energy and T-REC to offset scope 2 emissions.

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

Year	2024		2025	
Scope 1 (tCO2e)	Total emissions (tons CO2e)	Intensity (tCO2e /NT$ million revenue)	Total emissions (tCO2e)	Intensity (tCO2e /NT$ million revenue)
TS Holdings (The emissions for 2024 are the sum of Taishin Financial Holdings and Shin Kong Financial Holdings)	44.6877	0.0011	11.9908	0.0003
Taishin Bank	1426.0746	0.0276	1340.5898	0.0230
Taishin Life Insurance	13.7950	0.0005	15.3988	0.0004
Taishin Securities	88.5714	0.0156	73.9690	0.0130
Taishin Securities Investment Trust (The emissions of Taishin Securities Investment Trust and Shin Kong Securities Investment Trust combined in 2024)	9.9919	0.0067	4.6083	0.0040
Taishin Securities Investment Advisoty	0.0000	0.0000	0.0000	0.0000
Taishin Asset Management	11.7755	0.0378	6.4392	0.0310
Taishin Venture Capital Investment	2.5348	NA	2.4377	NA
Taishin Sports Entertainment	0.0007	0.0000	3.1746	0.0308
Taishin D.A. Finance	23.5794	0.0369	27.3919	0.0420
Taishin Financial Leasing (China)	360.3989	1.7913	340.7841	1.9131
Taishin Futures	0.7197	0.0043	0.8849	0.0042
Taishin Securities Venture Capital	0.0000	0.0000	0.0000	0.0000
Taishin Capital	0.0000	0.0000	0.0000	NA
Taishin Health Investment	0.0000	0.0000	0.0000	NA
Taishin Real-Estate Management	0.0000	0.0000	4.4148	0.0613
Shin Kong Bank	1767.5293	0.0782	1583.4390	0.0707
Shin Kong Life Insurance	1322.8957	0.0571	1307.7554	NA
Shin Kong Life Singapore Pte. Ltd.	Non-inventoried GHG Emissions for 2024		0.0000	NA
Shin-Kong Life Real Estate Service	Non-inventoried GHG Emissions for 2024		0.0007	0.0000
Shin Kong Vietnam Co., Ltd.	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
Shin Kong Property Insurance Agency	2.0434	0.0124	11.0920	0.0643
Masterlink Securities	252.9886	0.0268	312.2845	0.0343
Masterlink Insurance Agency	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
Masterlink Venture Capital Management Consulting	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Venture Capital	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Securities (HK)	Non-inventoried GHG Emissions for 2024		0.2133	NA
MasterLink Investment Advisory Corp Tianjin	Non-inventoried GHG Emissions for 2024		0.0000	NA
MasterLink Venture Capital (Tianjin)	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Venture Management Corporation (Tianjin)	Non-inventoried GHG Emissions for 2024		0.0432	0.0097
MasterLink Securities (BVI)	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
Masterlink Futures	Non-inventoried GHG Emissions for 2024		13.8009	0.1865
MasterLink Securities Investment Advisory	Non-inventoried GHG Emissions for 2024		0.0000	NA
Shin Kong Venture Capital International	Included in TS holdings		0.0000	NA
Shin Kong Leasing Corp.	Non-inventoried GHG Emissions for 2024		61.0273	NA

Items	Implementation status

Year	2024		2025	
Scope 2 -Market based(tCO2e)	Total emissions (tons CO2e)	Intensity (tCO2e /NT$ million revenue)	Total emissions (tCO2e)	Intensity (tCO2e /NT$ million revenue)
TS Holdings (The emissions for 2024 are the sum of Taishin Financial Holdings and Shin Kong Financial Holdings)	276.1721	0.0066	214.8544	0.0055
Taishin Bank	12871.5221	0.2488	11357.2552	0.1951
Taishin Life Insurance	1811.0689	0.0618	1613.7247	0.0410
Taishin Securities	997.5391	0.1760	927.4673	0.1628
Taishin Securitis Investment Trust (The emissions of Taishin Securities Investment Trust and Shin Kong Securities Investment Trust combined in 2024)	266.6006	0.1798	226.7933	0.1993
Taishin Securities Investment Advisoty	43.7262	0.3374	22.4442	0.1851
Taishin Asset Management	33.4818	0.1075	22.8358	0.1099
Taishin Venture Capital Investment	9.8058	NA	5.0335	NA
Taishin Sports Entertainment	3.6902	0.0200	4.7415	0.0460
Taishin D.A. Finance	185.7624	0.2911	182.8558	0.2803
Taishin Financial Leasing (China)	265.4341	1.3193	312.3414	1.7534
Taishin Futures	46.9774	0.2808	53.4319	0.2536
Taishin Securities Venture Capital	3.6959	0.0343	4.3300	0.0323
Taishin Capital	3.6297	0.0802	3.4964	NA
Taishin Health Investment	0.0000	0.0000	0.0000	NA
Taishin Real-Estate Management	4.9986	0.0804	7.9973	0.1110
Shin Kong Bank	8438.9811	0.3733	9042.6815	0.4035
Shin Kong Life Insurance	10480.5836	0.4520	8678.3909	NA
Shin Kong Life Singapore Pte. Ltd.	Non-inventoried GHG Emissions for 2024		0.0000	NA
Shin-Kong Life Real Estate Service	Non-inventoried GHG Emissions for 2024		67.4457	0.1149
Shin Kong Vietnam Co., Ltd.	Non-inventoried GHG Emissions for 2024		1.0646	1.1090
Shin Kong Property Insurance Agency	9.7147	0.0590	2.5259	0.0146
Masterlink Securities	3218.4185	0.3409	2929.9223	0.3222
Masterlink Insurance Agency	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
Masterlink Venture Capital Management Consulting	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Venture Capital	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Securities (HK)	Non-inventoried GHG Emissions for 2024		8.4487	NA
MasterLink Investment Advisory Corp Tianjin	Non-inventoried GHG Emissions for 2024		0.0000	NA
MasterLink Venture Capital (Tianjin)	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
MasterLink Venture Management Corporation (Tianjin)	Non-inventoried GHG Emissions for 2024		0.5943	0.1333
MasterLink Securities (BVI)	Non-inventoried GHG Emissions for 2024		0.0000	0.0000
Masterlink Futures	Non-inventoried GHG Emissions for 2024		105.8023	1.4297
MasterLink Securities Investment Advisory	Non-inventoried GHG Emissions for 2024		20.0475	NA
Shin Kong Venture Capital International	Included in TS holdings		0.2074	NA
Shin Kong Leasing Corp.	Non-inventoried GHG Emissions for 2024		22.2627	NA

Note1: For subsidiaries with negative net income, intensity is presented as N/A.
Note2: Intensity is estimated based on full-year data.

Items	Implementation status
	B. GHG assurance The completed GHG assurance report please refer to the TS FHC Sustainability Report. ● GHG reduction targets, strategies, and action plans In July 2022, the company passed the SBTi audit and Scope 1 and Scope 2 followed the roadmap to limit the temperature rise within 1.5°C. With 2019 as the base year, Scope 1 and Scope 2 emissions must reduce by 46% by 2030. Therefore, the company set the reduction target at 4.2% per year. The company continues to adopt green building 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 2025, TS Financial Holding's SBT boundary emissions (including Shin Kong Financial Holding and Shin Kong Investment Trust upon merger) reduced by 29% in carbon emissions compared to 2019, achieving the 25% reduction target.

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, TS Holdings 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 TS Holdings 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, the Company 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.	
(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. The Company 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.tsholdings.com.tw/tsh/governance/files/regulations/TS-Employee-Code-of-Conductv7.pdf	

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. Enforcement of ethical corporate management				
(1) Does the company assess business partners' records of integrity, and include a moral clause in the contracts with its business partners?	✓		The supplier selection process are governed by " "Supplier Management Regulations". 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. The Company has designated the Corporate Sustainability Committee as the unit responsible for matters related to business integrity. The Committee is responsible for reviewing business integrity policies and evaluating their implementation results. It reports annually to the Board of Directors on the status of policy implementation. 2. The Company ensures effective implementation of the business integrity policy. Details of implementation in 2025, which has been reviewed by the Corporate Sustainability Committee and presented to the Board of Directors on March 19, 2026, are as follow: (1) Training and education The financial holding company and its subsidiaries have developed training courses on business integrity, whistleblowing systems, corporate ethics, anti-corruption and anti-bribery, and intellectual property protection to convey various concepts of business integrity to employees through diverse topics. Compulsory courses for the financial holding company and its subsidiaries include: business integrity and whistleblowing systems. Compulsory courses for individual companies include: intellectual property protection, transactions with stakeholders, corporate ethics, employee code of conduct, corporate sustainable development, insider trading and handling of material internal information. The completion rate for all training courses is 100%. (2) Communication channels Employees are able to give feedback to management and other departments through a wide range of open channels. The Company 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?	✓		The Company 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 2025 audit plan.	
(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 2025, 100% of the workforce attended courses on ethical corporate management or related topics. In total, 43,937 people finished their training in 74,245.38 hours.	

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. 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?	✓		The Company has established a “Whistleblowing System” to set forth the reporting channels and rewards. 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.The reporting channels on the official website are as follows:https://www.tsholdings.com.tw/tsh/disclosure/files/files/Whistleblower-Reporting-Channels_e.pdf	No deviation
(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?	✓		The Company 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?			The Company 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?	✓		The company is a publicly listed company on the Taiwan Stock Exchange (Stock Code: 2887). The Company has established a Code of Ethical Corporate Management, which is disclosed on the Company’s official website together with the status of its implementation. The relevant information is available at: https://www.tsholdings.com.tw/tsh/governance/overview/ The above website address is also disclosed under the “Company Profile” section of the Market Observation Post System (MOPS) in accordance with applicable regulations	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 visit the "Corporate Governance" section of our company website:https://www.tsholdings.com.tw/tsh/governance/overview/

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

TS Financial Holding Co., Ltd.

Statement of Internal Control System

March 26, 2026

Financial Supervisory Commission,

On behalf of TS Financial Holding Co., Ltd. (the Company), we hereby declare that, for the fiscal year of 2025, 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 out diligent assessment, we concluded that the Company's internal control, legal and compliance practices for the fiscal year of 2025 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:

President:

Chief Auditor:

Compliance Officer:

Areas of Improvement and Rectification for the Internal Control System of TS Financial Holding Co., LTD

Base Date: December 31, 2025

Areas of improvement	Rectification	Expected time of rectification
the Company		
The Financial Supervisory Commission's operational inspection identified deficiencies related to the merger and the operation of the Remuneration Committee.	Amendments to the “Guidelines for Mergers and Acquisitions” and “Remuneration Committee Charter”.	Rectification completed.
Subsidiary-Taishin Bank		
Issues related to incorrect mailing addresses for collection letters and misplacement of credit card statement information.	The verification mechanism prior to the dispatch of collection letters has been fully strengthened.	Rectification completed.
Subsidiary-Taishin Securities		
I. The Stock Exchange's findings regarding deficiencies in the reported information security incident: 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.
II. Existing inventory for customers was not displayed on the front-end platform due to garbled stock names.	The program has been corrected and the version has been updated.	Rectification completed.
III. Failure to disclose the actual fees and annualized rates charged to trading counterparties (upstream parties) in connection with business activities outside the scope of joint marketing securities services and in the conduct of entrusted trading in foreign securities.	1. The "Joint Marketing Business Operation Procedures" have been revised and the system has been updated. 2. Monthly statements sent to customers now fully disclose the actual channel service fees and annualized rates charged.	Rectification completed.

Areas of improvement	Rectification	Expected time of rectification
Subsidiary-Taishin Life Insurance		
Issues related to incorrect mailing addresses for collection letters and misplacement of credit card statement information. 1. Failure to effectively verify the correctness of the modified program. 2. In procurement operations, there were instances where price negotiations were not conducted with two or more vendors, and purchase orders were split. 3. When calculating limits related to overseas investment transactions, the calculation of limit controls was inaccurate due to data not being updated in real time and incomplete data imported into the investment transaction management system. 4. In the process of publishing mobile applications, relevant internal control systems were not properly implemented.	1. Relevant internal regulations have been adjusted. 2. The "Procurement Management Regulations" and "Key Points of Document Management" have been revised and announced. 3. Workflows for updating financial information in the system have been clearly defined, and the review mechanism has been strengthened. 4. The content of the "Taishin Mobile Device Application Operation Principles" has been adjusted.	Rectification completed.
Subsidiary-Taishin Securities Investment Trust		
The content of the company's media press releases contained information that could mislead the public into believing in guaranteed profits, investment performance forecasts, and deficiencies in related internal control systems.	Pre- and post-publication review mechanisms for advertising and promotional materials have been strengthened; training sessions have been conducted on an irregular basis.	Rectification completed.
Subsidiary-Taishin Futures		
I. During the execution of offsetting transactions, duplicate offsetting orders were submitted, resulting in the offsetting results exceeding the positions that should have been offset.	The number of transaction connections has been increased and a new "in-transit order detection" logic has been added.	Rectification completed.
II. Abnormalities such as slow login or inability to log in occurred on the mobile trading platform, but no notification was issued and no announcement was made on the website.	Notifications have been processed in accordance with regulations and announced on the website homepage and all order placement platforms.	Rectification completed.
Subsidiary-Shin Kong Life Insurance		
Deficiencies regarding sales agents misappropriating customer premiums	1. Relevant internal control measures have been optimized. 2. Sales agents have been completely prohibited from collecting and remitting cash on behalf of others and from forwarding cash remittance slips. 3. If discrepancies are found in the policyholder's signature on a policy change request form, the policyholder will be contacted via telephone for verification. 4. When outstanding policy payments reach a certain threshold, the policyholder will be notified by registered mail.	Rectification completed.
Subsidiary-Shin Kong Bank		
I. During the execution of offsetting transactions, duplicate offsetting orders were submitted, resulting in the offsetting results exceeding the positions that should have been offset.	A comprehensive review and corrective measures have been implemented, and the findings have been reported to the Board of Directors.	Rectification completed.
II. A former branch supervisor engaged in financial transactions with a customer.	Education and training have been strengthened, and disciplinary action has been taken against the relevant personnel.	Rectification completed.

Areas of improvement	Rectification	Expected time of rectification
Subsidiary-MasterLink Securities		
I. Deficiencies identified by the Financial Supervisory Commission's operational inspection in 2025: 1. In the review process for margin trading and general-purpose loan limits, the total consolidated limits for related accounts were not aggregated for approval or rejection by the appropriate management level; when approving increased general-purpose loan limits for customers with a conflict of interest, the approving personnel failed to implement appropriate conflict-of-interest avoidance measures. 2. In the process of approving interest rates for related-party financing, the company failed to establish and implement procedures to assess whether such rates were no less favorable than those offered to other customers. 3. The company accepted transactions involving the buying and selling of securities by agents who were not the customers themselves or who did not possess a power of attorney from the customers. 4. During personal data inventory procedures, documents and files containing personal data were not included in the scope of the inventory; the company's self-assessment report on personal data management noted the same data deficiency in the same department for two consecutive years without implementing corrective measures; customer personal data was not stored in accordance with regulations. 5. When sending materials for Board of Directors, Audit Committee, and Remuneration Committee meetings, as well as responding to judicial authorities' requests for customer information, appropriate encryption measures were not implemented, nor were the communications treated as confidential.	1. The relevant management regulations and procedures have been revised, and the necessary precautions have been communicated. 2. The identified deficiency has been addressed by obtaining the customer's written consent for the transaction. 3. The department in question has included this matter in its inventory of personal data during review. 4. Meeting materials sent to the Board of Directors, the Audit Committee, and the Remuneration Committee have been transmitted via encrypted channels; responses to requests for information have been handled as confidential correspondence.	Rectification completed.
II. IIBranch managers provided accounts as channels for the flow of funds in loans between customers and issued checks to serve as guarantees for customers, thereby facilitating the establishment of lending relationships.	The company has reached out to branch customers to express its concern and has reiterated the relevant compliance guidelines.	Rectification completed.
III. The system workflow design did not account for error-handling procedures, resulting in duplicate transactions.	Error-handling procedures have been incorporated into the system workflow design.	Rectification completed.
IV. Deficiencies identified in the Taipei Exchange's information security audit: 1. The company's inventory of information assets had not been properly maintained and still included items that have been taken offline. 2. General user accounts on the company's personal computers had the highest privileges. 3. Deployment request forms for the company's core systems did not include source code scanning security test reports.	1. The inventory of information assets has been updated, and regular audits are conducted to ensure its accuracy. 2. The highest privileges for personal accounts have been removed, and the access permissions for personal computer accounts have been reviewed. 3. Source code scanning security test reports have been provided in accordance with regulations prior to the deployment of core systems and during system updates.	Rectification completed.
Subsidiary-MasterLink Securities		
There were no clearly defined audit and control procedures regarding the use of non-employees to conduct futures trading-related business and the configuration of IP addresses on dedicated lines.	1. The company has reiterated that non-employees must not be used to solicit business. 2. The company has revised the control procedures for placing orders via dedicated lines.	Rectification completed.

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 2025 shareholders' annual general meeting (2025/06/23) and execution progress:

Agenda	Result	Implementation status
1. Acknowledgment of the company's 2024 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 2024 earnings.	Acknowledged as proposed by voting.	1. July 8, 2025 has been set as the base date for the distribution of cash dividends on preferred shares; July 23, 2025 has been set as the payment date. 2. August 18, 2025 has been set as the base date for the distribution of cash dividends on ordinary shares; September 4, 2025 has been set as the payment date.
3. Amendment to the "Articles of Incorporation".	Approved as proposed by voting.	The amendment has been approved by the Minister of Economic Affairs on July 24th, 2025, and published on the company's website.

2. Major resolutions of the board of directors in 2025 and up to the date of the publication of the annual report:

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.

2025/03/27 Passed the appointment of Kwang-Hsiung Wu to replace Zhen-Mao Zheng as the 9th representative of institutional director of Taishin Securities Investment Trust.

2025/04/01 Passed the proposed calling of 2025 general shareholders' meeting on June 23, 2025.

2025/04/07 Passed the 2024 earnings distribution proposal.

2025/04/24 Passed the issuance of the ordinary shares, class G registered preferred shares, and class H registered preferred shares.

2025/04/24 Passed the 2024 Business Report.

2025/04/24 Passed the amendments to the "Articles of Incorporation".

2025/04/24 Passed the promotion of Avon Fan as head of the Performance Management Division and appointment of Linda Chen as head of the Corporate Planning Division.

2025/05/15 Passed the appointment of Jia-Horong Guo, Welch Lin, Po-Yung Lu, Shu-Chen Lin, Gwo-Yi Bao, Shin-Hau Wu, Chia-Chen Lin, Lai-Ping Chin, Tong-Shung Wu and Hung-Hsiang Tsai as the 14th representatives of institutional directors, independent directors and supervisors of Taishin Securities.

2025/05/15 Passed the appointment of Su-Chen Hung, Masson Li, Min-Kuei Hsieh, Linda Chen and Long-Su Lin to represent the company as candidates for the 13th representatives of institutional directors of Taishin Securities Investment Advisory.

2025/07/17 Passed the amendments to the "Organizational Regulations" and "Regulations Governing the Allocation of Business Arthorities and Responsibilities".

2025/07/17 Passed the appointment of David Lee as head of the Brand and Corporate Communications Division.

2025/07/24 Election of Mr. Pao-Sheng Wei as Vice Chairman of the 9th Board of Directors.

2025/07/24	Passed the merger of banking, insurance, securities, and investment trust subsidiaries.
2025/08/28	Passed the appointment of Shin-Hau Wu as the 21st representative of institutional director of Shin Kong Life Insurance, the reassignment of Tun-Jen Lin to replace Shin-Hau Wu as the 14th representative of institutional director of Taishin Securities, and the reassignment of Oliver Shang as the 10th representative of institutional director of Shin Kong Bank.
2025/08/28	Passed the amendments to the "Nomination Committee Charter".
2025/09/22	Passed the replacement of the CPAs and termination of the current CPAs from the third quarter of 2025.
2025/09/25	Passed the reassignment of Lai-Ping Chih to replace Jung-Feng Chang as the 21st independent director of Shin Kong Life Insurance.
2025/09/25	Passed the appointment of Greg Gibb as Senior Executive Vice President.
2025/10/30	Passed the merger plan of the leasing subsidiary in the PRC.
2025/10/30	Passed the appointment of Carol Lai, Sam Lin, Yi-Ching LIn, Shih-Tsung Wang, Teng-Cheng Liu, Po-Ju Chen, Chih-Yuan Liu, Vincent Tsai and Li-Cheng Kuo as the 10th representatives of institutional directors and supervisors of Taishin Securities Investment Trust.
2025/12/18	Passed the 2026 operating plan and budgets.
2025/12/18	Passed the appointment of Hsiu-Chuan Yang to replace Ming-Cheng Huang as the 10th representative of institutional director of Shin Kong Property Insurance Agency.
2025/12/18	Passed the appointment of Pao-Sheng Wei, Shih-Chi Hung, Shih-Chun Hung and Pang-Sheng Wu, the reassignment of Hsin-Ta Wu to replace Pan-Chih Yang, and the reassignment of Hong-Nerng Ho to replace Kuo-Lin Kuan, Min-Chiu Chien to replace Shyan-Yuan Lee as the 10th representatives of institutional directors and independent directors of Taishin Life Insurance.
2025/12/18	Passed the addition of Pan-Chih Yang as the 8th representative of institutional director of Taishin Venture Capital Investment.
2025/12/18	Passed the amendments to the "Organizational Charter".
2025/12/18	Passed the appointment of Linda Chen as Chief Financial Officer, Finance Officer, and Acting Spokesperson, the appointment of Henry Chan as Chief Investment Officer, and the appointment of Hung-Han Tsai as head of the Finance, Accounting, and Performance Management Division.
2026/02/05	Passed the proposed calling of 2026 general shareholders' meeting on June 12, 2026.
2026/02/26	Passed the 2025 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, 2025 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	2025/01/01-2025/09/22	2,900	17,824	20,724	Non-audit remuneration consists mainly of TCFD report, minimum tax system, merger and implementation of Sustainable Disclosure Guidelines.
Ernst & Young	Wen-Fang Fuh Cheng-Tao Chang	2025/09/23-2025/12/31	2,900	923	3,823	Non-audit remuneration consists maily of tax compliance audit, annual report review and apply for a residence permit

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

Replacement date	On September 22, 2025, the board of directors discussed and approved the change of accounting firm and certified public accountant, effective September 23, 2025.		
Reason for replacement and explanation	To align with the Group's long-term strategic development, operational management needs, and the international trend of strengthening corporate governance, the accounting firm and certified public accountant have been changed.		
Explain consigner or termination or refusal of consignment by CPA	Status of related parties	CPA	Consigner
	Active terminate consignment	-	TS Financial Holding CO., Ltd.
	Refusal to accept (continue) consignment	-	-
Certifiication auditing report other than report without reserved opinions in the recent two years and reason	Not applicable		
Existence of different opinions with the bank	Yes	-	Accounting principle or practical affairs
		-	Disclosure of financial report
		-	Auditing scope or procedure
		-	Others
	No	-	
	Explanation: Not applicable		
Other disclosed items (Items which should be disclosed according to item 6-1-4, article 10 of the criteria	Not applicable		

b. Concerning succeeding CPA: Not applicable.

Concerning succeeding CPA

Accounting Firm	Ernst & Young
Accountant's name	Wen-Fang Fuh Cheng-Tao Chang
Date of appointment	On September 22, 2025, the board of directors discussed and approved the change of accounting firm and certified public accountant, effective September 23, 2025.
Consultation prior to appointment regarding accounting treatment or principles for specific transactions and possible opinions on financial reporting, and the results thereof	N/A
Written opinion of the successor accountant on matters in which the predecessor accountant disagrees with the previous accountant's opinion	N/A

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	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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.	1,612,800	0	420,000	0	0	0	0	0
Representative (Chairman)	Wu, Tong-Liang	0	0	0	0	0	0	0	0
Director	Santo Arden Co., Ltd.	0	0	0	0	0	0	0	0
Representative (Vice Chairman)	Wei, Pao-Sheng	60,000	0	(121,535)	0	0	0	0	0
Director Major shareholder (Note1)	TASCO Chemical Co., Ltd.	0	0	0	0	0	0	0	0
Representative	Wu, Cheng-Ching	0	0	0	0	0	0	0	0
Director	Hsiang-Chao Co., Ltd.	1,478,400	0	385,000	0	0	0	0	0
Representative	Kuo, Jui-Sung	8,692	0	2,263	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	1,344,000	0	350,000	0	0	0	0	0
Chief Auditor	Amy Hsia	0	0	0	0	0	0	0	0
Chief Investment Officer	Henry Chan	0	0	0	0	0	0	0	0
Senior Executive Vice President	Carol Lai	0	0	0	0	0	0	0	0
Senior Executive Vice President	Oliver Shang	1,050,000	0	0	0	0	0	0	0
Senior Executive Vice President	Greg Gibb	0	0	0	0	0	0	0	0

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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 Executive Vice President	Stephen Chen	0	0	100,000	0	0	0	0	0
Executive Vice President	Sam Lin	0	0	0	0	0	0	0	0
Chief Information Officer	Steve Sun	0	0	0	0	0	0	0	0
Chief Digital & technology Officer	Shen Zhang	0	0	0	0	0	0	0	0
Executive Vice President	Frank Lin	0	0	0	0	0	0	0	0
Chief Financial Officer	Linda Chen	0	0	0	0	0	0	0	0
Chief Risk Officer	Jeremy Kung	0	0	0	0	0	0	0	0
Chief Information Security Officer	Jeff Chen	0	0	0	0	0	0	0	0
Senior Vice President	Mason Li	0	0	0	0	0	0	0	0
Senior Vice President	David Lee	19,000	0	0	0	0	0	0	0
Senior Vice President	Ting Ning Yu	20,182	0	5,255	0	0	0	0	0
Senior Vice President	Janice Liang	5,474	0	1,459	0	0	0	0	0
Senior Vice President	Tsai, Hong-Han	0	0	0	0	0	0	0	0
Senior Vice President	Adeline Jai	0	0	0	0	0	0	0	0
Senior Vice President	Shin-Hau Wu	0	0	0	0	0	0	0	0
Vice President	Michael Liao	0	0	0	0	0	0	0	0
Vice President	K.P. LIN	0	0	0	0	0	0	0	0
Vice President	Chang Shiou-Yu	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Geo Chen	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Carrie Chen	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Ronnie Wu	0	0	0	0	0	0	0	0

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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 Assistant Vice President	Harley Ho	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Sarita Hao	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Fox Liu	0	0	0	0	0	0	0	0
Senior Assistant Vice President	Michael Lin	0	0	0	0	0	0	0	0
Audit team leadr	Hunter Yeh	0	0	0	0	0	0	0	0
Audit team leadr	Marcia Lin	0	0	0	0	0	0	0	0
Senior Audit	Lynn Chang	0	0	0	0	0	0	0	0
Assistant Vice President	Teresa Hung	35,199	0	9,166	0	0	0	0	0
Assistant Vice President	Tina Chen	0	0	0	0	0	0	0	0
Assistant Vice President	Justin Ho	0	0	0	0	0	0	0	0
Assistant Vice President	Mike Chang	0	0	0	0	0	0	0	0
Assistant Vice President	Jennifer Chen	0	0	0	0	0	0	0	0
Assistant Vice President	Shirley Lin	0	0	0	0	0	0	0	0
Assistant Vice President	Lirong Huang	0	0	0	0	0	0	0	0
Assistant Vice President	Stone Fang	0	0	0	0	(69,417)	0	0	0
Assistant Vice President	Li, Hsin-Nan	0	0	0	0	0	0	0	0
Assistant Vice President	Emily Lu	0	0	0	0	0	0	0	0
Assistant Vice President	Jerry Wei	0	0	0	0	0	0	0	0
Assistant Vice President	Nathan Liang	4,055	0	0	0	2,000	0	0	0
Assistant Vice President	Yeh,Chui-Lin	0	0	0	0	0	0	0	0
Accounting Officer	Eva Wu	0	0	0	0	0	0	0	0

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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	The Great Taipei Gas Corporation	12,783,341	0	Not applicable (Note 3)		1,110,000	0	Not applicable (Note 3)	
Same person or same related person	Yunteh Co., Ltd.	14,216,215	9,000,000			0	0		
Same person or same related person	Wangtien Woolen Textile Co., Ltd.	81,978,018	0			0	0		
Same person or same related person	Shi Hong Investment Co., Ltd.	7,769,469	0			0	0		
Same person or same related person Major shareholder (Note 1)	Taishin Leasing & Financing Co., Ltd.	11,760,000	(5,500,000)			0	6,000,000		
Same person or same related person	Taishin International Investment and Development Co., Ltd.	0	8,600,000			0	1,000,000		
Same person or same related person	Shin Kong Health Management Co., Ltd.	2,525,201	0			0	0		
Same person or same related person	Yung Kuang Co., Ltd.	31,179,265	0			0	0		
Same person or same related person	Jungshin Assets Management Co., Ltd.	1,680,000	0			0	0		
Same person or same related person	Zhao Heng Co., Ltd.	0	0			0	0		
Same person or same related person	He Rui Enterprise Co., Ltd.	12,339,039	0			0	0		

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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	Yu Zun Investment Co., Ltd.	812,746	0	Not applicable (Note 3)		0	0	Not applicable (Note 3)	
Same person or same related person	An-Long Enterprise Co., Ltd.	1,073	0			0	0		
Same person or same related person	Wu, Ju-Yueh	2,172,714	0			0	0		
Same person or same related person	Wu, Ju-Ying	0	0			0	0		
Same person or same related person	Wu, Shin-Wei	0	0			0	0		
Same person or same related person	Wu, Tong-Sheng	0	0			(377,000)	0		
Same person or same related person	Wu, Tong-Liang	0	0			0	0		
Same person or same related person	Wu, Chao-Tong	141,792	0			0	0		
Same person or same related person	Wu, Chao-Yi	170,688	0			0	0		
Same person or same related person	Wu, Gui-Lan	315,491	0			0	0		
Same person or same related person	Hong Tai Investment Co., Ltd.	5,835,940	0			1,680,000	0		
Same person or same related person	Peng Jin Co., Ltd.	0	0			0	0		
Same person or same related person	Dong Ying Investment Co., Ltd.	1,284,818	0			0	0		
Same person or same related person	Tong Shan Investment Co., Ltd.	0	0			0	0		
Same person or same related person	Yi Huan Co., Ltd.	81,317	0			0	0		
Same person or same related person	Chaang Her Co., Ltd.	14,683,927	19,000,000			0	0		
Same person or same related person	Shin Kong Wu Foundation	12,703,219	0			0	0		

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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	0	0	Not applicable (Note 3)		0	0	Not applicable (Note 3)	
Same person or same related person	Taishin Charity Foundation	0	0			0	0		
Same person or same related person	Shin Kong Ton Shin Yuan Health Sciences Foundation	59,025	0			0	0		
Same person or same related person	Shin Kong Wu Tung Ching Foundation	651,764	0			0	0		
Same person or same related person	Shin Kong Wu Ho-Su Culture and Education Foundation	70,476	0			0	0		
Same person or same related person	Bo Si Co., Ltd.	0	0			0	0		
Same person or same related person	Bo-Rui Co., Ltd.	1,424,640	15,000,000			0	0		
Same person or same related person	Peng, Hsueh-Fen	4,888,841	0			1,150,000	0		
Same person or same related person	Hsiang-Chao Co., Ltd.	1,478,400	0			0	0		
Same person or same related person	Jin Xian Investment Co., Ltd.	23,873,074	0			0	0		
Same person or same related person Major shareholders (Note 1)	Shin Kong Mitsukoshi Department Store Co., Ltd.	397,226,663	0			0	0		
Same person or same related person	Shin Kong Synthetic Fibers Corp.	121,240,614	0			(9,897,000)	0		
Same person or same related person	Shin Kong Recreation Co., Ltd.	31,312,054	0			0	0		
Same person or same related person	Shin Kong Ocean Enterprise Co., Ltd.	81,993,467	0			0	0		
Same person or same related person	Shin Kong Agricultural & Animal Husbandry Co., Ltd.	12,864	0			0	0		
Same person or same related person (Note 1)	Shin Kong Wu Ho-Su Memorial Hospital	381,916,616	0			200,000	0		

Unit: share

Title	Name	2025				As of Feb. 28, 2026			
		Ordinary Shares		Preferred Shares		Ordinary 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 (Note 1)	Shin Sheng Co., Ltd.	343,403,663	38,357,312	Not applicable (Note 3)		38,395,000	0	Not applicable (Note 3)	
Same person or same related person	Xin Cheng Investment Co., Ltd.	1,627,620	0			0	0		
Same person or same related person	Rui Jin Enterprise Co., Ltd.	1,488,122	0			0	0		
Same person or same related person	Rui Xin Enterprise Co., Ltd.	1,840,826	0			0	0		
Same person or same related person	Cheng Xin Finance Co., Ltd.	1,915,200	0			0	0		
Same person or same related person	Chia Hao Co., Ltd.	1,612,800	0			0	0		
Same person or same related person	Shin Kong Co., Ltd.	175,045,502	0			0	0		
Same person or same related person	Ru Ying Co., Ltd.	4,849,793	0			0	0		
Same person or same related person	Xing An Enterprise Co., Ltd.	0	0			0	0		
Same person or same related person	Ching-Wei Co., Ltd.	0	0			0	0		
Same person or same related person	Hong Xin Construction Co., Ltd.	6,561,269	0			2,085,000	0		
Same person or same related person	Hong Xin Co., Ltd.	4,569,600	0			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, 2026, the shareholding percentage of the issued shares with voting rights of the Company under Mr. Tong-Liang Wu and related parties is 15.004%. 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 14, 2026 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	CAPITAL TIP Taiwan Select High Dividend ETF	1,447,380,000	5.82	0	0.00	0	0.00	None	None	
2	TASCO Chemical Co., Ltd. Representative: Wu, Cheng-Ching	505,869,432	2.03	0	0.00	0	0.00	None	None	
3	Taishin Leasing & Financing Co., Ltd. Representative: Zhong, Yong-Hong	505,504,451	2.03	0	0.00	0	0.00	None	None	
4	Yuanta/P-shares Taiwan Dividend Plus ETF	476,387,729	1.92	0	0.00	0	0.00	None	None	
5	China Trust Commercial Bank in custody for Yuanta/P-shares Taiwan Top 50 ETF	447,620,740	1.80	0	0.00	0	0.00	None	None	
6	Shin Kong Mitsukoshi Department Store Co., Ltd. Representative: Wu, Tong-Sheng	443,281,968	1.78	0	0.00	0	0.00	No.7 No.8	Representative's relative within 2 tiers	
7	Shin Sheng Co., Ltd. Representative: Peng, Hsueh-Fen	435,935,663	1.75	0	0.00	0	0.00	No.6 No.8	Representative's relative within 2 tiers	
8	Shin Kong Wu Ho-Su Memorial Hospital Representative: Wu, Tong-Chin	383,908,616	1.54	0	0.00	0	0.00	No.6 No.7	Representative's relative within 2 tiers	
9	Standard Chartered Bank in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	334,898,365	1.35	0	0.00	0	0.00	None	None	
10	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	267,368,838	1.08	0	0.00	0	0.00	None	None	

Note: The calculation of the number of shares and shareholding ratio is based on ordinary shares only.

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, 2025 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.	12,299,164,593	100.00%	0	0.00%	12,299,164,593	100.00%
Taiwan Shin Kong Commercial Bank Co., Ltd.	4,981,532,944	100.00%	0	0.00%	4,981,532,944	100.00%
Taishin Life Insurance Co., Ltd.	1,185,728,417	100.00%	0	0.00%	1,185,728,417	100.00%
Shin Kong Life Insurance Co., Ltd.	8,574,762,776	100.00%	0	0.00%	8,574,762,776	100.00%
Taishin Securities Co., Ltd.	692,412,444	100.00%	0	0.00%	692,412,444	100.00%
MasterLink Securities Corp.	1,609,609,856	100.00%	0	0.00%	1,609,609,856	100.00%
Taishin Securities Investment Trust Co., Ltd.	136,502,964	100.00%	0	0.00%	136,502,964	100.00%
Taishin Securities Investment Advisory Co., Ltd.	27,599,513	92.00%	0	0.00%	27,599,513	92.00%
Taishin Venture Capital Investment Co., Ltd.	714,092,688	100.00%	0	0.00%	714,092,688	100.00%
Shin Kong Venture Capital International Co., Ltd.	182,415,530	100.00%	0	0.00%	182,415,530	100.00%
Taishin Asset Management Co., Ltd.	67,100,000	100.00%	0	0.00%	67,100,000	100.00%
Shin Kong Property Insurance Agency Co., Ltd.	1,000,000	100.00%	0	0.00%	1,000,000	100.00%
Chang Hwa Commercial Bank Co., Ltd.	300,000,000	2.5497%	198,889	0.0017%	300,198,889	2.55%
Taipei Metro Consulting Service Co., Ltd	220,000	4.40%	300,000	6.00%	520,000	10.40%

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

TS Holdings
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III. Capital Overview

III. Capital Overview

A. Capital and shares

a. Sources of capital

Reference date: February 28, 2026 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
2025/05	-	35,000,000	350,000,000	Ordinary Share 12,976,144 Preferred Share E 800,000 Preferred Share F 300,000	Ordinary share 129,761,443 Preferred share E 8,000,000 Preferred share F 3,000,000	-	MOEA, NO. 11430052400 2025/05/09 (Note 1)
2025/07	17.4 - - 45 10	35,000,000	350,000,000	Ordinary Share 24,866,399 Preferred Share E 800,000 Preferred Share F 300,000 Preferred Share G 294,668 Preferred Share H 3,096,420	Ordinary Share248,663,992 Preferred Share E 8,000,000 Preferred Share F 3,000,000 Preferred Share G 2,946,680 Preferred Share H 30,964,205	Stock issued for acquisition	MOEA, NO. 114301042600 2025/07/24 (Note 2)

Note 1: The Company's authorized share capital has been increased to NT$350,000,000,000.
Note 2: In response to the merger with Shin Kong Financial Holding, the Company issued 11,890,254,918 ordinary shares, 294,668,000 class G registered preferred shares, and 3,096,420,552 class H registered preferred shares.

Base date: Feb. 28, 2026 Unit: share

Share Categories	Authorized Capital			Note
	Shares in circulation	Shares without issuance	Total shares	
Ordinary Shares	24,866,399,230	5,642,512,218	35,000,000,000	Listed Shares
Preferred share E	800,000,000			Listed Shares
Preferred share F	300,000,000			Listed Shares
Preferre dshare G	294,668,000			Listed Shares
Preferred share H	3,096,420,552			Listed Shares

b. Major shareholders

Base date: April 14, 2026 unit: share; %

Shareholding / Names of Shareholders	Number of Shares	Share of Stake
CAPITAL TIP Taiwan Select High Dividend ETF	1,447,380,000	5.82
TASCO Chemical Co., Ltd.	505,869,432	2.03
Taishin Leasing & Financing Co., Ltd.	505,504,451	2.03
Yuanta/P-shares Taiwan Dividend Plus ETF	476,387,729	1.92
China Trust Commercial Bank in custody for Yuanta/P-shares Taiwan Top 50 ETF	447,620,740	1.80
Shin Kong Mitsukoshi Department Store Co., Ltd.	443,281,968	1.78
Shin Sheng Co., Ltd.	435,935,663	1.75
Shin Kong Wu Ho-Su Memorial Hospital	383,908,616	1.54
Standard Chartered Bank in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	334,898,365	1.35
JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	267,368,838	1.08
New Labor Pension Fund	264,065,160	1.06

Note: The list above discloses shareholders holding 1% or more of the ordinary shares.

c. Dividends policy and execution

1. 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.

2. 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$37,326,811,672 in audited after-tax profit for 2025. After adding NT$4,719,702,798 of initial undistributed earnings, the company will provide NT$39,367,423,348 in distributable earnings in 2025, with the adjustments of several undistributed earnings related items as below:

A. adding NT$308,391,884 (the remeasurement amount of the defined benefit plan)

B. adding NT$779,521,364 (realized gains on the disposal of Fair Value through Other Comprehensive Income instruments)

C. deducting NT$3,841,472,492 for 10% of Legal Reserve

D. adding NT$74,468,122 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 2025 Earning Distribution Plan is proposed as follows:

A. Cash dividends shall be distributed with priority in the amounts of NT$1,794,313,039 for the Class E Preferred Shares; NT$523,652,400 for the Class G Preferred Shares (including the Class GI Preferred Shares and Class GII Preferred Shares, the same hereinafter); NT$195,915,000 for the Class F Preferred Shares; and NT$227,408,760 for the Class H Preferred Shares.

The cash dividend amounts for the Preferred Shares were calculated based on the number of issued and outstanding Class E Preferred Shares, Class GI Preferred Shares, Class GII Preferred Shares, Class F Preferred Shares, and Class H Preferred Shares as of March 31, 2026, after deducting the number of shares repurchased by the Company from dissenting shareholders pursuant to Article 12 of the Business Mergers and Acquisitions Act (the same hereinafter).

B. An additional distribution of common stock dividends in the total amount of NT$27,352,904,382 is proposed (approximately NT$1.10 per share), consisting of cash dividends of NT$24,866,276,712 (approximately NT$1.00 per share) and stock dividends of NT$2,486,627,670 (approximately NT$0.10 per share). Of the stock dividends, NT$2,486,627,670 will be capitalized and used to issue 248,662,767 new common shares with aparvalue of NT$10 per share. The rights and obligations of the newly issued shares shall be identical to those of the existing outstanding common shares. The distribution of dividends per common share was calculated based on 24,866,276,712 issued and outstanding common shares of the Company as of March 31, 2026. However, the actual dividend per share is subject to adjustment in the event of any change in the number of outstanding common shares prior to the ex-dividend and ex-rights record date due to share repurchases, transfers, conversions, cancellations, capital increases, or any other causes. Any such adjustment shall be made based on the actual number of outstanding common shares on the ex-dividend and ex-rights record date, provided that the total amount of dividends to be distributed shall 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 the Class E Preferred Shares, Class F Preferred Shares, Class GI Preferred Shares, Class GII Preferred Shares, and Class H Preferred Shares.

The ex-dividend and ex-rights record date and the payment date for the distribution of cash and stock dividends on the common shares shall be determined separately by the Board of Directors.

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

1. 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 remuneration, 80% of which shall be allocated to non-executive employees. The Board of Directors shall determine whether to distribute such remuneration in the form of shares or cash, and it may also be distributed to employees of affiliated companies who meet the criteria specified in the Company Act. The Company may, by resolution of the Board of Directors, allocate no more than 1% of the aforesaid profit as directors' 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.

2. 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.

3. 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.

A. Compensation to employees and directors amounted to NT$ 3,736 thousand and NT$246,563 thousand respectively.

B. 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$ 127,018 thousand. The deviation was caused by changes in accounting estimates, and will be recognized in the 2026 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.

4. **Remuneration report and results at the general shareholders meeting: Expected to be reported to the general shareholders meeting on June 12, 2026.**

5. **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$ 2,011 thousand and the director remuneration NT$ 150,797 thousand. The actual amounts deviated from the recognized employee remuneration and director remuneration by NT$ 48,474 thousand, which was attributed to changes in accounting estimates, and recognized in the 2025 profit and loss.

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

B. Issuance of corporate bonds

a. Issuance of Corporate Bonds

Issuance of Corporate Bonds - 1

Base date: Feb. 28, 2026

Type of Corporate Bonds		2017 Domestic 1st Unsecured Subordinated Corporate Bond
Date of issuance		Oct. 26, 2017
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$8.0 Billion
Coupon rate		1.9% per annum
Tenor		10 years (Oct. 26, 2027)
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: Peter Tsai & Qinzhen Yang
Repayment method		Repayment at maturity
Outstanding principle		NT$8.0 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 - 2

Base date: Feb. 28, 2026

Type of Corporate Bonds		2018 Domestic 1st Unsecured Subordinated Corporate Bond
Date of issuance		Jul. 10, 2018
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		1.92% per annum
Tenor		15 years (Jul. 10, 2033)
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 - 3

Base date: Feb. 28, 2026

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,28,2026

Type of Corporate Bonds		1st Issuance of Unsecured Corporate Bonds of TS Financial Holding Co., Ltd. of Year 2020
Date of issuance		May 20, 2020
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$7.3 Billion (Tranche B: 4.9 Billion, Tranche C: 2.4 Billion)
Coupon rate		Tranche B: 0.80% per annum Tranche C: 0.95% per annum
Tenor		Tranche B: 7 years Maturity: May 20,2027 Tranche C: 15 years Maturity: May 20,2035
Subordinate / Senior Ranking		Senior
Guarantor		None
Trustee		Taipei Fubon Bank
Underwriting institution		Taishin International Bank
Certified lawyer		Far East Law office's lawyer: Ya-Wen Chiu
CPA-auditor of the financial report		Deloitte & Touche's CPAs: Tza-Li Gung & Kwan-Chung Lai
Repayment method		Repayment at maturity
Outstanding principle		NT$7.3 Billion
The terms and conditions for redemption or early repayment		None
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	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 - 5

Base date: Feb,28,2026

Type of Corporate Bonds		TS Financial Holding Co., Ltd. 1st Unsecured Corporate Bonds Issue in 2022
Date of issuance		Apr. 12, 2022
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$5 billion
Coupon rate		0.90% per annum
Tenor		5 years (Apr. 12, 2027)
Subordinate / Senior Ranking		Senior
Guarantor		None
Trustee		Yuanta Commercial Bank
Underwriting institution		MasterLink Securities Corporation
Certified lawyer		Dragon Law Firm's lawyer: Wu-Jung Chou, Attorney
CPA-auditor of the financial report		Deloitte & Touche's CPAs: Wang-Seng Lin, Jr-Shian ke
Repayment method		Repayment at maturity
Outstanding principle		NT$5 billion
The terms and conditions for redemption or early repayment		None
Restrictive clause		None
Whether included as eligible capital		Not Applicable
Credit rating agency, rating date and rating		Rating agency: Taiwan Ratings Corp. Issuer rating: twA+ Date of rating: May 27, 2021
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

b. Convertible bonds: Nil.

c. Exchangeable corporate bonds: Nil.

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

e. Bonds with warrant: Nil.

C. Issuance of preferred shares

a. Issuance of Preferred Shares

Issuance of Preferred Shares - 1

Base date: Feb. 28, 2026

Item \ Issuing Date			Dec. 28, 2016 Class E preferred shares
Face value			NT$10
Issue Price			NT$50 per share
Number of shares issued			500,000,000 shares
Total monetary amount of the issue			NT$25,000,000,000
Obligation & rights	Dividend Yield and Payment		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.
Obligation & rights	Allotment of remaining properties		Class E preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders and no more than issuance amount of outstanding Class E preferred shares.
	Voting or election rights		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.
	Other rights		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.
Preferred shares outstanding	Total amount of redemption or conversion		NT$0
	Total amount to be redeemed or converted		NT$25,000,000,000
	Redemption or Conversion Provisions		1. From the day following the seventh anniversary of the issue date, and upon approval by the competent authority, the Company may at any time redeem, at the actual issue price, all or part of the issued and outstanding Class E Preferred Shares. Any Class E Preferred Shares not so redeemed shall continue to be subject to, and their rights and obligations shall remain governed by, the foregoing issuance terms and conditions. 2. The Class E Preferred Shares shall not be convertible into common shares, and the holders of the preferred shares shall have no right to require the Company to redeem the preferred shares held by them.
Market Price	2023	Highest	51.80
		Lowest	49.40
		Average	50.78
	2024	Highest	52.80
		Lowest	50.50
		Average	51.58
	2025	Highest	52.20
		Lowest	48.00
		Average	49.93
	As of 2026/02/28	Highest	50.30
		Lowest	49.85
		Average	50.00
Other rights	Total amount of conversion or subscrtiption up to the published day		Not Applicable
	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

Issuance of Preferred Shares - 2

Base date: Feb. 28, 2026

Item \ Issuing Date			Nov. 30, 2018 Class E preferred shares
Face value			NT$10
Issue Price			NT$50 per share
Number of shares issued			300,000,000 shares
Total monetary amount of the issue			NT$15,000,000,000
Obligation & rights	Dividend Yield and Payment		1. According to the terms of the preferred share E issuance, the dividend rate was initially set at 3.80%. 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 November 27, 2025 (which is 1.89125%), with an additional markup of 2.7% at the time of issuance, the dividend rate is reset to 4.59125%, effective from December 1, 2025. 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.
	Allotment of remaining properties		Class E preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders and no more than issuance amount of outstanding Class E preferred shares.
	Voting or election rights		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.
	Other rights		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.
Preferred shares outstanding	Total amount of redemption or conversion		NT$0
	Total amount to be redeemed or converted		NT$15,000,000,000
	Redemption or Conversion Provisions		1. From the day following the seventh anniversary of the issue date, and upon approval by the competent authority, the Company may at any time redeem, at the actual issue price, all or part of the issued and outstanding Class E Preferred Shares. Any Class E Preferred Shares not so redeemed shall continue to be subject to, and their rights and obligations shall remain governed by, the foregoing issuance terms and conditions. 2. The Class E Preferred Shares shall not be convertible into common shares, and the holders of the preferred shares shall have no right to require the Company to redeem the preferred shares held by them.
Market Price	2023	Highest	49.50
		Lowest	45.30
		Average	47.16
	2024	Highest	47.85
		Lowest	45.35
		Average	46.18
	2025	Highest	47.60
		Lowest	43.20
		Average	45.65
	As of 2026/02/28	Highest	48.00
		Lowest	46.80
		Average	47.34
Other rights	Total amount of conversion or subscrtiption up to the published day		Not Applicable
	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

Issuance of Preferred Shares - 3

Base date: Feb. 28, 2026

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	1. 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 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. 2. 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	NT$0
	Total amount to be redeemed or converted	NT$5,295,000,000
	Redemption or Conversion Provisions	1. During the period from the day immediately following the seventh anniversary of the issuance date of the Class F Preferred Shares up to and including the tenth anniversary thereof, the Company may, upon giving notice to the holders of the Class F Preferred Shares, exercise its exchange right, pursuant to which each share of the Class F Preferred Shares shall be exchanged for one share of the common stock of CHANG HWA COMMERCIAL BANK, LTD., on a one-for-one basis. 2. From the day immediately following the tenth anniversary of the issuance date of the Class F Preferred Shares, upon approval by the competent authority, the Company may, at any time, redeem all issued and outstanding Class F Preferred Shares. The consideration for such redemption shall be shares of common stock of CHANG HWA COMMERCIAL BANK, LTD. held by the Company, on the basis of one share of common stock of CHANG HWA COMMERCIAL BANK, LTD. for each one share of Class F Preferred Shares redeemed. If the volume-weighted average price of the common stock of CHANG HWA COMMERCIAL BANK, LTD. during the ninety business days prior to the redemption record date is lower than the issue price of the Class F Preferred Shares, the Company shall compensate the difference in cash. The procedures for such cash compensation shall be determined by the Board of Directors. 3. The Company shall, on the issuance date of the Preferred Shares, set aside and place into custody with a custodian an equal number of shares of common stock of CHANG HWA COMMERCIAL BANK, LTD. held by the Company. Such custody arrangement is made for the purpose that, upon the redemption and cancellation of the Preferred Shares, the Company may deliver the shares of common stock of CHANG HWA COMMERCIAL BANK, LTD. so held in custody to the holders of the Class F Preferred Shares.

Item \ Issuing Date			Jul. 21, 2022 Class F preferred shares
Market Price (Note)	2023	Highest	17.20
		Lowest	16.55
		Average	16.90
	2024	Highest	16.95
		Lowest	15.80
		Average	16.41
	2025	Highest	16.65
		Lowest	15.00
		Average	15.91
	As of 2026/02/28	Highest	17.80
		Lowest	16.35
		Average	16.63
Other rights	Total amount of conversion or subscrtiption up to the published day		NT$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

Issuance of Preferred Shares - 4

Base date: Feb. 28, 2026

Item \ Issuing Date		Jul. 24, 2025 Class G I preferred shares
Face value		NT$10
Issue Price		NT$45 per share
Number of shares issued		75,000,000 shares
Total monetary amount of the issue		NT$3,375,000,000
Obligation & rights	Dividend Yield and Payment	1. Dividend Yield: An annual dividend yield is set at 3.80% (7-year IRS 0.72% + 3.08%) per annum of the issue price at the pricing day. The 7-year IRS will be reset on the next business day after each the 7th anniversary day after issuance thereafter. The pricing date for pricing is one business day prior to the pricing date and the pricing date for reset is the second business day of financial industry in Taipei immediately each reset date. The 7-year IRS rate is the arithmetic mean of 7-year IRS rates appearing on Reuters pages "TAIFXIRS" 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. 2. Dividend Payment: The company has sole discretion on the distribution of Class G I 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. If there remains any balance, dividends for the current year shall first be distributed, on a sequential basis, to the Class G I Preferred Shares in the amount to which they are entitled. If there remains any balance thereafter, dividends for the current year shall then be distributed, on a sequential basis, to the Class G II Preferred Shares in the amount to which they are entitled. If no earnings are posted in the final accounts or earnings posted are insufficient to distribute Class G I preferred share dividends, or if a Class GI preferred share dividends distribution will cause the Company' s capital adequacy ratio to fall below the minimum requirement stipulated by the law or the competent authorities, or based on other necessary considerations, the Company may resolve not to distribute Class G I preferred share dividends. In years when the company concludes insufficient or no surplus to fully pay off dividends for Class G I preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. Dividends on Class G I 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 G I preferred share dividend. 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.
	Allotment of remaining properties	Class G I preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders and no more than issuance amount of outstanding Class G I preferred shares.
	Voting or election rights	Class G I preferred shareholders are not entitled to any voting rights or election rights, but may be entitled to be elected as directors at shareholders' meeting. However, they may vote in Class G I preferred shareholder meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of Class G I preferred shareholders.
	Other rights	When the Company issues new shares for capital raising, Class G I preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.
Preferred shares outstanding	Total amount of redemption or conversion	NT$0
	Total amount to be redeemed or converted	NT$3,375,000,000
	Redemption or Conversion Provisions	1. The Class G I Preferred Shares shall not be convertible into common shares, and the holders of the preferred shares shall have no right to require the Company to redeem the preferred shares held by them. 2. From the day following the expiration of 7 years from the issue date of September 27, 2019, and upon obtaining the approval of the competent authority, the Company may at any time redeem, at the actual issue price, all or part of the issued and outstanding Class G I Preferred Shares. Any Class G I Preferred Shares not so redeemed shall continue to be subject to, and their rights and obligations shall remain governed by, the foregoing issuance terms and conditions.

Item \ Issuing Date			Jul. 24, 2025 Class G I preferred shares
Market Price	2023	Highest	-
		Lowest	-
		Average	-
	2024	Highest	-
		Lowest	-
		Average	-
	2025	Highest	39.65
		Lowest	35.20
		Average	37.29
	As of 2026/02/28	Highest	41.30
		Lowest	39.35
		Average	39.93
Other rights	Total amount of conversion or subscrtiption up to the published day		Not Applicable
	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

Issuance of Preferred Shares - 5

Base date: Feb. 28, 2026

Item \ Issuing Date		Jul. 24, 2025 Class G II preferred shares
Face value		NT$10
Issue Price		NT$45 per share
Number of shares issued		219,668,000 shares
Total monetary amount of the issue		NT$9,885,060,000
Obligation & rights	Dividend Yield and Payment	1. Dividend Yield: An annual dividend yield is set at 4.00% (7-year IRS 0.68% + 3.32%) per annum of the issue price at the pricing day. The 7-year IRS will be reset on the next business day after each the 7th anniversary day after issuance thereafter. The pricing date for pricing is one business day prior to the pricing date and the pricing date for reset is the second business day of financial industry in Taipei immediately each reset date. The 7-year IRS rate is the arithmetic mean of 7-year IRS rates appearing on Reuters pages ”TAIFXIRS” 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. 2. Dividend Payment: The company has sole discretion on the distribution of Class G II 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. If there remains any balance, dividends for the current year shall first be distributed, on a sequential basis, to the Class G I Preferred Shares in the amount to which they are entitled. If there remains any balance thereafter, dividends for the current year shall then be distributed, on a sequential basis, to the Class G II Preferred Shares in the amount to which they are entitled. If no earnings are posted in the final accounts or earnings posted are insufficient to distribute Class G II preferred share dividends, or if a Class G II preferred share dividends distribution will cause the Company' s capital adequacy ratio to fall below the minimum requirement stipulated by the law or the competent authorities, or based on other necessary considerations, the Company may resolve not to distribute Class G II preferred share dividends. In years when the company concludes insufficient or no surplus to fully pay off dividends for Class G II preferred shareholders, the unpaid dividend will not be carried forward to years with earnings. Dividends on Class G II 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 G II preferred share dividend. 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.
	Allotment of remaining properties	Class G II preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders and no more than issuance amount of outstanding Class G II preferred shares.
	Voting or election rights	Class G II preferred shareholders are not entitled to any voting rights or election rights, but may be entitled to be elected as directors at shareholders' meeting. However, they may vote in Class G II preferred shareholder meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of Class G II preferred shareholders.
	Other rights	When the Company issues new shares for capital raising, Class G II preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.
Preferred shares outstanding	Total amount of redemption or conversion	NT$0
	Total amount to be redeemed or converted	NT$9,885,060,000
	Redemption or Conversion Provisions	1. The Class G II Preferred Shares shall not be convertible into common shares, and the holders of the preferred shares shall have no right to require the Company to redeem the preferred shares held by them. 2. From the day following the expiration of 7 years from the issue date of September 1, 2020, and upon obtaining the approval of the competent authority, the Company may at any time redeem, at the actual issue price, all or part of the issued and outstanding Class G II Preferred Shares. Any Class G II Preferred Shares not so redeemed shall continue to be subject to, and their rights and obligations shall remain governed by, the foregoing issuance terms and conditions.

Item \ Issuing Date			Jul. 24, 2025 Class G II preferred shares
Market Price	2023	Highest	-
		Lowest	-
		Average	-
	2024	Highest	-
		Lowest	-
		Average	-
	2025	Highest	39.50
		Lowest	35.30
		Average	37.12
	As of 2026/02/28	Highest	40.40
		Lowest	39.05
		Average	39.55
Other rights	Total amount of conversion or subscrtiption up to the published day		Not Applicable
	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

Issuance of Preferred Shares - 6

Base date: Feb. 28, 2026

Item \ Issuing Date		Jul. 24, 2025 Class H preferred shares
Face value		NT$10
Issue Price		NT$10 per share
Number of shares issued		3,096,420,552 shares
Total monetary amount of the issue		NT$30,964,205,520
Obligation & rights	Dividend Yield and Payment	1. Dividend Yield: An annual dividend yield is set at 1.665%. 2. Dividend Payment: The company has sole discretion on the distribution of Class H 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. If there remains any balance, dividends for the current year shall first be distributed, on a sequential basis, to the Class G I Preferred Shares in the amount to which they are entitled. If there remains any balance thereafter, dividends for the current year shall then be distributed, on a sequential basis, to the Class G II Preferred Shares in the amount to which they are entitled. If there remains any balance thereafter, dividends for the current year shall then be distributed, on a sequential basis, to the Class F Preferred Shares in the amount to which they are entitled. If there remains any balance thereafter, dividends shall be distributed in sequence to the Class H Preferred Shares in respect of the dividends payable for the current year and any accumulated but undistributed or under-distributed dividends from prior years. If no earnings are posted in the final accounts or earnings posted are insufficient to distribute Class H preferred share dividends, or if a Class H preferred share dividends distribution will cause the Company' s capital adequacy ratio to fall below the minimum requirement stipulated by the law or the competent authorities, or based on other necessary considerations, the Company may resolve not to distribute Class H preferred share dividends. Any dividends not distributed or any shortfall in dividend distribution shall be accumulated and carried forward and shall be made up in full in subsequent profitable fiscal years. Dividends on Class H 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 H preferred share dividend. The Company shall pay the dividends payable for the preceding fiscal year and any accumulated but undistributed or under-distributed dividends from prior fiscal years. Dividends for the year of issuance shall be calculated on a pro rata basis from the issuance date (the capital increase record date), in proportion to the number of days from the issuance date to the end of the fiscal year relative to the total number of days in the fiscal 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. Upon or after the redemption of the Class H preferred shares, the Company shall, in the fiscal year of such redemption and in subsequent fiscal years, in accordance with the dividend distribution priority set forth in the preceding paragraph, give priority to paying in full all accumulated but undistributed dividends on the Class H preferred shares.
	Allotment of remaining properties	Class H preferred shareholders shall be given priority to claim on the company's remaining properties over ordinary shareholders and no more than issuance amount of outstanding Class H preferred shares.
	Voting or election rights	Class H preferred shareholders are not entitled to any voting rights or election rights in shareholders' meeting. However, they may vote in Class H preferred shareholder meetings and in general shareholder meetings with regard to agenda items concerning rights and obligations of Class H preferred shareholders.
	Other rights	When the Company issues new shares for capital raising, Class H preferred shareholders shall be entitled to preemptive rights on the new shares equivalent to those of ordinary shareholders.
Preferred shares outstanding	Total amount of redemption or conversion	NT$0
	Total amount to be redeemed or converted	NT$30,964,205,520
	Redemption or Conversion Provisions	Upon the expiration of 3 years from the issuance date of the Class H Preferred Shares, the Company shall redeem all issued and outstanding Class H Preferred Shares at the issue price.

Item \ Issuing Date			Jul. 24, 2025 Class H preferred shares
Market Price	2023	Highest	-
		Lowest	-
		Average	-
	2024	Highest	-
		Lowest	-
		Average	-
	2025	Highest	9.44
		Lowest	8.69
		Average	9.22
	As of 2026/02/28	Highest	9.34
		Lowest	9.27
		Average	9.30
Other rights	Total amount of conversion or subscrtiption up to the published day		Not Applicable
	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

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

D. The issuance of global depositary receipts:

Global Depository Receipts(GDR)

Base date: Feb. 28, 2026

Item \ Date of issuance			Jul. 24, 2025 Common Stock	Jul. 24, 2025 Preferred stock
Date of issuance			Jul. 24, 2025	Jul. 24, 2025
Place of issuance and transaction			Place of issuance:Europe, Asia, USA Place of trading: Luxembourg Stock Exchange	Place of issuance:Europe, Asia, USA Place of trading: Luxembourg Stock Exchange
Total Amount Issued			US$115,068	US$17,194
Issue Price Per Unit			US$9.48 per share	US$1.36 per share
Total Number of Units Issued			12,138 units	12,643 units
The source of securities represented			Issuing new common shares of the Company	Issuing new preferred shares of the Company
Number of securities represented			194,208 shares	50,575 shares
The rights and obligations of holders of depositary receipts			Same as common shareholders	Same as preferred shareholders
Trustee			CitiBank	CitiBank
Depository institutions			CitiBank	CitiBank
Custodian			Citibank Taiwan	Citibank Taiwan
Unredeemed balance (Note 1)			12,137 units	12,643 units
Allocation of expenses incurred at issuance and over the duration			Borne by the Company	Borne by the Company
Key covenants of the depository and custodian contracts			GDR holders are subject to comply with laws of the R.O.C and rights and obligations stated in the depository agreement. Rights and obligations between the depository and the custodian have been outlined in the custodian agreement.	GDR holders are subject to comply with laws of the R.O.C and rights and obligations stated in the depository agreement. Rights and obligations between the depository and the custodian have been outlined in the custodian agreement.
Market price per unit	2025 (Note 2)	Highest	US$10.86	US$1.36
		Lowest	US$8.43	US$1.18
		Average	US$9.49	US$1.20
	As of 2026/02/28 (Note 2)	Highest	US$13.10	US$1.19
		Lowest	US$10.40	US$1.17
		Average	US$11.44	US$1.18

Note 1: Unredeemed balances have been calculated up till Feb. 28, 2026.
Note 2: Information is sourced from Bloomberg.

E. The Issuance of Employee Stock Warrants: Nil.

F. The Issuance of New Restricted Employee Shares: Nil

G. Mergers and acquisitions or transfer of other financial institutions

TS Financial Holding Co., Ltd.

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.

State of mergers & acquisitions or sale of financial institutions over the past five years.

a. On June 30, 2021, TS 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.
b. The stock agent business under Taishin International Bank was spun off to Taishin Securities Co., Ltd. on November 8, 2021.
c. 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.
d. On March 31, 2025, the FSC approved the merger between the Company and Shin Kong Financial Holding Co., Ltd. The merger of the two financial holdings companies was completed on July 24, 2025. Details regarding the consolidation of the Company’s subsidiaries are as follows:
    1. On October 15, 2025, the FSC approved the merger between Taishin Securities Investment Trust Co., Ltd., a subsidiary of the Company, with Shin Kong Securities Investment Trust Co., Ltd. The merger of the two investment trust companies was completed on November 24, 2025.
    2. Taiwan Shin Kong Commercial Bank Co., Ltd., a subsidiary of the Company, completed the merger of its subsidiary Shin Kong Marketing Co., Ltd. on December 1, 2025.
    3. On November 25, 2025, the FSC approved the merger between Taishin Life Insurance Co., Ltd., a subsidiary of the Company, with Shin Kong Life Insurance Co., Ltd. The merger of the two insurance companies was completed on January 1, 2026., and Taishin Life Insurance Co., Ltd. was renamed Shin Kong Life Insurance Co., Ltd.
    4. On January 16, 2026, the FSC approved the merger between Taishin Securities Co., Ltd., a subsidiary of the Company, with MasterLink Securities Co., Ltd. The merger of the two securities companies was completed on April 6, 2026.
    5. On January 22, 2026, the FSC approved the merger between Taishin Futures Co., Ltd., a subsidiary of the Company, with MasterLink Futures Co., Ltd. The merger of the two futures companies was completed on April 6, 2026.

Methods of issuing new shares in such M&A or sale, and opinions issued by the leading underwriter: Not applicable.

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:Same as d.

H. 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.

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IV. Operating Status

IV. Operating Status

A. Business contents

TS 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	39,486,299	98.16
Other net income	742,089	1.84
Total	40,228,388	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 expenditure in last two years

According to Article 36 of the Financial Holding Company Act, the business of a financial holding company is limited to investment in, and management of, its invested enterprises. The R&D expenses of each subsidiary in the recent two years are as follows:

Unit: NT$million

Year/Amount	Taishin International Bank	Shin Kong Bank	Shin Kong Life	Masterlink Securities	Taishin Securities
2024	68,375	74,445	4,697	101,317	6,600
2025	96,530	22,881	8,483	71,744	400

2. R&D results in last two years

Taishin International Bank:

Promotion of GitHub Copilot: By introducing generative AI-powered software development tools, Taishin International Bank assists developers in generating real-time code suggestions, auto-completion, and unit test examples, thereby accelerating system development and operations efficiency. By integrating these tools with the Company's existing development processes and standards, it reduces the risk of human coding errors, improves code consistency and readability, and shortens the learning curve for new hires. These achievements have been progressively applied to internal system development and data analysis projects, strengthening development capabilities and overall software quality. This lays a solid foundation for subsequent introduction of AI-driven software development processes, and enhances collaboration between the IT department and business units.

Shin Kong Bank:

(1) Comprehensive architecture upgrade of the TPEII core system: This includes the operating system, database, and applications. The system was upgraded from Solaris 10 to AIX 7.3, and the database was upgraded from Oracle 10 to Oracle 19c. All system programs had been recompiled, tested, and modified; system security was enhanced; hardware resource utilization was optimized; and system stability was improved to ensure long-term technical support.

(2) Native fund ordering project for mobile banking: Native fund ordering functionality has been developed for the mobile banking APP to enhance operational fluidity and user experience, while strengthening system performance and security. Through an intuitive interface and integrated workflows, the project has increased subscription completion rates, boosted fund sales and fee income, reduced system maintenance complexity, facilitated business growth, and enhanced brand image.

(3) Merger and migration project: Shin Kong Bank successfully completed all business requirements review meetings on schedule and met the required standards, validated hundreds of migration interface specifications, and independently developed hundreds of migration files. It also established a data quality verification platform equipped with specification validation and anomaly detection capabilities. This demonstrated the Bank's professional execution capabilities during the system integration and preparation stages, thereby laying a solid technical foundation for subsequent data migration to ensure business continuity and full implementation of data quality control mechanisms.

Shin Kong Life:

(1) Data lineage analysis and introduction project: Shin Kong Life built a data lineage map to enhance decision-making accuracy. Lineage analysis and impact analysis have been used to identify the scope of impact caused by anomalous data. Automated and intelligent methods have been adopted to identify data quality issues and develop solutions. Through a comprehensive asset inventory, Shin Kong Life has effectively cleaned up redundant data and freed up storage space, thereby improving operational efficiency and significantly reducing maintenance costs.

(2) Data warehouse independent analysis section implementation project: Shin Kong Life introduced a next-generation lakehouse architecture to enable flexible configuration of computing and storage, comprehensively integrated diverse data types, including text, images, and multimedia, broke down previous data silos, and built a more flexible and cost-effective decision-making and analysis hub.

(3) Model lifecycle management platform (MLOps) implementation project: Shin Kong Life integrated operational workflows for model development, validation, deployment, and monitoring. Through standardized operating procedures, it strengthened model version control and tracking mechanisms to enhance the transparency of model governance, ensured the stability and reliability of model operations, and complied with model risk management requirements of the competent authorities

Taishin Securities:

(1) U.S. stock dollar-cost averaging service: To meet customers' needs for global investment and risk diversification, Taishin Securities launched the U.S. stock dollar-cost averaging service in 2024. This service provides a channel for international investment, attracts customers who prefer long-term stock investments and wish to invest in top global companies with small amounts of capital by purchasing U.S. stocks on a regular basis, while fostering customers' global investment perspective and sound savings habits. The service carefully selects representative weighted stocks and popular ETFs from the U.S. stock market, prioritizing those suitable for steady medium- to long-term investments, as well as with high liquidity and trading volume. The "U.S. stock dollar-cost averaging" service eliminates regional restrictions on dollar-cost averaging plans to enable customers to easily capture global investment opportunities.

(2) Overseas bonds: To lower the investment barrier for customers and meet their needs for long-term investment and stable returns, Taishin Securities launched the "overseas bonds" online trading service in 2024. Customers can easily invest small amounts in overseas bond products through electronic trading platforms such as Woojii and PhoneEZ. In addition to a simple and intuitive interface, the service offers a variety of filtering functions to help customers find bond investment targets that meet their specific needs. Furthermore, this service includes features such as bond introductions, market quotes, entrustment inquiries, profit and loss inquiries, and non-trading event inquiries, enabling customers to monitor transaction details, profit and loss, and dividend distributions. It offers a comprehensive journey suitable for everyone from novice investors to professionals. The "overseas bonds" online trading service makes investment more accessible, thereby realizing the principles of inclusive finance.

(3) Online ETF IPO subscription: In response to the ETF boom in the Taiwan stock market, Taishin Securities launched the “online ETF IPO subscription” service in 2025. Investors can subscribe ETF IPOs through online operations. The intuitive interface and user-friendly operations in the ETF IPO subscription section make it easy for investors to complete subscriptions. Furthermore, to enhance user experience, the ETF IPO subscription section offers functions such as subscription status inquiries and result notifications, allowing investors to monitor the progress of subscriptions anytime, anywhere, and providing a more convenient subscription channel. The “online ETF IPO subscription” service makes investment more accessible to the general public, thereby realizing the concept of inclusive finance.

Masterlink Securities:

(1) Enhancement of the core trading system and electronic trading platform

To improve the overall stability and processing efficiency of the trading system, Masterlink Securities has continuously expanded the functionality and optimized the performance of its core trading and accounting systems. It has strengthened its trading processing capabilities across markets, currencies, and multiple products to ensure consistent service quality during peak trading hours and support business growth.

Masterlink Securities has established an off-site backup architecture for the core system of its electronic trading platform to enhance system availability and resilience, effectively mitigate the impact of unforeseen incidents on trading services, and strengthen overall operational resilience.

(2) Development of cloud and platform integration services

Masterlink Securities has expanded and optimized non-trading functions within the cloud accounting center, as well as enhanced back-office operational efficiency and system flexibility to support the concurrent operations of multiple systems and services.

It completed a study on tiered service planning for the cloud-based price triggering system, improved the stability of real-time quotes and notification services, and optimized resource allocation efficiency, thereby laying the cloud foundation for future digital financial service development.

(3) Enhancement of information security and identity verification mechanisms

In response to information security risks and regulatory requirements, a multi-factor authentication mechanism has been implemented to strengthen security protections for user logins and trading operations, thereby reducing the risk of security incidents.

Research on certificate management system upgrades and lifecycle management has been conducted to ensure that relevant information systems comply with the latest information security and compliance standards, thus enhancing customer trust.

3.Future R&D plan

TS Holdings:

(1) TS Holdings has actively adopted AI technology and expanded the application of AI agents with an aim of optimizing IT maintenance and operations, enhancing development productivity, and improving overall organizational efficiency and service quality.

(2) With respect to the evaluation and implementation of new IT technologies, it has adopted a group-wide collaborative approach. By leveraging cross-company talent collaboration and integrating professional expertise, TS Holdings has implemented initiatives through a process of feasibility assessment, pilot testing, and phased rollout to seek innovation while maintaining compliance and stability, thereby maximizing the Group's synergies.

(3) Deepen AI strategy and organizational empowerment by scaling internal AI applications to boost core productivity through technology; simultaneously optimize O2O integration to build a digital service ecosystem that is comprehensive, efficient, and user-centric.

(4) In line with the gradual regulatory liberalization by competent authorities and market trends, Taishin Holdings provides a diverse range of investment vehicles to meet the asset allocation needs of both domestic and international clients.

(5) Strengthen collaborative synergy with internal and external partners by integrating the Group's cross-industry resources to provide comprehensive services for individual and corporate clients; meanwhile, Taishin Holdings continues to optimize electronic platform functionality and system stability to ensure transaction efficiency and a seamless user experience.

Taishin International Bank:

(1) Taishin International Bank continues to deepen its promotion of GHCP and conducted research on multi-scenario applications: systematically integrating the GitHub Copilot suite of tools into various software development scenarios, including core system development, API development, code refactoring, and test automation.

(2) It continues to conduct in-depth research on the Agent mode (Copilot Agents) and explore its feasibility: carrying out further research into the Agent mode features of GitHub Copilot Enterprise. Given the Agent model's capabilities in automated planning, reasoning, and multi-step task execution, Taishin International Bank will assess its application maturity in requirements analysis, code patching, version upgrades, architectural refactoring, and incident analysis to ensure safe and effective utilization of these capabilities, thereby enhancing system maintenance and operations as well as the efficiency of modernization.

(3) Taishin International Bank has established a Copilot skills training system and promoted the deepening of AI culture: It has designed a tiered training program for GitHub Copilot, covering: basic operational training (prompting techniques, code completion, unit test generation) and advanced application courses (system refactoring, design recommendations, CI/CD automation). Taishin International Bank will also continue to promote an "AI-empowered culture" by sharing successful cases, establishing usage guidelines, and implementing professional development pathways, so as to ensure that development teams are fully equipped with AI collaboration capabilities.

Shin Kong Bank:

(1) Supporting the merger strategy of the financial holding company to facilitate the maximization of business value transfer.

(2) Business continuity assurance: Ensuring stable system operations and maintaining service quality.

(3) Maximizing data value transfer: Developing a phased data migration plan based on business priorities to ensure complete and accurate transfer of core data, thereby safeguarding the succession of value.

(4) Optimizing integration and merger efficiency: Leveraging AI technology to enhance collaboration efficiency and quality, while effectively controlling costs.

(5) Passing on historical value: Establishing an inquiry platform to retain business knowledge documentation.

Shin Kong Life:

(1) The data warehouse platform integrates user digital footprints to comprehensively track and analyze the digital behavior paths of customers, thereby creating precise customer profiles. At the same time, an automated scheduling and monitoring mechanism has been established to ensure the accuracy and timeliness of data from collection to application, so as to support decision-making analysis of high-quality data and optimize the efficiency of resource allocation.

(2) A claims AI Agent platform that utilizes multimodal AI technology has been built to automatically recognize the claim documentation submitted by customers and convert it into structured data fields. This optimizes claims procedures, improves processing efficiency, reduces manual processing time, and can be extended to other internal operations, thereby strengthening overall operational automation capabilities and enhancing customer service experience.

(3) Implementation of One ID identification

- By establishing a One ID unified identification system at the financial holding company level, Shin Kong Life provides its customers with a unique digital identity to comprehensively track their entire digital journey within the Group's ecosystem, thereby overcoming the limitations of fragmented digital footprints in the past.
- By integrating the powerful analytical capabilities of GA4 (Google Analytics 4) and linking online behavioral data through One ID, Shin Kong Life is able to accurately identify customers' digital behavior tags and lifestyle habits across subsidiaries and platforms. This data is transformed into customer profiles with business insights, enabling more personalized, targeted marketing and appropriate insurance services.The upgraded Shin Kong Life APP aligns with the Group's overall "Health Ecosystem" strategy, comprehensively optimizing and upgrading the APP's "Health" functions. Key enhancements include expanding the additional premium discounts and health reward mechanisms for existing health insurance with spillover effects, as well as offering diverse health promotion sections tailored to customers' health behaviors and lifestyle habits. Additionally, the Shin Kong Life APP will undergo a comprehensive upgrade from interface design to functionality, so as to deliver a more user-friendly experience.

Masterlink Securities:

(1) Upgrades to multi-platform trading functions as well as optimization and innovation in smart strategies: This ensures alignment of trading functions with market and customer needs, and optimizes the platform's UI/UX designs and operational workflows for intuitive and user-friendly experience, thereby encouraging customers to quickly adopt new functions and boosting trading activity.

(2) Features such as lightning-fast order placement, designated day trading, and dual-window order placement have been added to the MasterLink Hao Fu Tou APP.

(3) Functions such as technical indicator settings for position increase and decrease as well as dividend reinvestment have been added to the wealth management platform of Masterlink Securities.

(4) The UI/UX designs of the cloud conditional orders have been upgraded and redesigned to optimize workflow and enhance the mobile trading experience for customers.

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 "Best Private Banking Big Data and AI Application Award", The Digital Banker "Best Data Analytics Experience Award", PBI International Private Banker "Outstanding High-Net-Worth Client Growth Award", Business Today "Best Smart Wealth

Management Award", "Best Fair Customer Service Award", "Best Marketing Creativity Award", Wealth Magazine and Excellence Magazine "Best Wealth Management Award", National Brand Yushan Award "Most Popular Brand Award", "Best Product Award", and Digital Era Innovative Business Award "Best Technological Innovation" and "Best Experience Innovation."

(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, As of the end of 2014, the bank had more than 4.5 million digital deposit accounts, solidifying our position as the market leader in Taiwan.

B. Mobile banking and Online 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, We launched an NTD installment savings service with lump-sum withdrawal in the inclusive section of our mobile banking, promoting financial inclusion. In 2025, our mobile banking and online banking continued to align with Financial Information Service Co., Ltd. on its pilot program, taking the lead in launching the “NTD Account Name Inquiry” service. This ensures customers can instantly verify the recipient’s identity during transfers, effectively reducing the risk of erroneous transfers. Furthermore, to strengthen anti-fraud mechanisms, we have introduced a “Trading Halt” feature, enabling customers to set their own trading time windows to prevent unauthorized account access, thereby comprehensively enhancing account security. To improve the customer experience, we have optimized the Enabled by Visa (incoming card number) process by replacing the original chip card verification with online banking password verification, significantly simplifying transaction processes and providing customers with a more convenient service experience.

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 May 2025, the Bank obtained approval from the competent authorities to launch the "Taishin Pay+" service. In accordance with Article 15, Paragraph 2 of the Act Governing Electronic Payment Institutions and Article 7, Paragraph 1 and Article 10 of the Regulations Governing Cooperating with or Assisting Foreign Institutions in Engaging in Activities Associated with Electronic Payment Business within the Territory of the Republic of China, this service enables Taishin customers to conduct cross-border transactions overseas using e-wallets.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 multinational enterprise finance products and professional services for institutional clients that include transnationals, corporations, small and medium sized enterprises, government departments and financial institutions. The scope of banking services includes deposit, short/long-term loan, guarantee, trade financing, syndication, bond trading, bill financing, factoring, cash management, e-banking, foreign exchange and derivatives.

(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 continually 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

- 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.
- For foreign ETFs, foreign stocks, and other foreign securities, our mobile banking app interface and order placement functions enhance the customers’trading experience, and provide a more real-time and convenient order placement platform, further assisting customers in keeping abreast of investment trends.

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 the trust spectrum as part of our Foreign Investors Custodian Service, offering 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 dedicated to providing the best insurance brokerage services for its customers. As of the end of 2025, Taishin Bank has agreements with 25 insurance companies, including 15 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, First Life.

Taishin Bank works with property insurance companies including Shin Kong 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 agent 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, In response to the Bank’s application to operate within the Asia Asset Management Center - Kaohsiung Zone, we introduced new products suitable for premium financing and established related policy financing processes to meet the needs of this customer segment for credit facilities combined with insurance coverage. 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 56,000 members by the end of 2025. The platform offers property insurance (e.g. travel inconvenience insurance, car insurance, mobile device Insurance, pet insurance) and life insurance (e.g. travel 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	2025
Retail Banking	59%	58%
Wealth Management	36%	34%
Consumer Finance	16%	16%
Credit Card	7%	8%
Wholesale Banking	30%	29%
Financial Market	11%	13%
Total	100%	100%

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 - We have also established 7 reward exchange platforms. 5 redemption functions of Taishin Points (credit cards) enable cardholders to freely choose whether to save up or redeem points. A personalized payment tool has been created to meet the consumption needs of all customer groups.

(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, Integrating seven Richart credit card benefits 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, the bank offer font enlargement service to improve ATM readability and further implement friendly finance.

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; persuading cash services (collection and payment) to become the client's major operating bank.

(3) Expanding credit support for cooperate group clients to capitalize on market opportunities and become their main bank.

(4) Taking advantage of local branches to develop close ties with local customers; trying to expand the customer based in small and medium-sized enterprises.

(5) Taishin Bank proactively expands its global footprint. Currently, it owns branches in Hong Kong, Singapore, Tokyo and Fukuoka in Japan, 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. Leveraging our regional presence to provide tailored corporate financial services to local corporates, thereby expanding the client base and broadening our overseas market.

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

(7) 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. For foreign ETF, foreign stocks, and other foreign securities, mobile banking app interface and order placement functions enhance the customers'trading experience, and provide a more real-time and convenient order placement platform, further assisting customers in keeping abreast of investment trends.

B. A diverse range of premium-quality, popular overseas bonds are continuously provided, including overseas financial bonds, corporate bonds, and government provide better asset allocation options for different customer segments.. We have organized a number of seminars to keep clients informed of global bond market changes.

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 quotation and transaction process, which helps customers seize market opportunities.

(3) Planning trusts and custody services

Taishin Bank actively supports FSC's Trust Business Development Strategy Roadmap 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 multiple Trust projects, offering the public ability to plan trust usage and fund payments according to own needs, 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 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 the advantage of existing branches as sales channels and increase product ownership across customers.In addition, in response to the Bank’s application to operate within the Asia Asset Management Center - Kaohsiung Zone, we have also developed new products for premium financing and established policy financing processes to meet the diverse needs of high-net-worth customers regarding capital utilization and insurance planning.

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

(3) In order to meet the needs of digital natives, Taishin Bank's online insurance platform not only offers car insurance, travel insurance and travel inconvenience insurance products, but also successfully attracts young group insure interest sensitive annuity insurance by low premium threshold model to strengthen the stickiness between digital customers and Taishin Bank. Due to our long-term managing of digital customer groups, the platform has successively launched mobile device insurance for used mobile devices, and flexible pet insurance for the fur babies. In addition, we also integrated bank resource and the resources of our partnering insurance companies to develop new customer, expand our digital insurance channels, and achieve greater differentiation in our business, fulfill the vision of inclusive financing.

c. Industry status

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

d. R&D and business development

1. Retail Banking

(1) Loan:

A. Balance of secured loans totaled NT$849.6 billion, representing an annual growth rate of 4%.

B. Balance of unsecured loans totaled NT$135.8 billion, representing an annual growth rate of 14%.

(2) Credit cards:

A. 6.63 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$529.2 billion in annual card pruchases, ranking fifth with a 11% market share.

D. 187,086 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.

By the end of 2025, Richart had over 4.3 million accounts, maintaining its leading position in Taiwan's digital account market for a long time.

(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 2025, Taishin's foreign currency ATM count more than 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 2025, 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 2025, the outstanding wholesale banking loans stood at NT$ 831.7 billion, representing 12.6% in YOY growth. Loans

to state-owned and private enterprises totaled NT$461.5 billion at the end of December 2025, representing 8.5% 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$ 336 billion at the end of 2025.

(3) Export bills of exchange

Proactively seek out high-quality customers and continuously expand our customer base. The Bank's bill negotiation amount in 2025 reached USD1.3 billion.

(4) Factoring business

For factoring, Taishin Bank took a balanced approach in customer relationship management, and market price while considering credit risk. In 2025, Taishin Bank undertook NT$144.2 billion in factoring, which remained the market leading position.

4. Financial Markets

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

(2) In January 2025, it won first place in the IRS trading platform quotation award at the "2024 New Taiwan Dollar Interest Rate Swap (IRS) Trading System Trading Competition" held by the Taiwan Securities Exchange.

5. Trust Financial

Unit: NT$million

Projects	2024	2025
Special-purpose money trusts investing in domestic/foreign securities	276,297	297,322
Custody services of Securities investment trust funds	521,070	648,403
Other money trusts	77,241	72,311
Employee welfare trust	10,036	10,555
Securities trust	35,842	30,446
Collective investment trust account	280	234
Specific discretionary money trust	N/A	10
Real estate trust	102,273	107,879
Money and securities trusts	1,858	1,933

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 focusing on investment risk management, service stability, and the application and development of AI-assisted tools,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. Proactively plan for and develop operations related to foreign currency deposits and assets, while paying attention to the balance of risk exposure and profitability.

B. 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.

C. Continue to implement new technologies and enhance their internal efficiency and risk control.

(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 Agent Serivices

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. We continue to 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. We 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 TS Financial Holding 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, combining digital tools with data insights, 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 and combining the group's cross-domain professional resources 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; following the merger, the company continued to optimize product integration and operational scale, 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.

E. In line with policies promulgated by the competent authorities, we continue to enhance ATM anti-fraud mechanisms by integrating AI-powered detection technology.

F. Point redemption scenarios have been continuously expanded for Taishin Points to increase the value of the points.

(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, or applied stablecoin mechanisms to cross-border payments and remittances, providing customers with a more affordable and faster cross-border transaction experience.

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. Implement credit management on a group-wide basis 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 SME policies and Action Plan for 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 a favorable investment environment, thereby enabling the bank to further deepen its strategic presence in Southeast Asia.
- Integrate domestic and overseas platforms to serve Taiwanese businesses worldwide and position the bank for global expansion. Build the bank's overseas talent pool through regular job rotation and training to accommodate business growth and fulfill our international management strategies.

(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 global strategic layout.

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. 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.

E. 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.

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

G. 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.

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

I. 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 Agent Services

(1) Short-term business development plan

A. The Bank continues to provide protection-oriented products that meet customer needs, and actively introduces comprehensive life insurance products such as participating insurance policies that incorporate accident or health-related coverage and increases 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 and investment-linked insurance products tailored to market conditions to meet different needs for financial planning and protection.

C. Enhance the diversity of online insurance products. Considering the characteristics of digital natives, we keep introducing topical, fragmented and scenario-based online insurance products that are relevant to current affairs, for enhancing differentiated marketing, fulfilling the vision of inclusive financing.

(2) Long-term business development plan

A. Monitor 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 and 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.

Taiwan Shin Kong Commercial Bank Co., Ltd.

a. Business scope

1. Business contents

(1) Deposits and Transfers

Accept all kinds of deposits, including: check deposits, demand deposits, time deposits and savings deposits; provide domestic remittance; handle agency services
approved by the competent authority.

(2) Corporate Finance

Provide short-, medium- and long-term lending such as business loans, secured loans, account receivable financing and import and export trade financing, and handle domestic and foreign guarantee services.

(3) Consumer Banking

Provide consumer-financing services: including unsecured loans, auto loans, microenterprise loan, mortgage loan and other related short-, medium- and long-term loan services.

(4) Wealth Management

Provide domestic and foreign financial services, such as mutual funds, bonds, ETFs, insurance, and derivatives; and wealth management business approved by the central competent authority.

(5) Digital Banking

Process planning, innovation, research and development, operation and marketing of personal digital financial products, including: personal online banking, mobile banking, mobile payment, and third-party payment.

(6) Credit Card

The bank is engaged in credit card issuance and acquiring business, as well as consumption involving debit cards.

(7) Trust

The trust business of the Trust department of the Head Office approved by the competent authority includes: money, money obligations and their collateral rights, securities, movable property, real estate, and superficies, etc.

(8) Financial Market

Proprietary trading and securities investment include: government bonds, short-term bills, corporate bonds, financial bonds, and company stocks.

(9) Offshore Banking Units

Handle foreign currency cash, traveler's checks, import and export foreign exchange, general remittances, foreign currency deposits, foreign currency loans, and foreign currency payment guarantees.

2. Business mix

Weight of business activities of SKB in the latest three years

Unit: NT$1,000

Item \ Year	2023		2024		2025	
	Net income	Percentage	Net income	Percentage	Net income	Percentage
Net interest revenue	12,966,925	64.83	14,031,948	65.44	14,248,462	63.58
Net commission revenue	3,539,465	17.69	4,575,826	21.34	5,061,372	22.59
Net gain on investment of financial instruments	2,291,975	11.46	3,483,188	16.24	2,454,135	10.95
Other net revenue	1,204,504	6.02	(647,317)	(3.02)	645,543	2.88
Total	20,002,869	100.00	21,443,645	100.00	22,409,512	100.00

3. New products(service) under plan

(1) Support frontline operations through digital platforms and services.

With a focus on customer experience, the bank continuously optimizes digital platform services and enhances user experience of mobile banking through a mobile-first strategy. It meets customer needs in areas such as inquiries, bill payments and wealth management, aiming to create thoughtful and precise digital financial services. The bank utilizes data analysis to drive optimization, with an aim of increasing the usage of digital services and transaction volumes.

(2) Deepen customer engagement and enhance operational efficiency through digital services.

Physical branches promote mobile banking once acquiring new customers, and drive in-depth operations through digital platforms; strengthen the integration of online and offline channels, enhance digital engagement, and enable customers to complete self-service financial transactions (such as currency exchange and mutual fund trading) via digital platforms to improve operational efficiency.

b. Business plan of the current year

1. Strategic Goals:

(1) Adjust the loan structure to steadily increase revenue.

(2) Optimize the deposit structure to increase deposit levels.

(3) Optimize the financial structure to expand the contribution from non-interest income.

(4) Optimize digital services to leverage group synergies.

(5) Retain key talent to stabilize human capital.

(6) Uphold compliance and risk management to promote fair treatment of customers.

(7) Drive the transition to net-zero emissions to jointly create sustainable development.

2. Business Plans for 2026

(1) Deposit Business

A. In combination with localized business cultivation by SKB branches, the SME customer base will be developed with the aim of boosting the Bank's market competitiveness and market share, optimizing the deposit structure, and constantly lowering the cost of deposits.

B. Customer business relations will be enhanced and the cultivation of existing customers will be strengthened,good interactive relations will be enhanced, to stimulate the stable development of the deposit business.

C. Continue to drive deposit growth and facilitate an increase in the number of products held to enhance loyalty; increase new customer acquisition and deposits to generate new capital for wealth management and expand investment opportunities.

D. The foreign-currency exchange and deposit module will be continuously developed and optimized to provide customers with a wide range of foreign-currency exchange and deposit services; preferential deposit and exchange programs will be planned in accordance with forex and interest rate trends in order to achieve both cost control and market competitiveness; and preferential programs for New Taiwan dollar/foreigncurrency fixed deposits will be introduced in line with consideration of the rhythm of the capital and the Bank's demand for capital while at the same time boosting the amount of deposits and the ratio of demand deposits.

E. Relations with high-quality payroll-transfer corporate customers will be strengthened by offering them integrated programs involving customized preferential banking products in accordance with their corporate characteristics; the high-income payroll-transfer customer group will be continuously cultivated; and account-upgrade preference and preferential-interest deposit programs will be offered to retain and increase the number of customers with assets under management, and to motivate them to become part of the Bank's high-asset customer group.

F. Through the promotion of convenient online account-opening tools, to accelerate the increase in demand securities deposits and rapidly accumulate the number of customers to heighten the level of demand securities deposits.

(2) Corporate Banking Business

A. Focus on syndicated loan cases with strong returns and excellent credit ratings, and capture refinancing opportunities for existing syndicated loans to secure the role of lead arranger, thereby increasing lending and fee income.

B. Enhance operational efficiency and service quality for existing customers, continue localized operations, deepen customer relationships through proximity-based services, and persistently drive the expansion of corporate banking business.

C. SME Credit Guarantee Fund loans will be used to lower credit risk and reduce capital consumption. The SME business in the vicinity of SKB branches will be constantly cultivated and expanded, and customers in up- and downstream industrial supply chains will be developed; this will steadily enlarge the Bank's SME base.

D. Build a comprehensive corporate banking product line and provide customized services to increase the diversity of business transactions, expand the scope of products provided to customers, as well as reduce credit risk and increase revenue by identifying customers' core assets and securing self-repaying or transactional repayment sources.

E. Enhance customer experience by optimizing the functionality of the cash management and cash flow platform to strengthen cash management services, continue to secure cash flow-oriented customers, plan for transaction-based financing lines, secure cash flow transactions, and expand customer base.

F. The Bank will support corporate sustainable development, use green loans to help guide customer capital into green projects, encourage industries to pursue sustainable development and achieve

carbon-reduction targets, and help realize the role and the function of the financial system in promoting the pursuit of sustainable development by society as a whole.

(3) Consumer Banking Business

A. Optimization of business processes, and enhancement of employee productivity and service quality: The power of technology will be used to optimize processes and data; one-stop services for online application, identity verification, and automatic disbursement of funds will be promoted continuously so that manpower can be replaced by automated equipment and the performance of sales personnel can be upgraded.

B. Focusing on "customer experience" to create smooth and seamless digital experience: With a customer-centric approach, the bank continuously optimizes and improves key business processes and expands the use of digital loan application platform. In response to digital trends and the rapid development of fintech, it leverages digital platforms to enhance service efficiency, integrates into customers' daily consumption scenarios, meets customers' immediate funding needs, and provides high-quality, convenient, and tailored financial services.

C. The bank continues to deepen its local operations, focusing on promoting high-margin and secured property value loan as the main offering, while launching diverse micro-enterprise loan projects to diversify customer base.

D. The bank continues to develop partnerships with car dealers to consolidate used and new car loan businesses. Additionally, it strengthens cost control, reduces delinquencies, and adopts a prudent management approach that balances revenue generation and cost reduction to maximize the bank's profits.

E. For borrowers purchasing non-owner-occupied residential properties, the bank offers relatively favorable loan-to-value ratios. Furthermore, it adjusts credit policies in a timely manner in response to regulatory changes, internal guidelines, and real estate market conditions to enhance the overall quality of credit assets.

F. Strict review of loan applications and strengthening of credit-risk controls: Borrowers' repayment sources and capability will be reviewed, and high-quality customers will be selected, to reduce nonperforming loans. The credit scorecard system will be used to standardize risk controls, enhance business quality and quantity, and reinforce the overall business quality of loan assets.

(4) Wealth Management Business

A. Product system and process integration: The bank has introduced competitive participating policies to establish a comprehensive product line and enhance cross-selling benefits. It has also adjusted performance evaluation and compensation systems to stabilize the workforce and boost the momentum of financial advisors' business.

B. Flexible product strategy: The bank continues to focus its development efforts on capital preservation and appreciation of customers' assets, risk diversification, and intergenerational wealth succession. With respect to fund products, in addition to global equity, balanced, and multi-asset funds, the bank has appropriately incorporated income-generating and sustainability-themed funds to ensure long-term growth, asset stability, and intergenerational needs. In regards of fixed income allocations, the bank focuses on medium-term investment-grade corporate bonds and high-quality financial bonds to balance interest rate volatility risks with yield performance, providing customers with relatively

stable investment options. At the same time, for customers with advanced investment needs, the bank continues to develop equity-linked products, and uses stocks or indices with good liquidity and sound fundamentals as underlying assets to offer conditional returns and diverse investment opportunities.

C. Customer segmentation and in-depth cultivation: The bank segments its customer base based on multiple factors, including asset size, contribution, and loyalty. It designs differentiated customer benefits and marketing incentives, as well as strengthens interaction and trust through diverse reward mechanisms and customer engagement events to enhance customer contribution and loyalty. For high-net-worth customers, the bank enhances exclusive benefits and one-on-one wealth management services; for high-contribution customers, the bank offers more valuable rewards and loyalty programs, using refined management strategies to solidify long-term relationships. Additionally, by implementing a wealth management points program, the bank meets the diverse needs of different customer segments, further boosting customer loyalty, creating a customer-centric business ecosystem, and driving sustainable growth.

D. Business management mechanisms: The bank has expanded its wealth management handbook and training materials to ensure that front-line staff's professional knowledge aligns seamlessly with sales strategies, thereby accelerating the enhancement of professional competencies. By combining diverse incentive programs, the bank stimulates sales momentum at branches to improve the precision of business development and closing rates. The bank has implemented measures to deepen the counseling and management mechanisms for regional managers to enhance the effectiveness of their customer visits.

E. Operational process optimization: The bank has strengthened protections for elderly customers by increasing the use of recorded confirmation procedures for elderly customers purchasing offshore structured products, so as to ensure that they receive clearer information and more comprehensive protection during the investment decision-making process. At the same time, to avoid concerns regarding age-based labeling, the bank upholds the right of elderly customers to make independent choices and has removed restrictions prohibiting the promotion of products to them.

(5) Financial Market

A. Building on a stable foundation of interest income, the bank optimizes asset allocation and implements risk management mechanisms to continuously increase capital gains, as well as enhance overall returns and profit structure.

B. It introduces a diverse range of investment products, integrates banking resources, and strengthens financial asset financing services to help customers improve liquidity, optimize their assets, and expand business scale.

(6) Digital Banking Business

A. Enhancing digital product design to support branch operations: The bank continues to optimize digital products and services to meet customer needs in areas such as inquiries, bill payments, wealth management, and lifestyle benefits, while actively leveraging digital products and services to collaborate with branches in achieving performance targets.

B. Deepening customer engagement, optimizing customer experience, and boosting platform revenue: The bank adopts a customer-centric approach, placing equal emphasis on “customer acquisition” and “in-depth operations”. The bank encourages customers to use its digital platforms by leveraging diverse channels to acquire customers and driving digital transactions through task-based marketing campaigns. It continues to iterate on digital products, innovate experiences, and improve efficiency. This year, the bank optimized wealth management features within its APP, such as exchange rate alerts, an overview of proprietary bond investments, and native fund functions, thereby enhancing operational efficiency and improving customers’ order placement experience. At the same time, it is committed to advancing inclusive finance by developing an English version of the APP to deliver inclusive financial services.

(7) Credit Card Business

A. Targeting high-end customers and focusing on premium cards: The bank has been working closely with various distribution channels to fully leverage its existing customer base, proactively targeting potential customers to apply for premium credit cards. This approach aims to increase customer engagement and loyalty, while encouraging concentrated spending to drive growth in new card issuances and transaction volumes.

B. Enhancing distinctive features and strengthening relationships: Based on market trends, the bank clearly defines the attributes of various product categories and employs precise segmentation strategies to create product differentiation. The bank continues to focus on cultivating and serving its premium clientele by offering high-end, exclusive services such as premium credit cards for access to luxury hotels, airport lounges, and international airport transfer services. For general clientele, it focuses on everyday spending scenarios, and creates convenient card payment scenarios to enhance market competitiveness and customer loyalty.

(8) Trust Business

A. Real estate trust: Development-type real estate financing projects will be coupled with trust to reduce credit risk while strengthening stakeholder protection and complying with market needs; the Bank will also respond to the government’s implementation of the policies of urban renewal and the reconstruction of old buildings by actively pursuing the old-building reconstruction and urban renewal trust business so as to boost trust-commission income, loan-interest income, and deposit performance. This will promote trust as the ideal protection platform, and will create maximum income for the Bank.

B. Advance payment trust: Issuers will be assisted with the issuance of gift certificates (including electronic gift certificates and prepaid cards) and will carry out the trust management of advance payments in accordance with the regulations, assuring protection for purchasers of deferred-consumption products while increasing the Bank’s trust income.

C. Real estate escrow trust : This business fills a market demand, and is now a mature and competitive business. To enhance competitiveness, the Bank will develop its own information systems to better handle application, price negotiation, and approval operations for this business. The outstanding functions of these systems will boost the performance of branch business promotion.

D. Elderly care trust service: In response to the competent authorities' promotion of the "Trust 2.0" policy, the bank has launched the elderly care trust business. The primary purpose of this business is to address the practical care needs of the elderly and individuals with disabilities. It has established standardized procedures, information systems, and standardized contracts to facilitate branch promotion of this business and enhance the bank's public welfare image.

E. Self-beneficiary principal and third-party beneficiary income trust: For high-net-worth customers with needs for asset succession, investment, and tax mitigation, the bank has developed a new multi-functional cash trust product. This product is offered in conjunction with elderly care trust and children protection trust to meet the market's diverse product demands and create additional revenue streams for the bank.

F. Custodianship business: The Bank will make use of holding company synergies in undertaking custody of investment-type insurance products and discretionary investments of Shin Kong Life Insurance and of the central government book-entry securities clearing bank.

c. Industry status

Looking back at 2025, the global economy initially encountered the impact of a new round of tariff policies, resulting in a resurgence of trade protectionism and pressure on investment and consumer momentum. However, the gradual achievement on tariff agreements, coupled with the rapid development of AI technology, have led to a boom in global investment. The International Monetary Fund (IMF) revised its full-year economic growth forecast for 2025 upward to 3.2%. In the U.S., annual GDP growth stood at 2.2%, down from 2.8% in the previous year, primarily due to a slowdown in government spending and export momentum. With respect to monetary policy, the Federal Reserve cut interest rates by a total of 0.75% over the year, lowering the policy interest rate to 3.50% to 3.75%. In Taiwan, due to the continuous growth of business opportunities arising from AI and a significant boost in exports and investment momentum, the Directorate General of Budget, Accounting and Statistics revised its economic growth forecast for 2025 upward to 8.63%. Regarding inflation, the annual growth rate of the Consumer Price Index (CPI) stood at 1.66%, with prices remaining stable. Overall, the domestic economy achieved steady performance. The Central Bank maintained its monetary policy unchanged in 2025, keeping the rediscount rate at 2%.

Looking ahead to 2026, the global economy and trade will continue to be affected by multiple factors, including the direction of U.S. tariff policies, escalating geopolitical risks, and monetary policy adjustments by major central banks. Technology investments will continue to underpin economic growth; however, whether the rapid expansion of capital expenditure can be effectively transitioned into enhanced corporate productivity and profitability will be a key factor in determining the resilience and sustained momentum of the global economy. In terms of monetary policy, market attention will focus on whether the new Chair of the U.S. Federal Reserve will maintain the existing policy stance, as the direction of its policies will influence global capital flows and financial market performance. Domestically, the Directorate General of Budget, Accounting and Statistics projects Taiwan's economic growth rate for 2026 at 3.54% and the annual growth rate of the Consumer Price Index (CPI) at 1.61%, with overall inflation remaining moderate. It is expected that the Central Bank will maintain the rediscount rate at 2% in 2026, and the financial environment will remain stable.

d. Research and development

1. R&D costs for the past two years

(1) Initiation of the "Securities Market Risk Management Platform Program" by the Hong Kong Branch: This program was developed in cooperation by the SKB headquarters Risk Management Dept. and information units, with help from middle-office colleagues in the Hong Kong Branch. The program integrates Bloomberg information and securities transactions, and nimbly produces management reports using systematic methods. This reduces repetitive manual tasks and concentrates focus on analyzing the reasons for profit/loss changes. The platform has a query function for charts of historical trends leading up to current positions, helping give management a grasp of relevant information. Initiated in the first quarter of 2024, this program was completed in October that year.

(2) New Minimum Capital Requirements for Market Risk: In response to Basel III's new 2025 standardized approach for calculating market risk capital requirements, the Bank cooperated with information units in the self-establishment of a calculation model. The project began in 2023 and went online in December 2024.

(3) Fund redemption and switching function: To enhance the convenience of investment operations and the flexibility of asset allocation, the company continues to optimize its fund trading services. In July 2025, it introduced the fund redemption and switching function, which enables customers to complete both fund redemption and switching orders within a single process, thereby effectively reducing transaction time and simplifying the process. This function enhances the efficiency of customers' asset allocation, improves their investment experience, and further elevates the overall quality of wealth management services.

2. R&D results and newly launched businesses in the last two years

(1) Credit card service

2024:

A. The bank has upgraded digital services to create convenient digital experiences for cardholders, optimized the credit card application process, shortened application times, and improved approval efficiency to enhance the user experience. It has optimized mobile banking credit card service features to improve convenience for cardholders through smart interfaces and personalized mechanisms; strengthened dynamic credit limit management; supported online temporary credit limit increases and a streamlined account management interface; effectively increased digital service penetration; and created convenient digital services for cardholders.

B. The bank has implemented cross-selling partnerships to create value by fully leveraging the bank's depositor resources to target potential customer segments. Through precise communication via proprietary media channels, it has deepened customer engagement, expanded credit card application invitations, strengthened customer loyalty to our products and brand, and boosted overall contribution. Additionally, the bank has integrated diverse physical channels (branches, life insurance, securities, etc.) to expand customer base.

C. The bank has enhanced product differentiation to boost competitiveness. Based on market trends, it has clearly defined the attributes of various product categories. Through precise segmentation strategies, it has created differentiated products. Moreover, the bank has deepened engagement with

premium customer segments by offering premium card benefits such as access to luxury hotels, airport lounges, and international airport transfer services. Through a differentiated high-end prestige service strategy, it has strengthened customer loyalty and market competitiveness. For general clientele, the bank has focused on everyday spending scenarios, and created convenient card payment scenarios to enhance card benefits.

2025:

Enhancing digital services and improving the customer experience: With a focus on the customer experience, the bank continues to optimize the online credit card application process and actively promotes digital channels with the goal of completely replacing traditional paper-based applications. The bank has also added a feature to its mobile banking APP that allows customers to report a lost credit card online, aiming to provide a more immediate and convenient service. This feature enables cardholders with hearing or speech impairments to handle the process independently without having to make a phone call, thereby significantly improving financial inclusiveness.

(2) Digital Banking

2024:

A. The bank has strengthened collaboration between the digital financial business and physical branches, and leveraged digital channels to support branch operations to serve customers. Adopting a customer-centric approach as the basis for evaluating optimizations and features on the digital platform, it has actively enhanced digital products/services to drive business expansion and increase digital revenue.

B. The bank continuously iterates on digital products to innovate experiences and improve efficiency. This year, it integrated the mobile banking and credit card APP to enhance customer experience and usage rates, while reducing operational costs. It also invested in platform-related development, such as the Investment Express GO feature, to improve business efficiency, optimize the customer order placement experience, and drive transactions.

C. The bank has partnered with Shin Kong Securities to expand the network of integrated banking and securities services, providing one-stop financial services to enhance user experience and account opening efficiency.

D. It integrated Shin Kong Life Insurance's asset information into the Shin Kong Mobile Banking APP to facilitate asset management for customers and leverage group synergies.

E. The bank developed a cardless withdrawal feature embedded in the Shin Kong Mobile Banking APP, enabling customers to withdraw cash at the ATMs of the bank or other banks. This provides customers with flexible and convenient withdrawal options, thereby strengthening convenient financial services.

F. The Shin Kong Mobile Banking APP was awarded the "Global Experience Design Award" at the 2024 UX Design Awards, while the TWQR interbank service received the "Interbank Service Innovation Award" from Financial Information Service Co., Ltd. The bank is committed to placing customer experience at the core of its efforts to create digital services that are closely integrated into customers' daily lives.

2025:

A. The bank emphasizes the integration of online and offline channels, leveraging collaboration between the digital financial business and physical branches to serve customers. Adopting a customer-centric approach as the basis for evaluating optimizations and features on the digital platform, it has actively enhanced digital products/services to drive business expansion and increase digital revenue.

B. It continues to iterate on digital products in order to enhance user experience and improve efficiency. This year, the bank invested in developing wealth management features within its APP, such as exchange rate alerts, an overview of proprietary bond investments, and native fund functions, thereby enhancing operational efficiency, improving customers' order placement experience, and driving transactions. At the same time, it is committed to advancing inclusive finance by developing an English version of the APP to deliver inclusive financial services.

C. In 2025, the bank was awarded Best Digital Financial Services Bank by Global Business and Finance Magazine. The bank is committed to placing customer experience at the core of its efforts to create digital services that are closely integrated into customers' daily lives.

3. Future research and development plans

(1) To uphold the principle of fair treatment of customers, the bank has further strengthened protections for elderly customers. It has added an assessment of elderly customers' vulnerability to its investment profile questionnaire, enabling a more precise and tailored understanding of their investment needs and risk tolerance. This ensures that product recommendations and service processes take into account both customer needs and product suitability.

(2) In response to organizational consolidation plans, the bank is currently actively engaged in preparations for system integration and consolidation. Through system integration, customers will gradually gain access to the other party's diverse financial services, including innovative applications such as small-amount bond investments and smart wealth management, further enhancing investment convenience and product selection flexibility.

(3) The bank continues to strengthen digital product service processes and improve operational efficiency by actively integrating online and offline channels, deepening branch collaboration and joint promotions, as well as leveraging digital and technological solutions to boost profitability of branches.

e. Short-term and long-term business development plans

1. Short-term business development plan

(1) Corporate Banking Business

A. The bank has utilized the projects of the Small & Medium Enterprise Credit Guarantee Fund of Taiwan and other tools to continuously attract high-quality customers across diverse industries, build a comprehensive corporate banking product line, broaden the scope of services, and expand its SME customer base.

B. The Bank has actively deepened relationships with high-quality domestic and international customer, secured the role as the lead arranger of syndicated loan cases, and positioned itself as one of the customers' primary banks. It has secured customers' operational cash flows, cross-sell products, or joint selling within the group. These efforts aim to increase lending and fee income, while expanding various business relationships.

C. The bank has implemented the Green and Transition Finance Action Plan of the FSC, continued to promote financing for renewable and green energy, and introduced digital tools to enhance customer loyalty.

(2) Consumer Banking Business

A. Services to meet customer needs for home loans and on-lending will be developed, the funding needs of the youth group for housing procurement and of high-asset potential customers will be met, and a stable home-loan market share and asset quality will be pursued in line with relevant government regulatory measures.

B. A diverse array of digital application channels will be matched with the sale of a range of credit loan products, and lists of high-quality corporate personnel and internal business opportunities will be developed, so as to upgrade customer quality and quantity; at the same time, credit loan products will be continuously innovated and inclusive financing will be practiced through the implementation of environmental social governance (ESG) plans.

(3) Wealth Management Business

A. The bank continues to identify customers with wealth management potential. Through precise analysis and differentiated services, it increases the number of high-value customers. At the same time, it has actively expanded the scale of customer assets and strengthened customer and relationship management through exclusive benefits, diverse rewards, and in-depth engagement, thereby fostering long-term, sustainable growth momentum.

B. A diversity of personnel will be acquired through special recruitment projects, and internal personnel and high-performance financial consultants will be guided onto the road to comprehensive career planning and promotion. This will build up a professional team, and will elevate the capacity for energetic action and per capita output value.

C. A full range of optimized wealth management services that keep pace with the times will be introduced, with a focus on the customer, in line with the pulse of development in global financial markets; a diverse range of products will be innovated; the financial professionalism of SKB employees will be upgraded;and resources will be integrated to realize synergies, stimulating the overall growth of the wealth management business.

(4) Financial Market

A. By continuously improving the financial structure and capital utilization efficiency, the bank has reduced funding costs, expanded investment and trading profits, and strengthened stable and sustainable sources of revenue.

B. The bank continues to develop new customer segments and deepen engagement with existing customers. It continues to develop innovative financial products and services in order to optimize sale process and satisfy customers' needs for investment and wealth management to create mutual benefit for the bank and the customer.

(5) Digital Banking Business

A. Strengthening the integration of online and offline channels and deepening branch collaboration: The bank leverages collaboration between the digital financial business and branches to serve customers, increase product penetration, and generate revenue.

B. Deepening engagement with digital customers: By developing digital products and optimizing digital platforms, the bank meets customers' financial needs, generates digital revenue, and improves the operational efficiency of branches. It strengthens the lifecycle management of digital customers, and uses diversified task-based marketing to increase incentives, encourage customers to experience digital platforms, enhance brand loyalty, and meet customers' demands for fast, convenient, and secure digital services.

(6) Credit Card Business

A. Steady operations to maintain market share: The bank adopts a strategy of steady operations and business consolidation, while continuously expanding its high-value customer base to ensure its market position and brand continuity.

B. Conducting data analysis to continuously optimize cross-selling to customer segments: The bank adheres to a business strategy of joint marketing and joint operations, combining close collaboration across products/departments to continuously refine customer lists for various cross-selling initiatives. For high-value customers, credit card products can be utilized as a means to understand their needs, and provide tailored financial products as and when appropriate, thereby increasing the customers' overall contribution to the bank.

C. Organizing and integrating customer tags to enhance user experience and product penetration: With a core philosophy centered on building long-term relationships with existing customers, the bank will utilize data analysis to review and optimize customer tags, with an aim of improving card usage experience and increasing product penetration.

(7) Trust Business

A. All-out efforts will be devoted to the promotion of the real estate trust, old/unsafe building reconstruction financing trust, advance payment trust (including for e-commerce platforms), escrow trust (including for equities trading), and grantor retained annuity trust business.

B. Business publicity and training will be carried out for internal business units and different officer grades to strengthen the trust competence of employees and gain a grasp of potential customer groups.

C. Financial holding group synergies will be used in undertaking the custodian bank and book-entry central government securities clearing bank businesses for investment trust fundraising.

2. Long-term business development plan

(1) Corporate Banking Business

A. The bank offers customized product planning and diversified financial services. It continues to focus on localized operations, deepens its engagement with and expands its base of SMEs in the branches' local areas. By fostering cash flow transactions, the bank aims to broaden the scope of business relationships and strengthen loyalty, striving to become one of the customers' primary banks.

B. Overseas markets will be developed continuously and international syndicated loans will be undertaken cautiously; cooperation with overseas branches will reinforced constantly, customer sources will be expanded, asset scale will be enlarged, and overseas income will be heightened.

C. ESG loan principles will be introduced, Equator Principles will be complied with, and ESG loans will be included in the examination and effective controls of the loan process, thereby fulfilling ESG and sustainable financing.

D. Loans to highly controversial industries will be avoided, careful assessment will be made of high-risk and high-carbon-emissions industries, ESG loans will be actively promoted, and the Bank will participate in sustainable-industry and in sustainability-linked loans.

E. The integration and division of labor between front and back offices, and reinforcement of the cashflow platform, will boost cross-sales in the derivatives and cash-flow businesses and establish close business dealings with customers.

(2) Wealth Management Business

A. Omnichannel development and digital empowerment: The bank stays attuned to global market trends, offers a diverse range of products, and develops both digital and physical channels to provide comprehensive and personalized financial solutions.

B. Deepening product innovation and market expansion: The bank develops competitive asset allocation products and leverages targeted marketing and cross-industry synergies to meet the needs of various customer segments and expand its business footprint.

C. Aging society transition and wealth succession: In response to an aging society, the bank addresses demographic shifts by offering insurance and trust products to deepen trust services, ensure sustainable asset management, and meet family succession needs.

D. Professional development and international alignment: The bank enhances team expertise by continuously promoting international certification programs (CFP, Eldercare Financial Planning Consultant) to meet the wealth management needs of high-net-worth customers with the highest professional standards.

(3) Digital Banking Business

A. Strengthening customer management on digital channels to boost active account rates: The bank continues to deepen its digital channel operations by integrating data analytics and targeted marketing to increase customer loyalty and product penetration. Through digital marketing campaigns, the bank provides customers with incentives to use its digital platforms, while continuously listening to customer feedback and input from frontline branches to optimize digital products and services.

B. Increasing digital revenue and deepening customer engagement through digital platforms: The bank offers customers diverse and convenient digital financial services, playing a vital role in their daily lives. By flexibly responding to market demands and continuously striving for excellence, the bank drives steady growth in digital revenue.

(4) Credit Card Business

A. Adjusting product benefits to maintain market competitiveness: The bank conducts a comprehensive review and gradually adjusts various credit card benefits. Through phased planning and the consolidation of flagship products, it aims to build a comprehensive product portfolio.

B. Upholding fair treatment of customers and continuing high-quality services: The bank continues to provide customer service, account management, and other services based on the customer-oriented principle. It retains existing rewards, discounts, and core benefits to ensure a consistent cardholder experience. The bank strengthens cardholders' trust through proactive communication and transparent information disclosure.

(5) Trust Business

A. The bank strengthens collaboration between internal and external channels to increase the number and capacity of channels, thereby expanding the source of trust cases and driving revenue growth.

B. The training of trust personnel will be strengthened and business colleagues will be nurtured so that they all have the professional ability to develop, negotiate, sign contracts, and maintain customers by themselves, thus developing into an outstanding business team.

C. Computer system trust and custody business functions will continuously be installed and optimized to strengthen back-office support systems and broaden the asset scale of the trust and custodianship businesses.

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

Item \ Year	2024		2025	
	Amount	Percentage	Amount	Percentage
Life insurance	34,139	72.20%	55,736	74.05%
Annuity insurance	8,071	17.07%	14,379	19.10%
Health insurance	4,878	10.32%	4,963	6.59%
Accident insurance	195	0.41%	193	0.26%
Total	47,283	100%	75,271	100%

3. Products and services

(1) Standard life insurance and health insurance: Product categories include protection-oriented life insurance, return-of-premium insurance, long-term care insurance, health insurance, mortgage life insurance, online insurance products, and policy-based insurance products, such as spillover health insurance and online insurance products exclusive to the FundRich Good Retirement Preparation Platform.

(2) Group insurance: Product categories include group term life insurance, group accident insurance, group micro-accident insurance, group health insurance, and group long-term care insurance.

(3) Accident insurance: Product categories include general accident insurance, micro-accident insurance, online accident insurance, online travel insurance, and online insurance products exclusive to the FundRich Good Retirement Preparation Platform.

(4) Interest-sensitive life insurance and universal life insurance: Product categories include protection-oriented life insurance, increasing- life insurance, and return-of-premium life insurance. Currencies are primarily U.S. dollars and New Taiwan dollars, with NTD-denominated interest-sensitive annuities available. Special distribution channels include online applications and OIU-exclusive products.

(5) Investment-linked insurance: Product categories include both life insurance and annuities. Investment-linked assets include investment management accounts, mutual funds, and target-date funds.

(6) Riders, additional clauses and endorsements: Product categories include health insurance (premium waiver, long-term care, inpatient medical, surgical medical, reimbursement-based, critical illness, major illness and injury, cancer protection, and medical devices), accident insurance (accidental medical reimbursement, daily accident allowance, accidental disability), travel insurance, investment vehicles, rider extensions, and other endorsements.

4. Plans for new products

(1) In response to the super-aged society and in alignment with the government's long-term care policies, Shin Kong Life will continue to deepen its commitment to the long-term care market, build a comprehensive healthcare network, and actively integrate the resources and expertise of the financial holding company and the group. From health promotion, products and services, financial security to health advisory services, the company is actively exploring business opportunities arising from the eldercare market.

(2) The company continues to review and optimize the competitiveness of its health and accident insurance products, driving sales momentum through a dual-pronged approach. In addition, Shin Kong Life is further launching appropriate products tailored to target customer segments to encourage repeat purchases by existing customers, while developing new customers to boost sales momentum for health and accident insurance products and accumulate policy value through the sale of high-value products.

(3) The company continues to operate in the interest-sensitive life insurance market, striving to increase original premiums while accumulating policy value. Shin Kong Life closely monitors market trends and global economic developments. In response to market changes, the company deepens its existing product lines and continuously launches market-competitive products to enhance customer protection, improve retirement planning, facilitate asset succession, and meet the diverse needs of customers.

(4) The company launches structured bond investment products based on market conditions and current trends to increase fee income. Its long-term goal is to expand the asset base of discretionary investment-oriented and fund-based investment products, while enhancing brand value and generating stable returns through professional agencies. In addition, investment products should continue to align with ESG and sustainable development strategies to embody the company's commitment to sustainability.

b. Current business plan

1. Product optimization and R&D upgrades:

Looking ahead to 2026, Shin Kong Life will continue to respond to customer needs, market developments, and regulatory changes by optimizing its product portfolio and enhancing coverage components to accumulate policy value. The company plans to regularly launch new products and comprehensively upgrade its protection product line to effectively improve coverage for the public and bridge coverage gaps.

2. Growth in value products:

Shin Kong Life actively focuses on promoting strategic products, with high-value products as the core, to accumulate CSM and enhance channel value. In addition to promotion through its own agent channels, the company continues to strengthen strategic alliances. Through strategic partnerships with banks and traditional insurance brokers and agents, it has identified supportive partners to stabilize original premiums capacity and maintain market share. Furthermore, by integrating digital applications, the company simultaneously improves service quality and creates a virtuous cycle of cooperation.

3. Deepening digital service development:

Shin Kong Life is focused on deepening the development of its customer-centric digital self-service platform. The company continues to optimize member experience, process design, and marketing campaigns to enhance customer engagement and the depth of digital interactions. By accurately identifying customer needs, the company develops personalized services and experiences. At the same time, Shin Kong Life has enhanced the UI/UX of the Shin Kong Life APP to expand the user-friendliness and applicability of digital services. The company also actively pursues cross-industry partnerships for online insurance underwriting to explore new business opportunities through cross-sector integration, thereby comprehensively enhancing customer experience and brand value.

c. Industry overview

In 2025, due to continuous improvement of market conditions, total premium income in Taiwan's life insurance market reached NT$2,623.9 billion, representing a 7.5% increase compared to the same period last year; among them, the first-year premium income was NT$1,007.4 billion, up 19.7% from the previous year, and the renewal premium income was NT$1,616.5 billion, up 1.1% from the previous 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	4,204	4,053	1,818	10,074
	Percentage (%)	41.73	40.23	18.05	100.00
2024	Premium income	380,677	309,287	151,850	841,814
	Percentage (%)	45.22	36.74	18.04	100.00

Source: Life Insurance Association

d. Research and development

In line with Taishin Financial Holding's digital vision, Taishin Life Insurance is committed to leveraging digital capabilities to support business transformation, with the goal of achieving rapid business expansion and creating synergies within the financial holding company. From 2022 to 2026, the company will adopt smart finance as its strategic focus, clearly defining three key strategic directions of customer-oriented, intelligent operations, and collaborative efforts, and implementing various concrete action plans.

1. Customer-oriented approach:

(1) Customer experience optimization: Customer digital activity reports, upgrades and redesign of investment product services, and audio/video recording solutions for sales interactions with senior customers.

(2) Introduction of digital services: Online claims application, expansion of online self-service items, and enhanced security for online changes.

2. Intelligent operations:

(1) Sales empowerment: Multi-channel proposal system, multi-channel business information inquiry platform, sales representative AI assistant, sales representative marketing APP, intelligent knowledge management platform, and smart workplace.

(2) Operational efficiency optimization: Unified administrative service desk, intelligent document processing platform, end-to-end new contract workflow integration platform, outbound call management system, customer contact information management platform, accelerated bank partnerships and product listing timelines, and enhanced timeliness and quality of two-way data transmission.

(3) Data analysis: Establish a multi-dimensional real-time performance reporting platform and develop data use cases tailored to business needs to enhance customer attraction and acquisition efficiency, and operational effectiveness.

3. Collaborative efforts:

(1) Deepen collaboration models within the digital finance ecosystem and develop initiatives around various themes to expand new customer segments and business opportunities.

(2) Continue to promote cross-selling referrals among subsidiaries to increase the number of financial holding company products held by customers, thereby strengthening retention and loyalty.

(3) Establish a robust risk assessment framework for KYC and AML procedures through a mechanism for the joint marketing and sharing of customer data.

e. Short- and long-term business development plan

In 2026, Taiwan's life insurance industry will adopt IFRS 17 and the new Taiwan Insurance Capital Standard (TW-ICS). The cumulative Contractual Service Margin (CSM) will become a key operational objective for the industry; therefore, developing a product line that offers high value and robust coverage has become the cornerstone of the industry's business development plans. In addition, the digital revolution is driving comprehensive adoption of digital technologies across service areas. We are continuously optimizing system functionality, accelerating digital services, implementing data governance, realizing inclusive finance, and implementing fair treatment of customers. By leveraging target customer lists, we are able to gain insights into customer needs and deepen customer base development, thereby activating our existing customer base, strengthening customer relationships, maintaining stable and continuous interactions, driving customer engagement, expanding digital

business, and enhancing customer satisfaction. Furthermore, through various recruitment initiatives, we are strengthening organizational development, bolstering organizational capabilities, and innovating the application of digital services to ensure continuous and steady growth of operational capacity and productivity.

1. Short-term business development plan

(1) The company will integrate and leverage the resources of financial holding to further leverage group synergies. It 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.

(2) The business development strategy for proprietary channels is to “focus on business strategies and accumulate policy value” as well as to “expand organizational scale and increase the number of high-performing agents”. By selling products with high CSM, interest-sensitive products in New Taiwan Dollars and foreign currencies, as well as investment-linked products, Shin Kong Life will combine its target customer lists with insights into customer needs to deepen engagement through digital tools. This will drive the development of active customer segments, strengthen customer relationships, and continue to solidify its foundation in digital services. The company encourages internal entrepreneurship and team building through promotion incentives and the creation of Marketing Director positions, while providing comprehensive support measures and leveraging various recruitment campaigns to boost recruitment momentum. It prioritizes the promotion of A&H products to create long-term value, while integrating innovative digital services to ensure steady growth in activity and productivity, thereby strengthening agent retention. By simultaneously enhancing both the scale and quality of the organization, Shin Kong Life is capable of building a solid organizational foundation.

(3) Shin Kong Life will strengthen its multi-channel sales foundation. Through strategic partnerships with banks and traditional insurance brokers and agents, it has identified supportive partners to stabilize original premiums capacity and maintain market share.

(4) With a digital innovation strategy centered on “deepening the digital ecosystem experience, digitally empowering business upgrades, and expanding service efficiency through AI integration”, the company will actively shape its digital transformation journey and value chain. Agents can flexibly utilize various digital tools for marketing and after-sales services, which not only improve operational efficiency, but also strengthen customer relationships, thereby expanding opportunities for new policies.

(5) 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

(1) 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.

(2) The company will leverage digital technology to deepen connections with customers, ensure stable profit growth, continuously accumulate CSM of products, and smoothly transition to the IFRS 17 and ICS.

(3) The company is committed to creating sustainable corporate value for the environment, society, and stakeholders, and will embed ESG principles into its operational strategies. The company places a high priority on corporate social responsibility and will develop sustainable and inclusive financial products and services to promote inclusive finance.

(4) The company will seek opportunities to expand into overseas markets and broaden its business footprint, aiming to become a highly trusted and renowned life insurance brand and realize its vision of sustainable corporate development.

Shin Kong Life Insurance Co., Ltd.

a. Business scope

1. Business scope

Shin Kong Life operates in life insurance and sells products including life, health, accident, and investment-linked coverage, etc.

2. Business mix

Unit: NT$1M

2024	2024		2025	
	premium revenues	Percentage	premium revenues	Percentage
Personal life insurance	140,529	73.80%	137,800	73.48%
Personal health insurance	33,888	17.80%	35,555	18.96%
Personal accident insurance	7,202	3.78%	7,817	4.17%
Annuity insurance	5,733	3.01%	3,454	1.84%
Group insurance	3,056	1.61%	2,911	1.55%
Total premium revenues	190,408	100.00%	187,538	100.00%

3. Various existing products and services

(1) General life insurance and health insurance:The types of products offered include life insurance, endowment insurance, long-term care insurance, health insurance, mortgage life insurance, online insurance products, and policy insurance products, such as spillover-effect health insurance and online insurance products that are exclusive to the FundRich Good Retirement Preparation Platform.

(2) Group insurance:The types of products offered include group term life insurance, group AD&D, group accident microinsurance, group health insurance, and group LTC insurance.

(3) Accident insurance:The types of products offered include accident insurance, accident microinsurance, online accident insurance, and online travel insurance and online insurance products that are exclusive to the FundRich Good Retirement Preparation Platform.

(4) Variable-interest Life Insurance and Universal Insurance:the types of products offered include protection type, increment type, and endowment type life insurance, denominated mainly in USD and NTD. There is also NTD variable-interest annuity, and products that are exclusive for special channels such as online insurance and OIU.

(5) Investment-linked insurance:the types of products offered include life insurance and annuity. The linked investments include investment management accounts, mutual funds, and target date funds.

(6) Riders, add-on clause and endorsement clause:The types of products cover health insurance (waiver of premiums, long-term care, hospitalization, surgery, reimbursement, critical illness, critical injury, cancer, etc.), accident insurance (accident reimbursement, accident hospitalization, accident disability, etc.), travel insurance, investment targets, rider extension and other remarks.

4. New products(service) under plan

(1) In response to the super-aged society and in alignment with the government's long-term care policies, Shin Kong Life will continue to deepen its commitment to the long-term care market, build a comprehensive healthcare network, and actively integrate the resources and expertise of the financial holding company and the group. From health promotion, products and services, financial security to health advisory services, the company is actively exploring business opportunities arising from the eldercare market.

(2) The company continues to review and optimize the competitiveness of its health and accident insurance products, driving sales momentum through a dual-pronged approach. In addition, Shin Kong Life is further launching appropriate products tailored to target customer segments to encourage repeat purchases by existing customers, while developing new customers to boost sales momentum for health and accident insurance products and accumulate policy value through the sale of high-value products.

(3) The company continues to operate in the interest-sensitive life insurance market, striving to increase original premiums while accumulating policy value. Shin Kong Life closely monitors market trends and global economic developments. In response to market changes, the company deepens its existing product lines and continuously launches market-competitive products to enhance customer protection, improve retirement planning, facilitate asset succession, and meet the diverse needs of customers.

(4) The company launches structured bond investment products based on market conditions and current trends to increase fee income. Its long-term goal is to expand the asset base of discretionary investment-oriented and fund-based investment products, while enhancing brand value and generating stable returns through professional agencies. In addition, investment products should continue to align with ESG and sustainable development strategies to embody the company's commitment to sustainability.

b. Business plan of the current year

1. Product optimization and R&D upgrades:

Looking ahead to 2026, Shin Kong Life will continue to respond to customer needs, market developments, and regulatory changes by optimizing its product portfolio and enhancing coverage components to accumulate policy value. The company plans to regularly launch new products and comprehensively upgrade its protection product line to effectively improve coverage for the public and bridge coverage gaps.

2. Growth in value products:

Shin Kong Life actively focuses on promoting strategic products, with high-value products as the core, to accumulate CSM and enhance channel value. In addition to promotion through its own agent channels, the company continues to strengthen strategic alliances. Through strategic partnerships with banks and traditional insurance brokers and agents, it has identified supportive partners to stabilize original premiums capacity and maintain market share. Furthermore, by integrating digital applications, the company simultaneously improves service quality and creates a virtuous cycle of cooperation.

3. Deepening digital service development:

Shin Kong Life is focused on deepening the development of its customer-centric digital self-service platform. The company continues to optimize member experience, process design, and marketing campaigns to enhance customer engagement and the depth of digital interactions. By accurately identifying customer needs, the company develops personalized services and experiences. At the same time, Shin Kong Life has enhanced the UI/UX of the Shin Kong Life APP to expand the user-friendliness and applicability of digital services. The

company also actively pursues cross-industry partnerships for online insurance underwriting to explore new business opportunities through cross-sector integration, thereby comprehensively enhancing customer experience and brand value.

c. Industry status

In 2025, due to continuous improvement of market conditions, total premium income in Taiwan's life insurance market reached NT$2,623.9 billion, representing a 7.5% increase compared to the same period last year; among them, the first-year premium income was NT$1,007.4 billion, up 19.7% from the previous year, and the renewal premium income was NT$1,616.5 billion, up 1.1% from the previous year.

First-year Premium of the Life Insurance Industry

Unit: NT$ 100million

Year	Source	Life insurance companies	Bancassurance	Traditional insurance brokers firms	Total
2025	premium revenues	4,204	4,053	1,818	10,074
	Percentage (%)	41.73%	40.23%	18.05%	100.00%
2024	premium revenues	3,807	3,093	1,519	8,418
	Percentage (%)	45.22%	36.74%	18.04%	100.00%

d. Research and development

In recent years, market conditions and product requirements have underwent rapid changes. Our key R&D initiatives are as follows:

1. Strengthening risk management mechanisms: In response to emerging risks related to climate change, the company continues to refine its TCFD framework. To address threats to the operations, the company has established a Business Continuity Management (BCM) system and made continuous improvement to the system, in order to mitigate the risk of business interruptions. The company also regularly reviews and revises various risk control mechanisms to further enhance risk management capabilities.
2. New product R&D: In response to the growing demand for long-term care, the company not only addresses gaps in public coverage, but also incorporates spillover mechanisms into its products to convey the concept of "living longer and living well". In 2026, Shin Kong Life will continue to focus on high-value products, with plans to periodically launch new products to comprehensively optimize and upgrade its health and accident insurance product lines. Additionally, shortening the liability duration and strengthening asset-liability management are core strategies for product development. Therefore, continuing to enhance interest-sensitive, participating, investment-linked products, and other low interest rate risk product will remain a key focus of product development.
3. Digital service development: Internally, the company continues to deepen AI applications, such as assisting internal reviewers in accelerating the identification of medical information, document analysis, and data extraction, thereby reducing compliance risks and lowering operational costs. Externally, the company will focus on supporting sales agents' business operations and deepening the development of its customer-centric digital self-service platform. The company continues to optimize member experience, process design, and marketing campaigns to enhance customer engagement and the depth of digital interactions. By accurately identifying customer needs, the company develops personalized services and experiences. At the same time, Shin Kong Life has enhanced the UI/UX of the Shin Kong Life APP to expand the user-friendliness and applicability of digital services. The company also actively pursues cross-industry partnerships for online

insurance underwriting to explore new business opportunities through cross-sector integration, thereby comprehensively enhancing customer experience and brand value.

4. Enhancing cross-marketing synergies: Since becoming a member of TS Holdings in July 2025, the company has leveraged integrated marketing across subsidiaries to maximize group synergies. Building on the foundation of our comprehensive financial services, the company actively promotes cross-selling to strengthen financial cohesion and build a complete ecosystem, thereby creating core financial value for the financial holding company.

e. Short-term and long-term business development plans

1. In 2026, Taiwan's life insurance industry will adopt IFRS 17 and the new Taiwan Insurance Capital Standard (TW-ICS). The cumulative Contractual Service Margin (CSM) will become a key operational objective for the industry; therefore, developing a product line that offers high value and robust coverage has become the cornerstone of the industry's business development plans. Furthermore, the digital revolution is driving comprehensive adoption of digital technologies across service areas. We are continuously optimizing system functionality, accelerating digital services, implementing data governance, realizing inclusive finance, and implementing fair treatment of customers. By leveraging target customer lists, we are able to gain insights into customer needs and deepen customer base development, thereby activating our existing customer base, strengthening customer relationships, maintaining stable and continuous interactions, driving customer engagement, expanding digital business, and enhancing customer satisfaction. Furthermore, through various recruitment initiatives, we are strengthening organizational development, bolstering organizational capabilities, and innovating the application of digital services to ensure continuous and steady growth of operational capacity and productivity.

2. Short-term business development plan

(1) The company will integrate and leverage the resources of financial holding to further leverage group synergies. It 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.

(2) The business development strategy for proprietary channels is to "focus on business strategies and accumulate policy value" as well as to "expand organizational scale and increase the number of high-performing agents". By selling products with high CSM, interest-sensitive products in New Taiwan Dollars and foreign currencies, as well as investment-linked products, Shin Kong Life will combine its target customer lists with insights into customer needs to deepen engagement through digital tools. This will drive the development of active customer segments, strengthen customer relationships, and continue to solidify its foundation in digital services. The company encourages internal entrepreneurship and team building through promotion incentives and the creation of Marketing Director positions, while providing comprehensive support measures and leveraging various recruitment campaigns to boost recruitment momentum. It prioritizes the promotion of A&H products to create long-term value, while integrating innovative digital services to ensure steady growth in activity and productivity, thereby strengthening agent retention. By simultaneously enhancing both the scale and quality of the organization, Shin Kong Life is capable of building a solid organizational foundation.

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(5) The company will continue to optimize our asset and liability management allocation, minimize spread losses, reduce the duration gap, and improve operational performance.

3. Long-term business development plan

(1) 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.

(2) The company will leverage digital technology to deepen connections with customers, ensure stable profit growth, continuously accumulate CSM of products, and smoothly transition to the IFRS 17 and ICS.

(3) The company is committed to creating sustainable corporate value for the environment, society, and stakeholders, and will embed ESG principles into its operational strategies. The company places a high priority on corporate social responsibility and will develop sustainable and inclusive financial products and services to promote inclusive finance.

(4) The company will seek opportunities to expand into overseas markets and broaden its business footprint, aiming to become a highly trusted and renowned life insurance brand and realize its vision of sustainable corporate development.

Taishin Securities Co., Ltd.

a. Business scope and business mix

1. Business scope

(1) Securities Brokers

(2) Securities Dealer

(3) Securities Underwriter

(4) Futures Commission Merchant

(5) Futures Introducing Broker

(6) Trust

(7) Securities transfer agency services

(8) Other financial businesses acknowledged by the competent authority

2. Business mix in terms of revenues

Unit: NT$1,000

Item \ Year	2024		2025	
	Amount	%	Amount	%
Brokerage	4,260,246	63.95	4,119,586	61.83
Dealing	1,632,409	24.50	1,094,952	16.43
Underwriting	769,064	11.55	1,448,385	21.74
Total	6,661,719	100.00	6,662,923	100.00

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) 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

While ensuring asset security and controllable risks, the Company pursues absolute returns that exceed market benchmarks. 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. Optimizing capital efficiency. 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, in addition, we are also committed to optimizing sub-brokerage electronic platform services continuously. Build the DTCC CTM automated settlement platform to enhance professional institutions' willingness for DVP client transactions and cooperate with financial regulators to open trading services for foreign virtual asset ETFs. The above supports the expansion of our sub- brokerage business and enhance Taishin Securities' subbrokerage brand image.

6. Digital development

Against the backdrop of rapid technological development and with the opening of regulations by the authorities, our company advance its digital development in two key directions: integration within the subsidiaries of the financial holding group and user experience optimization. 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		
	2024	2025
TSE Market	99,812	101,080
OTC Market	58,218	59,310
Total	158,030	160,390
Weighted stock price index (year end)	23,035	28,964

Source:1. Key indicators of securities and futures markets for December, 2025.
2. TAIEX Total Index Historical Data

Operating Status of Domestic securities		
Year	2024	2025
EPS (NT$)	3.26	3.47
ROA	3.47%	3.03%
ROE	14.74%	14.58%

Source: Key indicators of securities and futures markets for January, 2026.

2. Taiwan's stock market

In 2025, the Taiwan stock and foreign exchange market suffered a sharp decline due to US tariffs and monetary policies. However, as tariff negotiations gradually became clearer and global demand for AI continued to rise, the TAIEX reversed course, exhibiting a down-then-up trajectory over the year. The total volume was NT$160 trillion for the year, up by 1.49% compared to 2024. The daily average volume of the domestic stock market amounted to NT$531.7 billion, up 1.75% from that in 2024. The margin trading at the end of the year totaled NT$442.8 billion, up 0.17% from that at the end of 2024. TWSE was 28,963.60 points, up 5,928.50 points or 25.74% from that at the end of 2024. TPEx was 276.24 points, up 20.40 points or 7.97% from that at the end of 2024. The overall figures showed slight increase compared to that at the end of 2024.

d. Research and development

In 2025, 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 daily deductions for periodic fixed-amount investments(DCA) in Taiwan stocks, online subscriptions for ETF IPOs, certificate-free password reissuance and online changes to registered addresses, 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 stock subscription funtion. 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, in addition to maintaining a good relationship with 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.

MasterLink Securities Co.,Ltd.

a. Business scope

1. Business contents

As a comprehensive securities firm, the company is engaged in brokerage, proprietary trading, underwriting, bond and stock agency, etc., to provide customers with a comprehensive range of professional securities investment and wealth management services. Our business scope and services are as follows:

(1) Securities underwriting
(2) Proprietary trading of securities listed on Taiwan Stock Exchange (TWSE)
(3) Consigned trading of securities over TWSE
(4) Proprietary trading of securities over Taipei Exchange (TPEx)
(5) Consigned trading of securities over TPEx
(6) Securities administration agency service
(7) Margin trading and short sale service
(8) Introducing brokerage for futures trading
(9) Consigned trading of foreign securities
(10) Proprietary futures trading
(11) Wealth management service
(12) Brokerage and proprietary trading of short-term bills
(13) Management of customers' securities settlement proceeds
(14) Sourcing and utilization of securities lending/borrowing proceeds
(15) Lending and borrowing of securities
(16) Offshore securities service
(17) Securities-related foreign currency service
(18) Equity crowdfunding
(19) Other securities related businesses approved by the competent authorities

The Company also conducts various businesses through reinvestment, and the scope of business services is as follows:

(1) Futures brokerage service
(2) Proprietary futures trading
(3) Futures consultancy service
(4) Other futures related businesses approved by the competent authorities
(5) Securities investment consultancy service
(6) Discretionary investment services
(7) Venture capital investment
(8) Venture capital investment, management and consultancy service
(9) Insurance agency service

(10) Investment advisory and business advisory service

2. Business shares

Unit: NT$1,000

Item	2024	Percentage (%)	2025	Percentage (%)
Brokerage (Note 1)	7,047,271	60.31	6,493,249	57.48
Proprietary Trading (Note 2)	4,270,360	36.54	4,499,710	39.83
Underwriting (Note 3)	367,597	3.15	304,065	2.69
Others (Note 4)	140	0.00	21	0
Total	11,685,368	100.00	11,297,045	100

Note 1: Includes wealth management.
Note 2: Includes bonds and new financial products.
Note 3: Includes stock agency service.
Note 4: Includes services of the Administration Department.

3. Various existing products and services

(1) Brokerage

- Brokerage trading of domestic and foreign securities.
- Settlement and clearing of securities transactions and other related operations.
- Book-entry operations for centrally deposited securities.
- Securities margin financing and stock lending.
- Information services related to securities brokerage and other activities.
- Solicitation of power of attorney and collection of power of attorney documents at business premises.
- Agency services engaged by customers to invest their securities trading balances.
- Securities-based loans.
- Securities borrowing and lending service.
- Loans for any business purpose.
- Concurrently operating a securities investment consulting business and conducting discretionary investment trust business.
- Other brokerage, intermediary, and agency services related to securities trading, and related services approved by the competent authority.
- Introducing futures brokering.
- Equity-based crowdfunding services.
- Channel customer services.

(2) Underwriting

- Providing guidance or evaluating issuers, such as publicly listed companies and institutions, on the offering and issuance of various securities, or handling related matters such as applications for listing or over-the-counter trading of such securities.
- Underwriting securities such as stocks and corporate bonds.
- Providing financial planning, evaluation, or consulting services for publicly listed companies and institutions on offerings, mergers, and acquisitions.

(3) Stock Agency Service

- Stock agency for issuers' securities.
- Proxy solicitor for shareholder meetings, agency for seeking venues, or proxy agent.

(4) Proprietary Trading

- Dealing of securities on central exchange.
- Dealing of over-the-counter securities.
- Proprietary trading of foreign securities and related foreign derivative hedging transactions.

(5) Futures Proprietary Trading

- Proprietary trading of futures contracts for commodities, currencies, securities, interest rates, indices, or other contracts.
- Futures functions such as price discovery and supply-demand adjustment under risk management mechanisms.

(6) Bond

- Agent for the auction of central government bonds and other central government bond dealers services.
- Outright and conditional bond trading.
- Bond derivatives and interest rate derivatives.
- Brokerage and proprietary trading of short-term notes.
- Securitized fixed-income products.
- Agent for the trading of foreign bonds.
- Spot foreign exchange transactions in foreign currencies related to securities.

(7) New Financial Products

- Issuance of call (put) warrants and hedging operations.
- Issuance of structured products and hedging operations.
- Trading in equity derivatives, issuance of exchange-traded notes (ETNs), and hedging operations.
- Other derivatives services approved by the competent authority.

(8) Wealth Management

- Providing consulting services or sales related to wealth management product asset allocation or customer financial planning.
- Accepting customer asset allocation through cash trusts.
- Wealth management services for high-net-worth customers.

(9) Main products and services of key equity investees

A. Funds and collective accounts

- Brokerage, intermediary, and agency services for trading of futures contracts, and other services approved by the competent authority.

B. Proprietary futures trading services

- Proprietary trading of securities and futures contracts, and other services approved by the competent authority.

C. Futures consulting services

- Providing research and analysis related to futures trading, publishing materials, organizing seminars, and other services approved by the competent authority.

D. Clearing and settlement services for futures trading on the Taiwan Futures Exchange

- Providing settlement and guarantee services for the fulfillment of futures transactions executed through the centralized futures trading market.

E. Securities investment consultant business

F. Discretionary investment business

G. Other securities investment consulting-related businesses approved by the competent authority

H. Venture capital and venture capital management consulting services

- Directly providing capital to investees.
- Providing business operations, management, or consulting services to investees.
- Providing investment management consulting services to venture capital enterprises.

I. Insurance agency services

- Agency sales of life insurance products.
- Insurance consulting and planning for individuals and enterprises.
- Life risk transfer planning.
- Consulting services on insurance regulations.

4. New products(service) under plan

The company conducts preliminary research and planning for financial products scheduled to be launched, so as to swiftly obtain the necessary qualifications once regulations permit. Through financial engineering and operational modeling, we promptly introduce a variety of products and services that meet customer needs. In addition, while focusing on niche markets, the company actively develops or introduces various financial products to satisfy customers' diverse wealth management needs. The new products and services of the company in 2026 are as follows:

(1) Planning for an electronic order placement system for offshore structured products on the wealth management trust platform: Professional investors will be able to subscribe online to non-initial offshore structured products with the same structure, currency, and underlying assets, thereby increasing the convenience and flexibility of trading for professional investors.

(2) Planning a sub-brokerage system for U.S. stock margin financing to provide customers with sub-brokerage credit trading services for U.S. stocks.

(3) Planning to add a "Smart Position Increase/Decrease" feature to the wealth management platform, which will enable customers to set conditions based on technical indicators for long-term investment, thereby facilitating the execution of buy on dips strategies.

(4) Leverage the high-speed computing capabilities of FPGA chips to develop a high-frequency trading platform, meeting the trading needs of customers engaged in high-frequency trading, program trading, and arbitrage trading.

(5) Evaluate the establishment of a low-latency real-time quote system for overseas futures and options, and concurrently develop a high-performance dedicated order placement platform for overseas options to meet traders' demands for rapid quote delivery and diverse strategies.

b. Business plan of the current year

The key business plans for 2026 are summarized as follows:

1. Enhance operational efficiency and drive growth through diversification

As a comprehensive securities firm, the company is engaged in brokerage, proprietary trading, underwriting, bond and stock agency, etc., to provide customers with a comprehensive range of professional securities investment and wealth management services. Our business scope and services are as follows:

(1) Streamline branch operations to improve overall operational efficiency.

(2) Integrate investment consulting services with digital development support to increase engagement with legal persons, provide unique services to mid-to-high-frequency customer segments, and enhance retail customer retention through targeted customer management.

(3) Consolidate financing operations, expand securities lending scale, and strengthen the development of sub-brokerage and wealth management platforms to continuously expand diversified businesses.

(4) Leverage financial holding company's resources to actively expand the financial ecosystem by establishing customer referral channels and intra-group digital account collaborations, thereby attracting younger customers and driving the growth in overall trading volumes.

2. Enhance case quality and expand business benefits

(1) Focus on high-potential and niche industries, while strengthening core customer business to secure underwriting opportunities.

(2) Coordinate with investment banking operations to strengthen venture capital investment strategies and maximize position returns.

(3) Leverage financial holding company's resources and long-term partner institutions to pursue large-scale cases and elevate the quality of underwriting cases.

3. Optimize digital marketing and foster brand recognition

(1) Continuously optimize trading systems and the APP, develop new features, and expand API integration to meet diverse investment needs with efficient digital tools.

(2) Drive precise operations with data-driven insights; use customer segmentation analysis to deliver precise financial management services and convert customer needs.

(3) Employ differentiated social media operations to deepen brand uniqueness and enhance customers' brand identification and perceived value.

4. Optimize position strategies and enhance stable business operations

(1) Flexibly allocate cross-departmental position quotas to increase profit opportunities.

(2) Establish a securities lending and borrowing mechanism to improve allocation efficiency and enhance hedging effectiveness.

(3) Strengthen market position in warrant, CBAS, and ETF market-making operations to expand investment income from stable positions.

(4) Leverage group resources and the company's proprietary trading positions to secure corporate bond underwriting opportunities and increase market share.

5. Emphasize technology adoption and demonstrate sustainable value

(1) Participate in ESG primary market transactions, offer ESG investment products, strengthen ESG investment practices, and improve due diligence and governance.

(2) Implement energy conservation and carbon reduction initiatives, deepen financial education, and promote the development of sustainability talent and employee transition, while continuously advancing sustainability efforts.

(3) Expand financial literacy/anti-fraud awareness campaigns, refine fair treatment of customers, and continue to develop inclusive financial products or services to meet the needs of diverse customer segments.

c. Industry status

1. Current status and development of the securities industry

According to data from the Securities and Futures Bureau, as of the end of December 2025, there were 101 domestic securities firms with 831 branches, marking an increase of 3 branches compared to the previous year.

In 2025, driven by the boom in AI and semiconductor-related industries, revenue for listed companies in Taiwan reached a record high. The overall trading in the Taiwan stock market remained brisk. The TAIEX reached a record high of 28,963.6, up 25.74% for the year. The average daily trading volume across the TWSE and TPEx markets was NT$532.5 billion, showing a slight increase compared to the previous year. With respect to market trends, the total number of new stock trading accounts opened in 2025 reached a record high, with a higher proportion of investors under the age of 30, demonstrating a younger customer structure. Due to the expansion of financial inclusion policies, coupled with the widespread adoption of digital tools and lower investment barriers, small-amount investments, such as fractional share trading and dollar-cost averaging, saw significant growth throughout the year compared to the previous year. In addition, increased investor interest in ETFs and overseas securities through sub-brokerage services drove annual growth in trading volumes. These provided substantial momentum for the brokerage business. Furthermore, Taiwan's IPO market continued to exhibit outstanding performance, with 77 companies listed on the TWSE and TPEx markets, representing an increase of 9 companies compared to the previous year. Total fundraising reached NT$99.6 billion, setting a new record for the second consecutive year. This indicated continuous recovery of the momentum in the capital market.

Looking ahead to 2026, the investor structure in Taiwan's securities market will become increasingly diversified, with particularly high participation from young retail investors. The AI boom will drive innovation and the expansion of financial products (such as ETFs and the Innovation Board). Securities firms will actively promote fintech and digital transformation, develop new service areas, and build a digital wealth management network for investors, in order to expand business scope and customer base. Creating differentiation and uniqueness to establish new business models will be key to strengthening competitiveness in the future. In addition, the competent authorities and the Taiwan Securities Association will continue to promote new policies and deregulation measures, including: making a 50% reduction in securities transaction tax for day trading a permanent policy, allowing securities firms to provide a sub-brokerage service for U.S. stock margin financing; and permitting securities firm customers to use beneficial interests in self-beneficiary specific money trusts as collateral for unrestricted-purpose loans. These measures will help boost domestic investment momentum and invigorate the securities market.

Statistics of Securities and Futures Service Providers Over the Past Three Years:

Year	Total Number of Securities Firms		Brokerage firms	Proprietary traders	Underwriters	Investment trust	Investment consultancy	Futures commissi on merchants	Futures consultancy
	Head office	Branch							
2023	102	828	67	74	57	38	87	15	32
2024	102	829	67	74	57	38	88	15	35
2025	101	831	69	73	57	36	89	15	35

Source: Website of Securities and Futures Bureau, Financial Supervisory Commission

2. Business development trends and market competition

(1) Brokerage

In 2025, the Taiwan stock market benefited from a surge in investment in AI technology stocks, the end of the interest rate hike cycle, and the U.S. economy moving toward a soft landing. Market liquidity remained robust, with an average daily trading volume of approximately NT$532.5 billion for the year, representing a 1.48% increase from the previous year. According to statistics from the Taiwan Stock Exchange, as of the end of 2025, profits from the brokerage business of securities firms reached NT$98.133 billion, marking a year-on-year increase of 2.11%. The advancement of digital technology has led to increasingly widespread and convenient online trading. The securities brokerage business is characterized by three major trends of "digital transformation", "diversification", and "intensifying market competition". Securities firms are actively developing fintech to attract younger customers and enhance their experience, while expanding into diverse businesses such as wealth management and asset management to reduce reliance on brokerage revenue. Furthermore, as market competition intensifies and the "big get bigger", small securities firms must seek differentiation. The industry as a whole is moving toward "larger scale, technology adoption, and internationalization" to address the challenges posed by the widespread use of electronic order placement and increasingly diverse customer needs.

(2) Underwriting

In terms of IPO business, a total of 77 companies were newly listed on the TWSE and TPEx markets in 2025, raising a total of NT$99.6 billion. In comparison, there were a total of 68 companies listed on the

TWSE and TPEx markets in 2024, raising a total of NT$55.73 billion. The number of companies increased by 13.24%, while the amount raised surged by 78.72%. In terms of SPO business, there were 208 cash capital increases in 2025, raising NT$132.32 billion. In comparison, there were 249 cash capital increases in 2024, raising NT$161.16 billion. The number of cases decreased by 16.47%, and the amount raised fell by 17.90%. According to statistics from the Taiwan Stock Exchange, as of the end of 2025, profits from the underwriting business of securities firms reached NT$11.571 billion, marking a year-on-year increase of 33.14%.

(3) Proprietary Trading

In 2025, the Taiwan stock market continued the bullish cycle of the previous two years, driven primarily by effective control of U.S. inflation, the sustained resilience of the U.S. economy, and the realization of expectations for the Federal Reserve's interest rate cuts. The three major U.S. stock indices, namely, the Dow Jones, S&P 500, and Nasdaq, all showed upward trends. Taiwan's stock market, which has the highest correlation with U.S. tech stocks, witnessed a rise in TAIEX by over 25% for the year. According to statistics from the Taiwan Stock Exchange, as of the end of 2025, profits from the proprietary trading business of securities firms reached NT$26.973 billion, marking a year-on-year increase of 1.58%. Looking ahead to 2026, the AI industry trend is expected to continue. However, given the significant rise in the stock market in 2025, the overall market base is relatively high. Additionally, factors such as potential changes in U.S. trade policies (e.g., tariff uncertainties), a cautious stance regarding central bank monetary policy adjustments, and elevated market valuations suggest that the overall market will likely experience a pattern of consolidation at high levels, making trading more challenging.

(4) Bond

The Federal Reserve initiated a cycle of interest rate cuts in the second half of 2024. In 2025, amid concerns over a slowing U.S. economy, U.S. inflation declined significantly compared to the previous two years. The job market also showed signs of cooling but remained resilient. The Federal Reserve cut rates three times in 2025. However, uncertainties surrounding trade policies, such as tariffs, in the first half of the year caused panic among market investors. U.S. treasury yields trended downward during the rate-cutting cycle, but volatility increased throughout the year. Meanwhile, Taiwan bond yields rose significantly due to falling U.S. treasury yields and a surge in market demand for bond purchases. Looking ahead to 2026, the trend of U.S. interest rate cuts is expected to continue. However, in the short term, ongoing global political and economic uncertainties will likely cause U.S. treasury yields to remain volatile. Additionally, amid pressure from rising Japan bond yields, both the U.S. and Taiwan bond markets are expected to trend upward while maintaining high volatility. It is required to continue to diversify risk management strategies and increase trading flexibility to capitalize on range-bound trading opportunities.

(5) New Financial Products

In 2025, the overall securities market continued the high-range consolidation pattern in the previous year. In the first quarter, U.S. tariff policies sparked market concerns over a deteriorating global trade environment. Fortunately, panic subsided as the market gradually digested the details of these policies. Against the backdrop of major central banks adopting a wait-and-see approach to interest rate policy and a loose liquidity environment, the Taiwan stock market remained relatively strong, driven by heavy-weighted electronics stocks and thematic sectors. In April, the warrant market experienced a sharp rise in volatility due to the tariff storm. Although the stock market rebounded three months later, the market

value of warrants decreased by one-third, coupled with limited growth in trading volumes. With respect to the warrant market as a whole, as warrant issuers increased their issuance volumes, investors placed significantly higher demands on liquidity, quote quality, and issuance stability. Securities firms that excelled in underlying security selection, issuance timing management, and market-making quality were better positioned to maintain market share and visibility in this highly competitive market.

(6) Futures Proprietary Trading

Following the stock market crash in April 2025, capital markets rebounded rapidly within less than six months and reached new highs, indicating that the market currently reacts swiftly to news developments. Bull and bear market cycles have become shorter than in the past, and market reactions have become increasingly pronounced and faster, resulting in the VIX bottom being higher than in previous cycles. The key to profitability across all strategies lies in the ability to respond swiftly to market changes. It is anticipated that overall strategies will evolve toward greater polarization, focusing on two distinct approaches of ultra-short-term, high-turnover trading, or longer-term strategies that strictly control extreme risks. This will improve the risk-reward ratio of overall positions, while continuously enhancing the performance of hardware and software within information systems to align with business development trends.

(7) Wealth Management

In recent years, securities firms have continued to actively expand wealth management businesses. In 2025, the total assets under trust managed by securities firms reached NT$279.9 billion, representing a 10% year-over-year increase from the NT$255.1 billion recorded in 2024. The total number of trust customer reached 1.94 million, representing a 17% year-on-year increase. Wealth management trust revenue reached NT$1.9 billion, representing a 6% year-on-year increase. The overall scale of securities firms' trust businesses continued to exhibit a steady growth, with a total of 5 firms generating over NT$100 million in trust revenue, indicating a high concentration of business.

The Asia Asset Management Center - Kaohsiung officially commenced operations in July 2025. Driven by regulatory deregulation and the ongoing expansion of financial products and services, demand for wealth management among high-net-worth customers continues to rise. Industry players must accelerate the diversification of financial product offerings and enhance the sophistication of financial services, while leveraging digital finance to improve customer experience. This will enable the firms to provide investors with more personalized and efficient services that meet diverse asset allocation needs.

(8) Major business activities of key equity investees (Including Master Link Futures and Master Link Investment Advisory):

A. Futures Brokerage

In 2025, the global financial markets experienced significant volatility due to ongoing innovations in AI applications, rapid growth in the semiconductor industry, and issues such as Trump's tariff policies. Taiwan's futures market recorded a total trading volume of 348 million contracts for the year, marking the sixth consecutive year that trading volume has remained above the 300 million contract threshold. This indicates that investors are utilizing overnight trading and overseas futures for synchronized hedging to meet their 24-hour, uninterrupted risk management needs. This enables investors to navigate volatility in the U.S. stock market and global political and economic events. In 2025, overseas futures trading volume remained stable at over 40 million contracts, and market trading activity remained strong. In addition, micro-contracts have gained popularity in recent years, with major global

exchanges launching the products, such as the U.S. CME's Micro E-mini Nasdaq-100 and Micro Gold Futures. These micro-contracts feature low entry barriers and high operational flexibility, attracting a large number of investors with small-amount trading needs and becoming a new trend in the market. Futures brokers continue to optimize software and hardware infrastructure, while actively expanding overseas futures brokerage operations to diversify sources of revenue.

B. Investment Advisory

As of the end of 2025, there were a total of 89 securities investment consulting firms (an increase of 2 firms and a decrease of 1 firm), marking an increase of 1 firm compared to the previous year. In accordance with regulations promulgated by the competent authorities, these firms primarily provide securities-related investment consulting services. The business operations of investment consulting firms are mainly divided into two categories: the first involves "recruiting investment consulting members" to offer recommendations on buying and selling investments; the other category consists of investment consulting firms established as subsidiaries of securities firms, which primarily serve the customer of the securities firms by providing research reports on macroeconomics, industry trends, and individual stocks to enhance investors' understanding of individual stock fundamentals. With prior approval from the competent authority, individual firms may also concurrently engage in discretionary investments, futures consulting services, general agents and distributors for offshore funds, mutual funds sales, futures managers, and futures trust services. The company currently focuses on investment consulting services and discretionary investment business to meet the needs of the group and our customers in seizing investment opportunities and growing their wealth. Additionally, as of the end of 2025, 2 investment consulting firms obtained business licenses to provide family office-related consulting services. The company continues to monitor regulatory changes, business trends, and industry developments, and will plan corresponding strategies and actions as necessary.

C. Discretionary Investment Management

As of the end of 2025, there were approximately 958 discretionary investment contracts with a net asset value of nearly NT$4.05 trillion. Compared to the previous year, the number of contracts increased by 2, while the net asset value grew by approximately 19%, indicating steady growth in business scale. Overall market share of discretionary management assets: 96% held by investment trust companies and 4% by investment consulting firms. As investment consulting firms' discretionary customers were primarily natural persons, the contract amounts were significantly lower than those of investment trust companies' legal person contracts, resulting in a substantial disparity in net asset value. In terms of the distribution of total contracts, investment trust companies accounted for 70% (4% for natural persons, 14% for legal persons, 14% for government-affiliated funds, and 38% for investment-linked insurance policies), while investment consulting firms accounted for 30% (23% for natural persons, 4% for legal persons, and 3% for investment-linked insurance policies). Investment trust and investment consulting firms each target distinct market segments. With the gradual launch of active ETFs in May 2025, there has been a surge in investors entrusting their assets to professional managers. Furthermore, according to the latest Allianz Global Wealth Report, Taiwan ranked second in Asia among the world's wealthiest nations. This clearly demonstrates that the investment strengthen of natural persons and the demand for professional asset management should not be underestimated, which will provide growth momentum for discretionary investment business in the future.

d. Research and development

1. R&D expenditures over the past three years

Unit: NT$million

Year	R&D budget (NTD thousand)	As a percentage of operating revenue (%)
2023	163,814	1.86%
2024	134,591	1.15%
2025	112,906	1.00%

Note: The Company estimates an R&D investment of approximately NT$104 million in 2026 for the development of new financial products, models, information platforms, and related software and hardware.

2. Technologies or products successfully developed

Information systems completed by the Company in 2025 include:

Information System/Application Developed	Go-Live Date
Hao Fu Tou core system off-site backup implementation assessment	114/01/07
Mobile Expert APP_off-site backup	114/01/18
Expansion of K WAY 3.0 trading system and new 14th-generation overclocking server project	114/02/03
SERVER privileged account management	114/02/14
Digitization of report approval	114/02/25
UI control components (winform)	114/02/27
“Online Account Opening GO” difficult character display establishment project	114/03/21
Taiwan Stock Exchange host connection test machine	114/03/25
Greeks host (GPU to C++ conversion, server upgrades for PCs)	114/03/31
Solace quote host hardware update	114/04/11
Taiwan Futures Exchange new system update in the first half of 2025	114/04/23
Cloud-based price trigger system tiered planning assessment project	114/04/29
Fugle system collaboration implementation project	114/05/14
Cloud accounting center - non-trading function expansion	114/05/27
Advanced persistent threat (APT) defense establishment at the Beiwa data center	114/06/16
Sub-brokerage dual-currency trading implementation project	114/06/19
Multi-factor authentication server introduction	114/06/28
Data analysis database upgrade	114/06/30
Certificate e-Manager EOS upgrade project	114/07/31
Rayin middleware platform new overseas futures functionality implementation project	114/08/02
Electronic trading platform core system off-site backup implementation assessment	114/08/16
Microsoft Windows 10 EOS upgrade project	114/08/28
Configuration management tool implementation	114/09/14
Replacement of network and EoS equipment	114/09/20
Online account opening system “OCR image recognition” upgrade project	114/09/30
Taiwan Futures Exchange new system update in the second half of 2025	114/12/08

e. Short-term and long-term business development plans

The company is committed to leveraging existing business strengths to maximize the potential value of its financial footprint. Guided by the core principles of “safety, legality, and profitability”, it aims to integrate group resources to realize cross-industry synergies and strengthen overall profit resilience. The short- and long-term development plans for the core businesses are as follows:

1. Short-term business development plans

(1) Streamline branches to improve efficiency and diversify business to drive growth

A. Increase the frequency of interactive services and strengthen customer loyalty through personalized services

B. Expand digital customer bases across industries and drive innovation in intelligent services

C. Consolidate and expand channels, while continuously diversifying business operations

(2) Enhance the quality of underwriting cases and develop differentiated financial consulting services

A. Focus on high-potential niche industries and capture core customer business

B. Integrate cross-border financial services to diversify financial consulting operations

C. Expand venture capital and private equity investments to maximize position returns

(3) Adjust position management strategies to upgrade the stable return framework

A. Monitor changes in market trends and flexibly adjust position allocations

B. Strengthen market position and expand sources of revenue

C. Refine strategic trading techniques and enhance the effectiveness of hedging mechanisms

(4) Implement compliance systems and promote corporate sustainability

A. Capitalize on ESG investment opportunities and implement sound governance practices

B. Promote financial education and anti-fraud awareness, and enhance fair treatment of customers

C. Advance corporate sustainability initiatives and strengthen corporate governance effectiveness

2. Long-term business development plans

The company’s long-term development strategy focuses on enhancing operational efficiency, expanding market opportunities, optimizing the digital experience, securing stable investment returns, and advancing ESG initiatives.

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. Effective November 24, 2025, it will merge with Shin Kong Securities Investment Trust Co., Ltd. and become the surviving company. After the merger, the total assets under management will reach NT$530 billion, continuing to move towards the business goal of becoming a "trillion-dollar investment management company" and aspiring to become an international-level asset management company in Asia in the future.

2. Business shares

At the end of December 2025, Taishin Securities Investment Trust managed NT$318.6 billion of public funds; 39% of which were non-money market funds while money market funds accounted for approximately 61%. Recently operating income for three years listed as shown in the table below.

Unit: NT$ thousand

Items \ Year	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
Management fee income	748,802	96.83	978,727	95.59	1,226,774	95.53
Sales fee income	17,225	2.23	34,566	3.38	43,302	3.37
Consulting and service fee income	7,278	0.94	10,521	1.03	14,146	1.10
Total	773,305	100	1,023,814	100	1,284,222	100

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 “LION GLOBAL INVESTORS”, 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

We will continue to strengthen the performance and scale growth of existing funds, and actively develop ETF products and overseas market product lines. 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

As of the end of December 2025, there are 36 securities investment trust firms in Taiwan. there were 1,065 mutual funds, and the total investment was NT$ 11,376.4 billion. There were 666 discretionary investment services contracts investing a total of NT$3,893.1 billion. There were 66 private equity funds investing a total of NT$29.6 billion.

d. Research and development

In January 2025, Taishin Securities Investment Trust launched the " Taishin FTSE WorldBIG BBB USD Corporate Capped Select 10plus Years ETF (00980B)". In May, it launched the " Taishin Global Umbrella Fund- Taishin S&P 500 ETF (009806), Taishin S&PTechnology Select Sector ETF (009807), Taishin Global Income and Growth Fund ", and "Taishin US Electricity Infrastructure Quality Income ETF (009805)". In August, it launched the " Taishin Global Growth Leaders Active ETF (00986A)". In December, it launched the " Taishin Taiwan Growth Dominance Active ETF (00987A)" and other popular funds.

Taishin Securities Investment Trust places great emphasis on the integration of experience and resource sharing within its investment research and management team. The existing investment research and management team—the Investment Division—comprising the Domestic Equity Investment Department, Multi-Asset Investment Department, Financial Products Investment Department, Fixed Income Investment Department, Separate Account Management Department, and Quantitative Investment Department. Both the investment research and management team and fund managers possess extensive research experience, covering major asset classes such as the global macroeconomy, investment strategies, and domestic and international stock 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 stable fund performance, expand diversified channels, continuously increase fund size, and strive for government fund outsourcing and corporate fund management services.

2. Long-term development plan

Actively increase market share and assets under management, raise and issue new funds and ETFs with growth potential, leverage flexible and robust asset allocation capabilities, and continuously deepen brand influence. On the basis of an existing stable market, through brand extension, we aim to become an asset management company with greater market influence.

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 2025, 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

In response to the merger between Taishin Financial Holding and Shin Kong Financial Holding, as well as the subsequent consolidation of their respective subsidiaries, the demand for market and industry research has become increasingly critical for formulating business and strategic directions. The Research Department will continue to adapt and expand its scope of services to meet the evolving informational needs of all units within the integrated Financial Holding Group.

For the current year, Taishin Securities Investment Advisory (TSIA) is expected to merge with MasterLink Securities Investment Advisory. We will expedite the integration and allocation of research resources and personnel, striving to provide comprehensive research services to the Financial Holding Group and its subsidiaries.

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

In response to the merger between Taishin Financial Holding and Shin Kong Financial Holding, as well as the ongoing integration and expansion of their respective subsidiaries, the demand for market and industry research has become increasingly critical for formulating business and strategic directions. With the planned merger with MasterLink Securities Investment Advisory in 2026, we will expedite the integration and allocation of research resources and personnel. In alignment with the Financial Holding's long-term objectives, we are committed to providing comprehensive research services to the Financial Holding Company and all its subsidiaries.

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 2025, paid-in capital amounted to NT$7.14 billion.

The company reported an income of NT$ 3868 thousand and after-tax loss of NT$1,413,055 thousand in 2025.

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

In 2025, we continued investing in ImmunAdd Inc., Delos Capital Fund II, Delos Capital Fund III, CDIB Capital Global Opportunities Fund; and started investment in Radbon Electronics Co., Ltd., Protuoso Pte. Ltd., Uspace Tech Co., Ltd., Modernity Financial Holding Ltd., Verge Medical Holdings and GreenHarvest Co., Ltd., amounting to NT$384,343 thousand. The investment projects generated a total cash inflow of NT97,656 thousand. The cash inflow consisted mainly of NT$ 67,297 thousand from□□ of other investment projects, NT$26,164thousand in cash dividends, and NT$4,195thousand in refunds from capital reduction. As of the end of 2025, there are 41 companies in the investment portfolio on the books.

Looking ahead to 2026, the global economy is expected to return to a moderate growth. Taiwan's stock market has the potential to achieve new record highs, showing a trend of quarterly upward momentum. Taiwan's GDP growth rate is estimated to reach 4%. Fundamentally, related industries will continue to grow driven by the demand for AI computing power. In terms of funding, investment momentum will remain robust amidst an environment of interest rate cuts and capital inflows.

Facing an environment of "abundant liquidity" but "potentially high valuations" in 2026, Taishin Venture Capital will avoid merely following trends. Instead, it will adopt more refined strategies of "hard-soft integration" and "capital operations". These include:

1. Segment Deployment: Shifting from "AI infrastructure" to "AI edge applications".
2. Cross-sector Integration: Focusing on "technology" applications in "biotech and healthcare".
3. Investment Strategy: Planning monetization strategies and forming alliances with CVC.
4. International Connections: Leveraging geopolitical advantages.

c. Industry Status

The venture capital industry in Taiwan is currently in a mature transformation period, with the National Development Fund playing a key leading role in the ecosystem. It is characterized by "highly active corporate venture capital". Large technology companies are actively taking this opportunity to deploy forward-looking technologies. Investment focus has shifted from pure hardware manufacturing towards deep technology sectors such as "AI applications, biotech and healthcare, and green energy". Although IPO remains the primary exit strategy, the venture capital industry is actively assisting startups in establishing international connections and going global, benefiting from optimistic expectations for the capital market in 2026.

d. Research and development

The introduction of new technologies has triggered innovations in operational practices of venture capital firms. These include:

1. Technology stacking and AI empowerment: Venture capital no longer relies solely on personal networks, but is shifting towards building proprietary data platforms.
2. Diversification of exit mechanisms: Due to the instability of IPO as an exit strategy, the secondary market and continuation funds are receiving increasing attention.
3. Challenges in evaluating deep technology: The shift from pure software towards hard technologies such as biotechnology, nuclear fusion, and quantum computing often requires closer collaboration with academia or national laboratories.

e. Short- and long-term business development plan

Short-term plan (1-2 years): Capitalize on liquidity and AI applications.

Mid-term plan (3-5 years): Cultivate the Bio-ICT sector and achieve multinational operations.

Long-term plan (5-10 years): Internalize ESG practices and facilitate data-driven transformation.

Shin Kong Property Insurance Agency Co., Ltd.

a. Business scope

1. Business contents

Mainly a property insurance agency.

2. Business mix

Unit: NT$ 1,000

Item \ Year	2024		2025	
	Premium revenues	Percentage	Premium revenues	Percentage
Automobile insurance	2,174,880	80.60%	2,248,689	79.47%
Fire insurance	281,149	10.42%	302,886	10.70%
Other insurance	242,191	8.98%	278,032	9.83%
Total premium revenues	2,698,220	100.00%	2,829,607	100.00%

3. Various existing products and services and new products(service) under plan

SKPIA's core business focuses on auto insurance. To expand into corporate insurance, in addition to strengthening professional training for its sales agents, the Company has also collaborated with property insurance partners to design DM-packaged products, making it more convenient for clients to purchase coverage. In addition, SKPIA has adopted the mobile insurance systems provided by property insurers and actively encourages its agents to learn and use them. This enables real-time auto insurance planning and quoting for clients, enhancing service quality and boosting market competitiveness.

b. Business plan of the current year

In 2026, SKPIA's primary goal is to implement a new core system to enhance administrative efficiency. The Company will also deepen collaborations with multiple property insurance providers to diversify its product offerings. While continuing to grow its core auto insurance business, it will actively promote corporate insurance to promote overall performance growth. Business plans include building a new core system to enhance administrative efficiency, proactively supporting licensing and increasing agent registrations, promoting corporate insurance to broaden the client base, broadening access to insurers to enhance competitive advantage and applying auto insurance consultation center to strengthen logistics service.

c. Industry status

Taiwan is over-crowded with insurance brokers and agencies. There were 702 participants at the end of 2024 (including 183 property insurance agencies, 55 life insurance agencies, 34 agencies engaged both in life insurance and property insurance, 430 insurance brokers; the statistic include natural persons and corporate entities) that contributed NT$70.1 billion of written premiums on property insurance policies, representing 25.83% of total premiums in Taiwan's property insurance market. This significance indicates insurance agency/brokerage as a highly competitive yet attractive business.

The total premium income of the property insurance industry reached NT$271.4 billion in 2024, representing continued growth compared to NT$244.8 billion during the same period in 2023. In breakdown, automobile insurance (including arbitrary automobile insurance and compulsory automobile and motorcycle liability insurance) premiums accounted for 49.82% of the total direct charge premiums, followed by other property insurances at 28.53% (including engineering insurance, liability insurance, Credit and Guarantee Insurance, Accident Insurance, Health Insurance and other) and the rest were fire insurance (including residential earthquake insurance) at 16.95%, marine insurance at 4.19% and aviation insurance at 0.50%.

Statistics have indicated an increasing competition for insurance brokers and agencies due to consumers' rising protection awareness, increasing demand for consultative service, and ongoing deregulation of the insurance market. At the same time, the increased intensity of consumer protection and financial regulations and supervision will further deepen the difficulties in operating the business.

d. Research and development

Looking forward into the future, SKPIA will continue to develop new type of products and new education and training patterns, and improve the professional capacity of the business staff in various subsidiaries of TS Holdings, as well as assisting their career development. In the upcoming year, SKPIA will also strive to deliver its best performance and maximize the synergy of resource sharing and integrated marketing within the financial group.

e. Short-term and long-term business development plans

1. Short-term business development plans

Implement a new core system to enhance administrative efficiency. Continue to grow the existing auto insurance business while actively promoting corporate insurance to broaden the customer base and further boost overall performance. Increase the number of registered agents, identify top-performing insurance specialists, and support them with business initiatives and incentive programs to strengthen their market competitiveness.

2. Long-term business development plans

(1) Expand partnerships with high-quality property and casualty companies, and develop new channels outside the financial holding company to broaden business sources.

(2) Continue to launch new products to capitalize on market opportunities.

Shin Kong Venture Capital International Co., Ltd.

a. Business scope

1. Business contents

(1) Invest in companies with promising industry prospects or growth potential to generate investment returns.

(2) Assist in the management and support of the group's strategic investment in "Shin Kong Leasing (Suzhou) Co., Ltd.".

2. Business mix

Revenue percentage of Shin Kong Venture Capital in the last two years

Unit: NT$ thousands; %

Item \ Year	2024		2025	
	Amount	%	Amount	%
Investment income accounted for using equity method	66,694	44.98	0	0
Interest and dividend revenue	23,613	15.93	23,602	98.79
Other revenue	57,956	39.09	289	1.21
Total	148,263	100.00	23,891	100.00

3. Various existing products and services: N/A

4. New products(service) under plan: N/A

b. Business plan of the current year

Shin Kong Venture Capital adheres to a culture of sustainable and responsible investment and strict compliance with the law, continuously identifying investment targets that align with technology and innovation trends or demonstrate stable value growth, with an aim of enhancing venture capital returns. Investment priorities include emerging industries that shape the future ecosystem, such as high-end technology, AI, digital transformation, and cybersecurity. The company also leverages group resources to develop ESG and fintech opportunities, as well as strengthen the technological capabilities required for the digital transformation of the financial holding company. Furthermore, it maintains ongoing collaborations with international venture capital and private equity funds to expand its investment scope to include overseas startups.

c. Industry status

According to the 2025 Taiwan Startup Investment Trend Annual Report published by the Taiwan Institute of Economic Research, there were a total of 4,500 early-stage investment deals in Taiwan from 2015 through the first quarter of 2025, with a total transaction amount of US$18.95 billion. This indicates that the scale of Taiwan's startup investment market has continued to expand over the past decade. In respect of the overall trend, there were 263 investment deals totaling US$880 million in 2015. Subsequently, market activity witnessed a steady growth. In 2019, driven by policy resources such as angel investments from the National Development Fund, the number of investment deals showed a significant increase. However, the market experienced a brief slowdown in 2020 due to the pandemic. Since 2021, investment activity has rebounded, with both the number of deals and investment amounts showing synchronous growth between 2021 and 2023. In terms of annual performance, the number of investment deals in 2023 reached 635, with a total investment amount of US$3.198 billion. In 2024, due to heightened uncertainty in the global venture capital market and a trend toward more conservative funding, the number of investment deals slightly decreased to 605, a drop of approximately 4.7% from the previous year. However, the total investment amount continued to rise to US$3.343 billion, an annual increase of approximately 4.5%, reaching a new high since 2015. This indicates that market capital is gradually concentrating on flagship startups with technological or market advantages.

With respect to investment sectors, Taiwan's startup investments in recent years have primarily focused on industries with high technical barriers and clear application scenarios, such as hardware and industrial manufacturing, healthcare, biotechnology, and energy. Among these, energy-related startups have become a key focus for venture capital driven by trends toward net-zero carbon emissions and sustainable development. This development is closely associated with the government's ongoing promotion of green energy and low-carbon transition policies. Policy priorities center on power generation, energy storage, energy conservation, and system integration. In alignment with the 2050 net-zero emissions roadmap, investment capital has been directed toward applications such as renewable energy, energy storage, and energy management, driving a steady increase in investment momentum within the energy sector. On the other hand, due to the rapid breakthroughs in generative AI at the end of 2022, AI-related startups have also become another focus in the venture capital market in recent years, gradually integrating with sectors such as manufacturing, healthcare, and energy to expand application scenarios. Against the backdrop of an increasingly cautious attitude amid the global venture capital environment, investment in Taiwanese startups is showing a trend toward concentrating capital in sectors with policy support, technological depth, and growth potential. This indicates a structural shift in the market from breadth to quality.

d. Research and development

Through participation in the startup ecosystem and activities related to private equity and venture capital funds, Shin Kong Venture Capital closely monitors industry trends in innovation, carefully identifies investment opportunities with growth potential, and leverages the resources of the financial holding group to develop business opportunities for collaboration with other subsidiaries, so as to enhance overall profitability.

e. Short-term and long-term business development plans

1. Short-term business development plans

Shin Kong Venture Capital focuses on identifying investment targets with stable and growing value. It strengthens monitoring of industry shifts, conducts thorough research, performs investment evaluations, implements post-investment management, and manages risks, while adjusting investment positions as appropriate. The company targets promising and undervalued companies listed on the emerging stocks as well as invested companies listed on the TWSE and TPEx markets. It also continuously optimizes its investment portfolio.

2. Long-term business development plans

Shin Kong Venture Capital has identified nine key trend industries and seeks startups with innovative and trend-driven technologies, creativity, and business models. In line with the technological needs of the financial holding group's digital transformation, the company partners with and invests in international venture capital funds and private equity funds to jointly nurture promising enterprises poised to lead future trends.

B. Cross-line and joint marketing efficacy

The list of TS Holdings subsidiaries contains Taishin Bank, Shin Kong Bank, Taishin Life Insurance, Shin Kong Life Insurance, Taishin Securities, Masterlink Securities, 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.

The joint marketing office of Southern Songshan Branch was relocated to the 1st floor of the same building as Taishin Life on December 16, 2024 in line with the branch's relocation. After one year of operation, it has been confirmed that customers can be directed directly to the joint marketing office of Southern Songshan

Branch to handle securities and futures-related businesses. Therefore, the contract was not renewed upon its expiration on December 31, 2025.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. Taishin Life Insurance Company has changed its name to Shin Kong Life Insurance Co., Ltd. effective January 1, 2026.

C. Market and business status

TS 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

TS 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 combining the group's distribution channels and customer base will 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, Artificial intelligence (AI), robotic process automation (RPA), etc.

(3) Digital Banking

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

B. Taishin Bank has obtained multiple utility patents for the following services or (scam alert on fake official websites, smart bill payment via QR code scanning, real-time household bill payment inquiry service, activation of cross-border remittance to overseas e-wallet systems, enhanced authentication mechanism for online banking login (including accessibility features), Taishin Bank APP U.S. stock dollar-cost averaging subscription process, online application system for gold accounts) (one-stop Taiwan stock subscription service, cross-industry loans, foreign currency exchange coupons, Richart cross-industry loan account (JKOPay loan service), modularization of Richart R coin task mechanism, one-stop account opening application for securities settlement accounts, securities account and sub-brokerage). These patented services and functions have been integrated into the everyday life of consumers to build scenario-based banking (and technology-based fraud prevention).

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. By introducing AI technology and leveraging human-robot collaboration to accelerate innovation in digital marketing, the company has independently developed the “Taishin Brain” AI platform, which generates marketing images without accessing customer personal data. This significantly speeds up the production of marketing materials, enables the creation of multiple versions tailored to specific customer segments, and enhances marketing effectiveness.

(4) Wholesale Banking

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

B. Leveraging group resources to provide optimized financial services tailored to our clients' needs.

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. Current trends, such as aging society, increased awareness on the importance of talent retention and keeping employees motivated, and active promotion of the Trust Business Development Strategy Roadmap by FSC, have positively influenced the development of our retirement trust, family inheritance trust, and employee incentive.

(7) Insurance Agent 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.

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 make it difficult to generate excess profits.

B. 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.

C. Owing to internationalization and regulatory constraints, our financial innovation capabilities remain challenging.

(5) Financial Market

A. The Trump administration has actively intervened in international energy investments. However, returns on such investments are highly dependent on political stability. Considering the geopolitical gamesmanship among nations and the risks of retaliatory sanctions, this is likely to heighten demand for safe-haven assets and amplify volatility in financial markets, while adding considerable uncertainty world trade outlook. A change in FOMC leadership could also alter the Fed's reaction function. Should markets grow concerned about the erosion of Federal Reserve independence, leading to perceived bias in monetary policy implementation, this may contribute to sustained upward pressure on long-term interest rates.

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 IFRS 17 in 2026, the USD interest rate, if it remains 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 plans. Therefore, the Bank continues to strengthen training programs

designed to meet various insurance needs at different stages of life and to enhance the professionalism of sales personnel.

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.

Taiwan Shin Kong Commercial Bank Co., Ltd.

a. Major products and services and location

1. Markets areas

Shin Kong Bank currently operates 103 branches in Taiwan and established a branch in Hong Kong in May 2011. This branch serves as a platform for serving overseas customers, meeting their needs for overseas deposits, fund transfers, and wealth management. The Bank also maintains representative offices in Vietnam and Myanmar.

2. Target markets

In line with its business strategy, the bank will pursue the following operational guidelines in the future:

(1) Optimize digital financial services and functions to meet customers' diverse digital financial service needs, identify and resolve pain points in digital processes, and effectively improve operational efficiency.

(2) Continue to expand the digital user base through diverse digital development strategies, optimize user experience, and increase platform usage. Meet customers' needs for inquiries, bill payments, and wealth management to attract more digital customers. It will continue to promote one-stop loan services. Under strict control of credit asset quality, the company will actively explore high-quality customers to increase its actual revenue.

(3) Leverage the synergies of the financial holding group's marketing and promotion efforts to enhance the development of banking operations, expand business scale, and provide more comprehensive financial services.

b. Future supply and demand

1. Supply

At the end of 2025, the total bank deposit balance amounted to NT$54.5714 trillion, representing a 5.81% increase compared to the same period in 2024.

2. Demand

Looking back at 2025, the global economy initially encountered the impact of a new round of tariff policies, resulting in a resurgence of trade protectionism and pressure on investment and consumer momentum. However, the gradual achievement on tariff agreements, coupled with the rapid development of AI technology, have led to a boom in global investment. The International Monetary Fund (IMF) revised its full-year economic growth forecast for 2025 upward to 3.2%. In the U.S., annual GDP growth stood at 2.2%, down from 2.8% in the previous year, primarily due to a slowdown in government spending and export momentum. With respect

to monetary policy, the Federal Reserve cut interest rates by a total of 0.75% over the year, lowering the policy interest rate to 3.50% to 3.75%. In Taiwan, due to the continuous growth of business opportunities arising from AI and a significant boost in exports and investment momentum, the Directorate General of Budget, Accounting and Statistics revised its economic growth forecast for 2025 upward to 8.63%. Regarding inflation, the annual growth rate of the Consumer Price Index (CPI) stood at 1.66%, with prices remaining stable. Overall, the domestic economy achieved steady performance. The Central Bank maintained its monetary policy unchanged in 2025, keeping the rediscount rate at 2%.

3. Growth prospects

Looking ahead to 2026, the global economy and trade will continue to be affected by multiple factors, including the direction of U.S. tariff policies, escalating geopolitical risks, and monetary policy adjustments by major central banks. Technology investments will continue to underpin economic growth; however, whether the rapid expansion of capital expenditure can be effectively transitioned into enhanced corporate productivity and profitability will be a key factor in determining the resilience and sustained momentum of the global economy. In terms of monetary policy, market attention will focus on whether the new Chair of the U.S. Federal Reserve will maintain the existing policy stance, as the direction of its policies will influence global capital flows and financial market performance. Domestically, the Directorate General of Budget, Accounting and Statistics projects Taiwan's economic growth rate for 2026 at 3.54% and the annual growth rate of the Consumer Price Index (CPI) at 1.61%, with overall inflation remaining moderate. It is expected that the Central Bank will maintain the rediscount rate at 2% in 2026, and the financial environment will remain stable.

c. Business goals

In response to current and future financial market conditions, Shin Kong Bank will formulate more proactive development strategies:

1. Adjust the loan structure to steadily increase revenue.
2. Optimize the deposit structure to increase deposit levels.
3. Optimize the financial structure to expand the contribution from non-interest income.
4. Optimize digital services to leverage group synergies.
5. Retain key talent to stabilize human capital.
6. Uphold compliance and risk management to promote fair treatment of customers.
7. Drive the transition to net-zero emissions to jointly create sustainable development.

d. Favorable and unfavorable factors for development outlook

1. Competitive niche

(1) Shin Kong Bank has an extensive branch network, primarily concentrated in the Greater Taipei area with vibrant economic activity, giving it a competitive advantage in business expansion. Under the financial holding company's integration, Shin Kong Bank offers customers a suite of financial products, including insurance, stocks, credit cards, funds, and bonds, thereby diversifying its product offerings. This not only meets investors' needs, but also provides customers with a one-stop service. By leveraging the financial holding company's overall resources, the bank enhances cross-selling efficiency, realizes economies of scale, and utilizes its high-quality human resources to strengthen financial innovation and product R&D capabilities, thereby continuously enhancing Shin Kong Bank's competitive edge.

(2) The SKB's widespread network of business locations, with 104 domestic and overseas branches, favors the cultivation of local operations; this, together with digital and physical branches, creates an allchannel service model that provides customers with high-quality integrated click-and-mortar services, extends the reach of branches' localized SME services, upgrades the service satisfaction of different customer groups, and expands the Bank's income network.

2. Favorable factors

(1) Government policies and measures to encourage companies to repatriate investments, assist SMEs in transformation and upgrading, support the development of key industries and infrastructure, together with the global trend toward supply chain restructuring and industrial repatriation, are expected to maintain a certain level of momentum for medium- to long-term capital retention and local investment in Taiwan. Corporate activities such as capacity expansion, equipment replacement, digital transformation, and adjustments to overseas operations are likely to provide support for the development of corporate banking services.

(2) The development of fintech and digital finance is expected to enter a phase of in-depth applications. The increasingly matured AI, big data analytics, and automation technologies have led to increased demand for real-time, flexible, and context-based financial services. This is driving a shift in financial demand from a single-product orientation toward integrated solutions centered on usage scenarios

3. Unfavorable factors

(1) The global economy continues to face limited growth momentum and sustained market uncertainty. The pace of monetary policy adjustments in major economies, the pace of disinflation, and the direction of fiscal policy remain unclear, leading to increased interdependence among these policies. At the same time, if trade policies and tariff measures are frequently deployed again, they could undermine business investment confidence and dampen the momentum of cross-border trade and capital flows.

(2) Structural factors such as geopolitical risks, the U.S.-China technology competition, and regional conflicts are expected to continue to exert an impact on global industrial deployment and supply chain strategies, including trends toward the decentralization of production bases, diversification of supply sources, and adjustments to inventory strategies. Related uncertainties may further exacerbate fluctuations in raw material and energy prices, while increasing the complexity of corporate cost structures and operational decision-making.

4. Response strategies

(1) The bank's key operational strategies are as follows: (1) Adjust the loan structure to steadily increase revenue. (2) Optimize the deposit structure to increase deposit levels. (3) Optimize the financial structure to expand the contribution from non-interest income. (4) Optimize digital services to leverage group synergies. (5) Retain key talent to stabilize human capital. (6) Uphold compliance and risk management to promote fair treatment of customers. (7) Drive the transition to net-zero emissions to jointly create sustainable development. The bank will actively expand its business operations while balancing risk considerations. By integrating group resources to maximize synergies, it will provide comprehensive financial services that exceed customer expectations, with an aim of achieving a win-win outcome for both the bank and its customers.

Taishin Life Insurance Co., Ltd.

a. Major products and services and location

Bancassurance partners, insurance brokerage firms, and life insurance advisors are the major distribution channels of the Company. They provide customers with innovative products that offer flexibility and high value. Bancassurance partners include Taishin Bank and many other banks. The insurance brokerage and agent channel partners with a total of 38 insurance brokerage companies. Life insurance advisors are spread across 18 offices in Taiwan, located in Taipei, Taoyuan, Hsinchu, Taichung, Tainan, and Kaohsiung.

b. Future supply and demand

1. On the supply side, in line with recent regulatory requirements and strengthened supervisory measures from the competent authorities, premium payment terms have been continuously adjusted toward medium- and long-term periods, and product structures have gradually returned to the essence of insurance. Competent authorities' promotion of inclusive finance policies, senior-friendly financial policies, and corporate social responsibility, as well as their encouragement of insurers to develop spillover policies, have all fostered product innovation and created competitive advantages. Furthermore, mobile technology and big data analytics can be leveraged to develop new product types with spillover effects or to design products that enhance coverage for existing customers.
2. On the demand side, the U.S. Federal Reserve initiated a new round of interest rate cuts in September 2025. However, the policy directions of various countries were unclear at the beginning of this cycle. International relations remained complex and volatile, with sustained political and economic tensions. Nevertheless, the U.S. dollar remained a dominant currency in financial markets, and it is expected that policyholders will continue to have a fundamental demand for U.S. dollar-denominated policies. On the other hand, public awareness of health risks has increased in the post-pandemic era. This trend is conducive to the development of health insurance and further boosts demand for life insurance coverage. Taiwan entered a super-aged society in 2025, and public demand for retirement planning, asset succession, medical care, and long-term care is bound to continue to rise. This trend is favorable for the continued development of diversified products and the creation of products tailored to the needs of specific groups.

c. Business goals

Shin Kong Life's business objectives are to safeguard a long-lived Taiwan characterized by "health and prosperity" and to become a trusted engine of profitability and growth for the financial holding company.

The company pursues its strategic vision through the following three objectives:

1. Drive growth and accumulate value
2. Maintain financial stability and enhance resilience
3. Collaborate with the financial holding company to create a win-win situation

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) The U.S. Federal Reserve remains in a rate-cutting cycle, with cumulative rate cuts of 0.75% in 2025. Coupled with the fiscal stimulus from the One Big Beautiful Bill Act and investment driven by AI-related industries, the U.S. economy maintains steady growth.

(2) The Federal Reserve concluded the balance sheet reduction program by the end of 2025. It then initiated the Reserve Management Purchases (RMP), and has begun purchases of short-term treasury bonds. At the same time, U.S. regulators relaxed the Supplementary Leverage Ratio (SLR) for banks. These measures have helped maintain ample market liquidity.

(3) The comprehensive advancement and upgrading of AI applications will mark a pivotal year in which AI transitions from infrastructure to AI factories and practical applications, continuing to drive Taiwan's foreign trade momentum.

(4) In an aging society, extended life expectancy and the growing public acceptance of self-managed retirement savings will increase demand in the senior market for retirement planning, asset succession, and healthcare products.

(5) Product design and business initiatives are returning to the essence of insurance protection, which helps build the company's core profits, maintain a sound financial structure, and ensure sustainable corporate operations.

(6) In response to fintech trends, competent authorities are actively promoting and relaxing relevant regulations to encourage industry players to innovate in digital financial products and services, thereby helping to open up business opportunities and enhance internal efficiency and service effectiveness.

(7) In response to fintech trends, competent authorities are actively promoting and relaxing relevant regulations to encourage industry players to innovate in digital financial products and services, thereby helping to open up business opportunities and enhance internal efficiency and service effectiveness.

(8) The company adheres to the ten principles of fair treatment of customers, including the "Principle of Fair Dealing and Good Faith in Contracting", the "Principle of Duty of Care and Loyalty", the "Principle of Truthfulness in Advertising and Solicitation", the "Principle of Suitability of Products or Services", the "Principle of Disclosure and Notification", the "Principle of Fairness in Remuneration and Performance", the "Principle of Complaint Protection", the "Principle of Professionalism of Sales Personnel", the "Principle of Friendly Services", and "Principle of Ethical Corporate Management". It has established the "Fair Treatment of Customers Policy" and the "Fair Treatment of Customers Strategy". With "fair treatment of customers" as the core value, we shape corporate culture, continuously enhance employees' awareness of financial consumer protection, and ensure compliance with relevant regulations, thereby strengthening customers' trust in the company. The assessment results of company's principles of fair treatment of customers in 2025 placed it in the top 25% of the life insurance industry. Moving forward, it will continue to uphold the four core values of integrity, commitment, innovation, and collaboration. The company will continue to develop and promote products and services tailored to the needs of financially vulnerable groups (the elderly, people with disabilities, indigenous peoples, and young people) to fully implement the principles of fair treatment of customers.

(9) Fintech development roadmap: In alignment with government policies, the company is actively investing in the promotion of financial-inclusive services to realize financial inclusion and build corporate financial resilience. As industry competition evolves, we will continue to expand and revitalize digital assets to provide operational support. Through light journey service design, the company will enhance user experience, enable customers to access efficient and high-quality services, and develop optimized insurance service processes and projects characterized by high accessibility, usability, and sustainability.

2. Unfavorable factor

(1) Demand for new hires among U.S. companies continues to decline, and downside risks to the labor market remain high. Nevertheless, given that inflation remained high in the first half of the year, the Federal Reserve has adopted a more cautious stance, and there remains uncertainty regarding the timing and frequency of interest rate cuts in 2026.

(2) The global economic outlook continues to be affected by uncertainties such as the unpredictability of Trump's trade policies and geopolitical risks.

(3) While AI fundamentals remain strong, current market valuations are high. There is disagreement over whether AI applications can be converted into actual profits. If AI's ability to generate revenue falls short of expectations, it will exacerbate market volatility.

(4) The U.S. is in a rate-cutting cycle. However, due to inflation, tariffs, and employment data, the pace of interest rate cuts is expected to slow this year. Consequently, the U.S.-Taiwan interest rate spread remains high, increasing the difficulty of foreign exchange hedging operations.

(5) In response to the adoption of international standards (such as IFRS 17 and the new Taiwan Insurance Capital Standard (TIS)), operational strategies are being adjusted. This presents challenges across various areas, including financial, accounting and actuarial treatment, asset allocation, system adjustments, legal compliance, and risk management.

3. Response strategies:

(1) Deploying the core supply chain of AI factories: The company will prioritize leading companies with strong bargaining power, focus on "turnkey contractors" that are indispensable to global AI factories, and pay attention to edge AI and its applications. As infrastructure reaches saturation, capital may be directed toward hardware upgrades that can convert AI applications into final profits. The company will closely monitor the financial reports of U.S. hyper-scale cloud providers to assess whether AI revenue growth keeps pace with the increase in capital expenditure.

(2) It is expected that the U.S. economy will remain robust. The company will continue to invest in high-quality bonds to maintain stable long-term fixed income and maximize the efficiency of capital utilization.

(3) The company will adopt the new foreign exchange accounting policy, under which foreign exchange gains and losses on AC bonds will be amortized on a periodic basis. This is expected to partially reduce hedging costs and alleviate foreign exchange hedging pressure.

(4) In response to fluctuations in external market interest rates, the company should focus on insurance protection and added value, and continue to launch differentiated protection-oriented insurance products, long-term care insurance, and medical insurance products to meet diverse needs such as retirement planning, medical care, and long-term care. It will also leverage insurance technology to develop innovative

spillover policies or, after analyzing customer segments, launch new thematic products tailored to specific needs. In response to IFRS 17 and the new Taiwan Insurance Capital Standard, the company will continue to develop NTD/foreign currency policies with low interest rate risk and focus on selling products with high protection components, such as life insurance protection products, asset succession products, and health insurance. Products will return to the essence of insurance, increasing the proportion of medium- and long-term premium-paying products to strengthen product structure. The company will continue to leverage fintech (e.g., upgrading electronic application processes) to enhance product value and practicality, thereby driving transformation in products, marketing, and customer segments.

Shin Kong Life Insurance Co., Ltd

a. Major products and services and location

Shin Kong Life Insurance primarily sells (provides) its main products (services) in Taiwan. The company relies on its own sales channels, partnerships with financial institutions, as well as insurance brokers and agents as its primary distribution channels. It also utilizes telemarketing and group accident insurance channels to provide customers with flexible, innovative, high-value products and a diverse range of options. Domestic service locations span Taiwan, with a total of 334 branches, regional offices, correspondence offices, and service centers, in addition to 2 overseas offices in Hanoi and Yangon.

b. Future supply and demand

On the supply side, in line with recent regulatory requirements and strengthened supervisory measures from the competent authorities, premium payment terms have been continuously adjusted toward medium- and long-term periods, and product structures have gradually returned to the essence of insurance. Competent authorities' promotion of inclusive finance policies, senior-friendly financial policies, and corporate social responsibility, as well as their encouragement of insurers to develop spillover policies, have all fostered product innovation and created competitive advantages. Furthermore, mobile technology and big data analytics can be leveraged to develop new product types with spillover effects or to design products that enhance coverage for existing customers.

c. Business goals

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d. Favorable and unfavorable factors for development outlook

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(4) In an aging society, extended life expectancy and the growing public acceptance of self-managed retirement savings will increase demand in the senior market for retirement planning, asset succession, and healthcare products.

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(4) In response to fluctuations in external market interest rates, the company should focus on insurance protection and added value, and continue to launch differentiated protection-oriented insurance products, long-term care insurance, and medical insurance products to meet diverse needs such as retirement planning, medical care, and long-term care. It will also leverage insurance technology to develop innovative

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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 2025, 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, Futures and Sub-brokerage accounts or change personal information.

b. Future supply and demand

1. Market overview

As of the end of 2025 there are 61 headquarters of securities dealers, 775 branches, a total of 836 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. 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.

In terms of stock affairs agency services, the Company aims to provide customers with the best and most diversified equity services through outstanding offerings and professional experience, thereby further expanding business momentum.

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, maintenance 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) Since sub- brokerage operations are almost year-round without breaks, in addition to the holidays of the Taiwan stock market, the IT-related departments should strengthen the management of system settings for the holidays of global stock markets, including pre-verification and the efficiency of handling abnormal events, in order to enhance customer trust.

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

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

(8) 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.

(9) 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.

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

(11) 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.

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

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

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

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

(16) 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.

(17) Strengthen the resources sharing of financial holding company, diversion mechanism and data analysis application.

(18) Establish professional image and popularity through exposure and marketing in newspapers and magazines.

(19) Step up sales efforts for regular stock savings plans and dividend-paying investment products, and provide premium and comprehensive financial services from an asset allocation perspective.

(20) Provide a wealth of customer service Q&A content for various business operations on a digital intelligent customer service platform, which not only offers convenience to customers but also helps reduce the burden on frontline staff dealing with clients.

MasterLink Securities Co.,Ltd.

a. Major products and services and location

The company's current business operations include brokerage, proprietary trading, underwriting, bonds, stock agency, margin trading, issuance of call (put) warrants, securities-related futures and derivative financial products. It continuously develops a diverse range of electronic trading tools to meet the needs of users at all levels, enabling customers to manage investments and finances without being constrained by time or location. With operational branches throughout Taiwan, the company's customer base includes domestic and international legal persons, individuals, and foreign professional investment institutions. The company's primary services are detailed as follows:

1. Securities underwriting
2. Proprietary trading of securities listed on Taiwan Stock Exchange (TWSE)
3. Consigned trading of securities over TWSE
4. Proprietary trading of securities over Taipei Exchange (TPEx)
5. Consigned trading of securities over TPEx
6. Securities administration agency service
7. Margin trading and short sale service

8. Introducing brokerage for futures trading
9. Consigned trading of foreign securities
10. Proprietary futures trading
11. Wealth management service
12. Brokerage and proprietary trading of short-term bills
13. Management of customers' securities settlement proceeds
14. Sourcing and utilization of securities lending/borrowing proceeds
15. Lending and borrowing of securities
16. Offshore securities service
17. Securities-related foreign currency service
18. Equity crowdfunding
19. Other securities related businesses approved by the competent authorities

The Company also conducts various businesses through reinvestment, and the scope of business services is as follows:

1. Futures brokerage service
2. Futures consultancy service
3. Proprietary futures trading
4. Other futures related businesses approved by the competent authorities
5. Securities investment consultancy service
6. Discretionary investment services
7. Venture capital investment
8. Venture capital investment, management and consultancy service
9. Insurance agency service
10. Investment advisory and business advisory service

Locations where services are provided

MasterLink Securities Corporation provides products and services mainly in Taiwan; it also provides products and services through domestic and overseas investees.

Main products (services)	Locations where products (services) are mainly sold (provided)
Brokerage	Taiwan and overseas
Futures	Taiwan and overseas
Underwriting	Taiwan and overseas
Proprietary Trading	Taiwan and overseas
Futures Proprietary Trading	Taiwan and overseas
Bond	Taiwan and overseas
New Financial Products	Taiwan and overseas
Wealth management	Taiwan and overseas
Investment Advisory	Taiwan
Futures consultancy	Taiwan
Discretionary Investment Management	Taiwan
Venture capital investment	Taiwan and overseas
Venture capital investment, management and consultancy service	Taiwan and overseas
Insurance agency service	Taiwan
Investment advisory and business advisory service	overseas

Note 1: The overseas sales (service) regions for major products (services) are limited to foreign securities trading markets designated by the competent authorities; the scope of business for MasterLink Securities' overseas investees is limited to business activities permitted under the laws and regulations of the respective countries.
Note 2: Items marked with * indicate products (services) provided through investees.

b. Future supply and demand

In 2025, the competent authorities continued to promote new policies and deregulation measures, including expanding the use of funds in customer sub-accounts within securities firms' settlement accounts, allowing proprietary trading firms to engage in proprietary trading of specific foreign bonds and subscribe to stocks listed on the GISA, permitting securities firms to establish simplified branches, and promoting the establishment of the Asian Asset Management Center. By improving market mechanisms, these measures effectively boosted investor trading sentiment and market trading momentum, thereby sustaining market vitality.

Additionally, benefiting from better-than-expected economic conditions in the U.S., the rise in U.S. stock prices drove sub-brokerage trading volume to new heights. According to statistics from the Taiwan Securities Association, the volume of sub-brokerage trading in 2025 reached NT$10.75 trillion, a 37% increase from the previous year. Among these, the cumulative number of accounts trading foreign securities via regular investment plans and fixed-share plans reached 524,000, with a cumulative transaction amount of NT$52 billion, representing significant year-over-year increases of 72% and 45%, respectively. Sub-brokerage trading has become a key focus for securities firms. In the future, the competent authorities will continue to expand the

scope of sub-brokerage services, such as opening up a sub-brokerage system for U.S. stock margin financing. The introduction of innovative trading mechanisms and expanded product offerings will help meet investors' diverse wealth management needs and drive sustained business growth.

In terms of futures operations, the Taiwan Futures Exchange continued to launch innovative products in 2025 to enrich the market, including Weekly TAIEX Options (Friday), weekly options on individual stocks, and reduction in contract size of electronic options. The exchange also continued to list more "micro-sized products". Furthermore, given that market investors are placing more emphasis on the release of international economic data, overnight trading has become a hedging channel for investors to respond to volatility in U.S. stocks and international political and economic events, with its share of total trading volume remaining consistently high. The Taiwan Futures Exchange has gradually incorporated financial futures and mini-sized financial futures into overnight trading, providing investors with more hedging options and serving as a key source of market liquidity.

In recent years, the FSC has actively promoted financial inclusion. Financial institutions have responded actively to the competent authority's policies, striving to implement the principle of fair treatment of customers. In addition to optimizing digital interfaces for the elderly and people with disabilities to bridge the digital divide, they have also deepened risk education for the younger generation and strengthened awareness campaigns against fraud. Additionally, the FSC has unveiled a blueprint for developing cybersecurity resilience in the financial sector over the next four years. This includes formulating security guidelines for AI systems in the financial industry, accelerating the adoption of zero-trust architectures, and expanding cybersecurity governance across the financial ecosystem's supply chain. Financial institutions will develop various information security systems and preventive measures to strengthen cybersecurity governance, with the aim of providing investors with a user-friendly and secure financial investment environment.

c. Business goals

1. Improve operating efficiency.
2. Expand market opportunities.
3. Enhance digital services.
4. Generate steady investment returns.
5. Commit to sustainable development.

d. Favorable and unfavorable factors for development outlook

Looking ahead, the following favorable and unfavorable factors are expected to affect the future development of the securities industry:

1. Favorable factors

- Younger investors are injecting new momentum into the market: Due to the prevalence of financial education, young people and those with limited budget are actively participating in regular investment plans and fractional share trading. The gradual accumulation of these long-term investment funds not only expands market participation, but also lays a solid financial foundation for the capital market.

- Optimization of the Taiwan Innovation Board system to invigorate trading mechanisms: Competent authorities have completely removed investor restrictions on the Taiwan Innovation Board, standardized trading rules, and permitted intraday odd-lot share trading. These measures have effectively enhanced market liquidity and attracted a diverse range of startups to enter the capital market.
- Capital repatriation and expansion of ETF scale: Benefiting from the trend of capital repatriation by Taiwanese businesses and the continued growth of ETF scale, market liquidity remains abundant. This helps maintain stable trading volume and drives the growth of securities brokerage and wealth management businesses.
- Competitiveness of the technology industry strengthens the foundation of the capital market: Taiwan possesses a globally leading semiconductor and technology industrial chain, playing a critical role in the global supply chain. The strength of these high-quality industries attracts long-term capital allocation from both domestic and international investors, supporting the long-term growth potential of the Taiwan stock market.
- Deregulation of policies and regulations to drive business innovation: While strengthening risk supervision, the competent authorities are actively promoting financial liberalization, deregulating regulations, and introducing diverse trading mechanisms, thereby creating more opportunities for securities firms to innovate businesses and upgrade services.

2. Unfavorable factors

- Challenges posed by the market environment and tighter regulatory oversight: The securities industry is highly susceptible to fluctuations in the global economy and changes in regulations. As regulatory standards become increasingly stringent, industry players must contend with higher compliance costs and greater uncertainty in the operating environment.
- Challenges related to digital transformation costs and cybersecurity risks: The digital transformation wave requires significant investment in system R&D and platform optimization. At the same time, heightened cybersecurity requirements increase operational costs and pressure on information management.
- Competition from industry peers and squeezing fee rates: Price competition in the domestic securities market is intense. With fee income remaining the primary revenue source, the trend of shrinking profit margins is detrimental to stable revenue growth.
- Transition costs and operational requirements for sustainable development: As global ESG regulatory requirements intensify, industry players must bear higher compliance and transition costs in their operational structures and business expansion.

3. Response strategies

- In response to regulatory relaxation and the opening of new business opportunities, the company will evaluate and expand product portfolio. By broadening and deepening product lines, it will provide competitive, customized services. At the same time, the company will integrate digital fintech to comprehensively enhance service efficiency and the customer experience.

- The company will continue to invest in information system development and recruit professional R&D talent to enhance core competitiveness in financial innovation. Concurrently, it will establish comprehensive information security defense mechanisms, implement company-wide cybersecurity awareness campaigns and education, ensure business continuity, and safeguard customer assets.
- With highly disciplined corporate governance as the foundation, the company will implement risk management across all business operations and uphold legal compliance as its highest operational principle. This ensures the company pursues business growth within a sound framework to achieve sustainable development goals.
- The company actively implements financial literacy programs, establishes professional financial education platforms, and, through campus partnerships and digital community engagement, assists young people and those with limited budget in developing sound financial management habits, thereby achieving our strategic goal of a younger customer base.

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 mutual funds,ETFs 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 or ETFs 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. In addition, with the rapid rise of ETF products in recent years, investment trusts are constrained by the shift in distribution channel strategies. Furthermore, investors' behavior of disintermediation and direct investment means that in the future, it is necessary to pay attention to product differentiation positioning, re-examine and redefine the roles of each channel and the focus of resources in order to effectively plan for medium- and long-term development strategies in advance.

Taishin Securities Investment Advisory Co.,Ltd.

a. Major products and services and location

Provide research services to TS 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 TS 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

Based on expectations of economic recovery and the current structural changes in the venture capital industry, the future supply and demand of "projects" and "funds" in Taiwan's venture capital market will exhibit characteristics of "quantitative easing and structural mismatch". In other words, there will be an abundance of funding, but a scarcity of good projects; or plenty of mediocre projects, but difficulties in raising funds.

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 AI, biotech and healthcare, software, key components, green energy, and niche startups. In terms of region, investment will focus primarily on companies in Taiwan.

d. Favorable and unfavorable factors for development outlook

Analyze from three dimensions: the macro environment, industrial structure, and capital market.

Favorable factors

1.The technology spillover effect brought about by the monopoly of AI hardware.

2.Capital market reforms and diversified exit channels.

3.Abundant private capital and the involvement of "family offices".

4.Strong support from government policies.

Unfavorable factors

1.Geopolitical risks.

2.Limited domestic market and a shortage of international talent.

3.Size limitations of domestic venture capital firms.

4.Uncertainty surrounding energy supply.

Shin Kong Property Insurance Agency Co., Ltd.

a. Major products and services and location

Shin Kong Insurance Agents primarily engages in property insurance agent services, with its operations limited to Taiwan.

b. Future supply and demand

Due to the industry's continued growth and shifts in the economic environment, the general public is placing more emphasis on safeguarding their property and ensuring liability coverage. Currently, insurance marketing in the market is consumer-oriented, and tailoring insurance products to meet customers' specific needs has become a prevailing trend. As a result, the insurance agent industry remains highly competitive.

c. Business goals

Shin Kong Insurance Agents primarily collaborates closely with property and casualty insurance companies to provide training and professional services to sales agents within the financial holding company's life insurance and securities channels. This enhances the agents' professional capabilities and creates opportunities for them to engage with customers, thereby supporting the development of their core business. Shin Kong Insurance Agents focuses on the sale of auto insurance (including compulsory and voluntary insurance for cars and motorcycles) and fire insurance products, while actively expanding into corporate insurance to broaden its customer base.

d. Favorable and unfavorable factors for development outlook

1. Favorable factors

(1) By leveraging the existing business organization and personnel across the financial holding company's various channels to provide customers with property and casualty insurance services, the company not only offers customers more comprehensive insurance planning, but also further promotes the development of their core businesses, thereby creating synergies through cross-selling within the financial holding company.

(2) The financial holding company's service locations span Taiwan. The increase in customer demand for property and casualty insurance creates favorable conditions for the expansion of property and casualty insurance operations.

2. Unfavorable factors

Currently, there are numerous insurance brokerage and agency firms in the domestic market, resulting in intense competition. Furthermore, in line with competent authorities' policies, insurance companies are promoting online insurance purchase and electronic services, which will affect the business models of traditional insurance brokers and agents in the future. Additionally, the accompanying changes in fintech are driving increased demand for enhanced supervision, thereby raising compliance costs for financial institutions.

Shin Kong Venture Capital International Co., Ltd.

a. Major products and services and location and future supply and demand

1. Shin Kong Venture Capital primarily invests within Taiwan. For overseas investments, it collaborates with international venture capital firms or private equity funds.

2. According to KPMG's Q3'25 Venture Pulse Report -Global Trends published in October 2025, the global venture capital market has shown steady growth for the fourth consecutive quarter, driven by a recovery in the U.S. IPO market and the continued momentum of AI. Although overall transaction volume in the venture capital market declined slightly in the Americas and Europe due to seasonal factors, the market as a whole maintained a positive trend, indicating steadily rising investor confidence. Looking ahead to the fourth quarter of 2025, the report affirms that the primary drivers of global venture capital investment would continue to be sustained investment in AI models, AI applications, and AI infrastructure. AI would remain the most popular investment sector. In contrast, companies lacking AI applications may face challenges in raising capital. Meanwhile, defense technology would continue to attract significant interest, with exceptional performance of fintech. In particular, Africa, Latin America, and Southeast Asia would remain the most favored sector. Robotics is also expected to garner more attention. Despite lingering geopolitical challenges, international conflicts, and uncertainty surrounding U.S. tariff policies, the market continued to exhibit a strong positive sentiment as it entered the fourth quarter. Overall, IPO activity is projected to rebound globally, with the U.S. IPO market continuing to improve and poised for more significant growth as we enter 2026. The Asian IPO market had shown a notable recovery in 2025, with total IPO valuations already surpassing the full-year level in 2024. Much of this growth came from Hong Kong, China, where multiple listings had occurred across the industrial, consumer, health tech, and energy sectors.

b. Business goals

Shin Kong Venture Capital's development strategy is to gradually expand the scale of its venture capital operations, identify investment targets with growth potential, allocate investments across companies at various stages of development, and make timely adjustments in accordance with industry cycles to enhance investment returns. Investment priorities include emerging industries with significant growth potential, such as high-end technology and AI, digital transformation, cybersecurity, circular economy, and biotechnology and healthcare. The company also focuses on technologies required for the digital transformation of the financial holding company, with a particular emphasis on AI, responsible investment, and ESG considerations. Additionally, the company will collaborate with international venture capital and private equity funds to participate in investments in global startups.

c. Favorable and unfavorable factors for development outlook

1. Favorable factors

Leveraging technical strengthen in innovation and creativity, as well as the government's early support measures, Taiwanese startups have established sustainable business models. Coupled with the advantages of a vertically integrated hardware supply chain, this has positioned Taiwan as a global cradle for fostering innovative industries, thus attracting international investments and talent.

2. Unfavorable factors

Although Taiwan is well-connected, it is inherently susceptible to the impact of various global trends. Given the need to adapt to changes in capital, resources and markets, the development of Taiwanese startups faces challenges from multiple factors, including policy, funding, talent, market conditions, and culture.

3. Response strategies

Improving these unfavorable factors, such as promulgation of investment incentive policies, optimization to the policy environment, increased supply of venture capital, and attraction and retention of talent, will prove beneficial to Taiwan's venture capital industry.

D. Employees of TS Financial Holding Co., Ltd.

a. Employee information

Base date: Feb. 28, 2026

Year		2024	2025	Current year as of February 28,2026
Number of employees	Male	4,635	10,425	10,376
	Female	6,999	18,949	18,883
	Total	11,634	29,374	29,259
Average age		40.02	43.23	43.36
Average years of service		8.67	9.17	9.60
Academic qualification	Doctoral Degree	0.09%	0.11%	0.10%
	Masters Degree	20.37%	14.78%	14.97%
	Bachelors Degree	4.94%	67.56%	66.91%
	High school	4.47%	16.63%	17.03%
	Below high school	0.13%	0.93%	1.00%
Professional certificates held by employees	Trust-related certificates (including supervisors, managers,and sales)	4,364	8,720	8,745
	Basic internal control certification	4,567	8,343	7,897
	Certificate for property insurance representative	3,742	10,664	10,681
	Investment-linked policy representative	2,150	12,524	11,903
	Life insurance representative	3,750	22,946	22,445
	Futures specialist	987	2,369	2,343
	Securities investment analyst	48	145	134
	Senior securities specialist	1,062	2,284	2,237
	Securities investment trust and consulting professional	507	1,106	1,062
	Securities investment trust and consulting laws(including professional ethics)	2,387	4,408	4,446

b. Employee training and development

TS Financial Holding Co., Ltd. has committed resources into talent training to ensure sustainability and growth. In 2025, the company had completed more than 890,072 training sessions across the entire organization, averaging 143.89 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 2025 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 400,000kg of premium Taiwanese rice. The total investment reached NT$ 46.06 million.

2. The "Power of Love"

The Taishin Charity Foundation was established in 2010. It rolled out the first and biggest public welfare voting activity in Taiwan — the "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 "giving a man a fish, it is better to give him a fishing rod and teach him how to fish," it set up an innovative model of public welfare assistance. Over the past 16 years, a total of more than NT$420 million in charity funds has been used, benefiting 2,008 non-profit organizations and 6.56 million beneficiaries. In addition to the "Power of Love" campaign, the Taishin Charity Foundation leverages its platform to integrate TSFHC’s resources and connect with partners interested in contributing. Together, they organize a series of similarly themed events — including the Minority Project, Campus Charity, Charity Art, Power of Love Workshop, and charity gift box sales. These efforts aim to engage charity groups, employees, clients, and suppliers to join in expectation of expanding their social influence.

3. Taishin Youth Volunteer Awards

Since its establishment in 2006, the 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 the Taishin Youth Volunteer Awards every year to create synergy with its partners and inclusiveness in the community. The Taishin Youth Volunteer Awards give special recognition to youth volunteers by honoring outstanding high school student volunteers. In 2025, 1,830 youth service stories were received. 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 the community.

b. Arts and Culture Development

1. Prestigious Merit of Contemporary Arts—Taishin Arts Award

Taishin Bank supported to establish the Taishin Bank Foundation for Arts and Culture in 2001, with the goal of "supporting arts and culture as a means of improving quality of life and nurturing the environment around us," to fulfill the corporate social responsibility of giving back to society.

The Taishin Arts Award was founded by the foundation in the following year. The Award acknowledges creative achievements in works of visual, performing and inter-disciplinary arts, a pioneering idea among arts awards at home and abroad. Its unique selection process includes nominations year-round by professionals, release of observations and art reviews, as well as yearly involvement of international jurors. With a cumulative award prize of NT$3.5 million, the awards offer the largest sum in support of Taiwanese contemporary arts. Over the last 23 years, the awards have invited 209 judges from home and abroad, who selected 359 shortlisted entries and 76 winners. Additionally, 184 nominators have written 1,482 art reviews. In 2025, nine nominators selected 15 shortlisted entries from among 80 nominees, and the awards ceremony was held in May to announce the three major awards. Ni Xiang's *Everyone came to see you—Ni Xiang Solo Exhibition* won the Visual Arts Award; *Great-Grand Rat-Po-Tai (So Old) Is Sleeping Next To A Landscape Painting, Diligently & Stingily Snoring——But There Is No Landscape Painting!* by "flowers bloom on the dead end" and Hsu Peng received the Performing Arts Award; and Chang Li-Ren's 14-year creative journey, *Battle City: Finale*, won the Annual Grand Prize. The ceremony was broadcast live to over 30,000 online viewers, and the event website for this edition of the awards received nearly 60,000 page views. In addition, the ARTalks art review network 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 establish dialogues. The website has received more than 3.9 million visits so far. The operation of the award mechanism, combined with the promotion of professional art review writing, has become a force that continues to foster the development of Taiwan's overall arts and culture ecosystem.

2. Community campaigns

(1) TS Holdings Tower Lobby Exhibitions:

The foundation hosts regular art exhibitions in the 1F lobby of TS Holdings Tower. Since the first exhibition in 2006, there have been 87 shows, and the venue has become a perfect gateway into arts for customers, employees, and the community. The 2025 exhibition included two works from artist Tsai Pou-Ching's *Sen Sen*, titled *Reverberations at Altitude 2000* and *Song of the Russet Sparrow*; artist Yang Chi-Chuan's *Where A River Runs*; and the 23rd Taishin Arts Award Video Exhibition, which introduced 15 shortlisted works for the Taishin Arts Awards that year through video. The foundation echoes sustainable environmental initiatives through artistic creation, leading to increased attention and participation from employees, clients, and the community.

(2) Friday Noon Concerts:

The foundation hosts Friday Noon Concerts in the 2F Yuan Hall of TS Holdings Tower every other Friday. It invites renowned artists from home and abroad to perform at these concerts, open to the public for free. Over the past 19 years, it has successfully organized a cumulative total of 442 performances. In 2025, a diverse lineup of 21 concerts was presented, featuring renowned artists such as Circo Ensemble, pianists Giselle Hsing-Chwen Hsin and Hsu Wei, Vincent Hsu & Soy La Ley Afro-Cuban Jazz Band, DonSir Crossover

Jazz Ensemble feat. Cheng- Yu Lee, and Resonance Vocal Band. A key highlight was the collaboration with the 2025 Taipei International Choral Festival hosted by Taipei Philharmonic Chorus, which brought the University of Mindanao Chorale to the stage. Additionally, the summer Family Concerts featured the show MIT Animals Paradise. Children learn about various saxophone instruments and their sounds by following the unfolding narrative.

3. 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 arts films. A total of 19 employee arts courses took place in 2025. More than 1,034 employees participated in these courses. The programs included a performance "Secret Love for the Peach Blossom Spring" by the Performance Workshop, the literary theater performance "A Grown Earthling Meets the Little Prince", a guided tour of the National Theater in 2025, a guided tour of the exhibition "Cosmic Sketches" by LuxuryLogico, and a screening of the film "Dancing Home" by the Bulareyaung Dance Company. In addition, the Foundation publishes an arts e-newsletter every month. The newsletter recommends exhibitions and performances and encourages employees to share their reviews.

4. "Twelve Nights of Cross-Disciplinary Dialogue" Art Lecture Series

Starting in March 2025, the "Twelve Nights of Cross-Disciplinary Dialogue" series launched 12 consecutive months of conversations at the intersection of art and various fields. The series invited a diverse range of artists, curators, critics, researchers, freelancers, and venue professionals to explore critical topics such as land art festivals, the geopolitics of curating, uncategorizable sound art, the disappearance of vacant spaces, and the evolution of cultural studies. As of December 2025, 10 lectures have been held, attracting 627 participants, with over 5,000 views of its written records and 140,000 views of its short video highlights.

5. Art & Sustainability—2025 Audible City Episode

The foundation initiated the "Sustainability Advocacy + Action" program, collaborating with artist collectives and venues to drive sustainability forward. At the end of 2025, the "Audible City Episode" project was launched to advocate for "noise reduction" using "listening" as a thematic guide. In a collaboration with Against Again Troupe, a former Taishin Arts Award Grand Prize winner, the project debuted at Nuit Blanche—an urban event that holds great tension with this topic—in early November with its first installment, *Ever Thus in My Ear*. The six outdoor theater performances drew a total of 1,011 attendees. Simultaneously, the foundation produced lectures and a podcast series titled "Urban Noise," featuring experts from public health pathology, medicine, neuroscience, and field recording to discuss the nature of noise and the power of silence. Upon its release, the podcast climbed to No. 11 among Science podcasts on Apple Podcasts for the week, reaching over 3,600 listeners with 9,000 total plays.

6. Basic Financial Courses for Art Professionals

Upholding the core value of "giving back to society through professional expertise," Taishin has designed financial literacy courses specifically for artists and creative teams. These courses empower art professionals to manage their finances effectively while remaining dedicated to their creative pursuits. Four lectures were held in 2025, where Taishin's financial experts shared insights on wealth management, investment strategies, and fraud prevention. The courses were attended by approximately 140 art professionals to great acclaim.

7. Arts and culture sponsorships

The Company has invested close to over millions in arts and culture sponsorships at home and abroad since 2006. The events have cumulatively attracted millions of participants.

c. Sports sponsorship

TS Financial Holding and Taishin Bank have long attached great importance to sports development. Taishin began supporting the Nantou County Youth Karate Team in 2005, calling upon customers through the PayEasy online platform to participate in small-amount and receipt donations, with cumulative donations exceeding NT$119.26 million.

Since 2011, Taishin has sponsored female professional golfers, with total sponsorship exceeding NT$100 million to date. Taishin has also hosted charity golf tournaments since 2011, with a total of 703 participants and more than NT$24.6 million raised in charitable donations.

Furthermore, since 2017, Taishin has expanded its sponsorship to include basketball, baseball, road running, and e-sports. In 2020, Taishin invested in a professional basketball team and became the title sponsor of the "Formosa Taishin Dreamers." In August 2023, the "Taipei Taishin Mars" team was established.

Taishin adopts a strategy of integrating a "Cycle of Philanthropy," combining sports and public welfare to achieve the highest standard of broad promotion and deep care. To date, Taishin has obtained the Ministry of Education's "Sports Enterprise Certification" four times (initially valid for two years each term, with the validity extended to three years starting in 2020; awarded in 2016, 2018, 2020, and 2023).

In 2025, Taishin was further recognized with the "Sports Activist Awards." Its subsidiary, Taishin Bank, received the "Sponsorship – Gold Award," the "Long-Term Sponsorship Award," and the "Promotion – Silver Award," Shin Kong Life Insurance won the "Gold Award in Sponsorship" and the "Promotion Award," while Taishin Securities won the "Silver Award" and the "Bronze Award in Sponsorship." Shin Kong Life Insurance garnered a total of six awards, becoming a leading example of domestic companies supporting sports, demonstrating its position as a leading corporate supporter of sports development in Taiwan.

d. Academic exchange

TS Holidngs 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, the Company 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 2025, about 600 students were recruited into an internship program. Given the up-rise of financial technologies, the company 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, the Company 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 TS Holdings via the industry-academia collaboration.

e. Environmental protection

1. Building low-carbon data centers

After reviewing energy consumption hotspots through the implementation of internal carbon pricing, the company determined that “information systems” were the largest source of energy consumption. Addressing the issue at the source, the company installed Power Usage Effectiveness (PUE) meters in the 3 data centers of Taishin Bank, Taishin Securities, and Taishin Life Insurance to serve as the basis for establishing short-, medium-, and long-term energy-saving targets for these facilities. In 2025, the PUE of Shin Kong Life Insurance’s Beiwa data centers remained stable between 1.52 and 1.64, meeting the internationally recognized silver-level standard of the PUE assessment criteria of the Green Grid. In 2025, the average PUE values for the 4 data centers of Taishin Bank and Taishin Securities fell within the range of 1.50 to 1.63. The company plans to implement a data center energy efficiency improvement project in 2026 to prepare for the future era of AI-driven finance.

2. Continue to respond to the lights-off campaign and increase the utilization of renewable energy

Every year, the company responds to the Earth Hour lights-off event and promotes a year-round dressing code. It issues the "Workplace Carbon Reports" every month to share energy-saving achievements and workplace safety promotions to enhance employees' awareness of carbon reduction. Starting in 2024, Shin Kong Life Insurance has included power regeneration systems as a mandatory initiative of elevator upgrades. It completed the upgrade of 1 elevator in 2025.

3. Internal carbon pricing energy-saving campaign:

To strengthen the correlation between internal carbon pricing and our own carbon reduction targets, Taishin Bank, Taishin Life Insurance and Taishin Securities launched an energy-saving competition among business units in 2025. As of December 2025, total electricity savings reached 7.4% compared to the same period last year, equivalent to a carbon reduction of 326.37 tCO2e. Additionally, the bank imposed a carbon fee on branches that failed to achieve a 1% electricity savings target, totaling approximately NT$57,952. In 2026, in accordance with the SBT of the company, carbon reduction quotas will be allocated to each subsidiary. Annual reviews of target achievement and carbon fee simulations will serve as the basis for evaluating the energy-saving projects and budgets in the following year.

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	2024	2025
Number of Employees	9,468	17,399
Average salary	1,511	1,485
Median Salary	1,209	1,166

G. IT equipment

a. Key information technology systems

1. TS Financial Holding Co., Ltd.:

(1) Key information technology systems:

A. The TS Holdings official website/recruitment system/corporate sustainability website are hosted on HPE servers.

B. The financial holding company's operating systems (e.g., electronic form approval system, consolidated financial statements system, and accounting system) are hosted on HPE servers.

C. Data analysis, AI technology applications, and other systems supporting data and digital finance development are hosted on HPE servers.

D. The market risk management system is hosted on HPE servers and physically segregated into development, testing, and formal operating environments. It integrates the investment asset positions of various subsidiaries in accordance with information security levels, effectively monitors market risks in real time, conducts sensitivity analysis and stress testing, and provides warning indicators to serve as a reference for subsidiaries in conducting business operations. At the same time, it strengthens the integration of risk management processes, establishes effective management mechanisms, and improves the consolidation of market risk management information, thereby enhancing the efficiency of real-time decision-making and the ability to plan and develop new products.

(2) Emergency backup and security:

Establish system services such as data protection, rapid system server recovery, and tape library backup to enable swift recovery of hosts and data, so as to reduce risks and losses caused by unexpected disasters; develop backup and recovery procedures and conduct regular recovery drills.

(3) Future development or procurement plans

A. technology trends and key technological advancements; integrate resources from the financial holding company and its subsidiaries to invest in research on key technology applications; assist business units in developing innovative financial services to facilitate business growth, and enhance customer experience and satisfaction.

B. In response to the complex implications arising from the adoption of new technologies and the development of innovative service models, provide a stable and secure environment, and collaborate with the IT Security Department to continuously strengthen the information security environment.

C. Continue to assist the data analytics team of the financial holding company in introducing a new data analytics platform; enable subsidiaries to share system resources through resource and technology sharing; refine customer segmentation models to leverage the benefits of integrated marketing, enhance cross-selling synergies, and strengthen decision-making efficiency.

D. The IT departments of the Group's subsidiaries are fully promoting GitHub Copilot, a generative AI-assisted development tool. By actively leveraging innovative AI technologies, we aim to improve development efficiency and code quality, continuously reinforce organizational effectiveness, and enhance service quality.

2. Taishin International Bank

(1) 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

Item number	System name	Content of Service
16	Japan wholesale banking system (JPWBS)	◆ CIF, Limit control, guarantor and collateral management ◆ Import / Export / Loan / Deposit / Remittance / Accounting / Nostro ◆ Funding/Spot/Forward/Swap
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.
30	IT password system (TSPDS)	◆ Stores host system accounts and passwords for use by applications. ◆ Applications can be connected to this interface (API), and the required resource accounts and passwords can be obtained upon successful identity authentication.

(2) Emergency backup and security

A. Implement standardized data management practices and systems in accordance with the Personal Information Protection Act for added protection.

B. 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.

C. Introduce the use of infiltration tools to scan for network weaknesses regularly.

D. Develop an information security action plan, promote each implement plan, achieve information security goals and support the continued operation of the Taishin's business

E. Introduce external library-based security scanning tools; the Bank's external service systems are scanned for vulnerabilities using external libraries, to enhance protection.

F. Implement Mobile Device Management to strengthen mobile device management and maintenance, and enhance security in accessing business-related information.

G. Build network access control (NAC) to restrict unauthorized devices from accessing the internal network for better network access security.

H. Create an ATM white list management system to reduce the risk of unauthorized access for better ATM security.

I. 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.

J. Improve off-site support to accommodate business requirements.

K. 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.

L. 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.

M. 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.

N. 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.

O. 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.

P. Purchase information security insurance to reduce the losses incurred from information security incidents (Transfer risk control).

Q. 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.

R. 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.

S. 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.

T. 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.

U. 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.

V. 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.

W. 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.

X. 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.

Y. 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.

Z. 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.

AA. 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.

AB. 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.

AC. 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.

AD. Implement an automated startup mechanism to improve the efficiency of remote backup startup and shorten the transaction recovery time after a major disaster.

AE. 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.

AF. 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.

AG. 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.

AH. 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.

(3) Future development or procurement plans

A. Apply cloud technology to achieve resource integration; maximum use of IT resources to improve service quality.

B. Continue to expand the range of mobile apps.

C. Install automatic application monitoring mechanisms to supervise system performance effectively.

D. Continue to develop the smart form processing system to give customers access to fax transaction services and make the Bank more competitive.

E. Expand the scope of Richart Life app development, and develop payment scenarios and points programs in everyday environments.

F. Continue with the digital banking (Richart) capacity expansion project in order to support the business and membership growth momentum.

G. Proceed to upgrade the counterparty credit risk algorithm (CCR ALGO).

H. Implement the internal ratings-based approach to credit risk for retail/wholesale banking products and develop risk models and related procedures.

I. Implement a new generation of NTD bond management system for enhanced information security management and better system flexibility and processing performance.

J. Establish a data sharing platform to uniformly record and manage the consent status of customer data sharing and joint marketing activities across all subsidiaries of the financial holding company.

K. 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.

L. Introduce AI-related applications into the wholesale banking system, such as AI-powered account opening reviews for OBU deposits and the generation of Taishin Brain wholesale banking reports, etc.

M. Optimize the mobile office framework to give users a faster and easier-to-use environment.

N. Set up multiple payment gateways; improve credit card acquiring business capacity; and integrate the architecture of payment services provided to merchants.

O. Continuously optimize the bank's service platform (new application middle platform), ensure platform stability, strengthen monitoring mechanisms, improve service levels, and enable Auto Scale functionality.

P. Continue migrating key systems and certain functions, such as Richart Life, Internet banking, and digital banking (Richart), to the bank's overall service platform.

Q. Expand the application scope of the bank's service platform (new application middle platform) by deploying systems such as diversified payment, points middle platform, and Taishin Pay on the bank's service platform.

R. Continue to build shared business functions to provide customers with a consistent cross-channel banking experience; integrate data information to turn services into data and data into services in order to quickly support marketing and innovation, as well as enhance corporate competitiveness and service capabilities.

S. Continue to introduce New Lookup, a monitoring system, into application systems, to effectively grasp system information and enhance system management.

T. 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.

U. 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.

V. Continue to introduce a common proxy platform, continue to integrate intra-bank services to support business growth, boost hardware/software resources, and improve system utilization and usability.

W. Continue to expand the scope of continuous integration (CI) and continuous deployment (CD) automation to improve personnel’s output and reduce the manpower requisite for maintenance.

X. Implement the FEP host EOS upgrade project to enhance information security and improve the stability of cross-bank transactions.

Y. Implement a centralized architecture project for passbook entry machines, making passbook entry services easier to manage and monitor after merger.

Z. Collaborate with the Innovation and Technology Department to implement AI models, advance the OCR project for credit card application and intelligent document platform, automatically recognize images and document content, as well as reduce manual data entry, proofreading, and review.

AA. Continue to implement software defined wide area networking (SD-WAN) for more flexible use of the telephone network and enhanced backup connection.

AB. Establish a virtual asset custody system to provide customers with secure and reliable virtual asset custody services.

AC. Continue to optimize the automation of regulatory reporting mechanisms for overseas branches to meet regulatory requirements and improve reporting efficiency and accuracy.

AD. Develop financials-related carbon emission inventory system modules to enhance accuracy and efficiency in calculating carbon inventory, to provide 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.

AE. To demonstrate the credibility of personal information protection, demonstrate the responsibility of good management, and build upon existing foundation of bank information security management, we are introducing international privacy, or personal information, protection standards for our Internet Banking system in Taiwan, aiming to acquire ISO27701 personal information management certification.

AF. 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.

AG. Establish an internal on-premises Microsoft Windows virtual platform to replace the VMware virtual platform used for IT development (IT development cloud and vendor development cloud).

AH. Implement the ONE ID cross-platform customer identification application. After customers log in via real-name authentication, subsidiaries will process customer personal data (ID number/date of birth) in accordance with the financial holding company's unified standards and generation methods, and independently generate a One ID identification code to facilitate cross-company customer identification or the sharing of GA behavioral tags.

AI. Continue to promote GitHub Copilot, a generative AI-assisted development tool, and actively leverage innovative AI technologies to comprehensively optimize operational processes, continuously reinforce organizational effectiveness, and enhance service quality.

AJ. Replace equipment at the Neihu and Longtan data centers, regional centers, the Nangang customer service center, and branch payment/receipt offices to improve hardware performance, enhance the backup mechanism, and improve system stability.

3. Shin Kong Bank:

(1) Key information technology systems:

The bank's core accounting mainframe uses two Unix servers configured in a cluster architecture as the operating environment, with additional Unix servers deployed for testing, development, and backup environments. The database uses an Oracle relational database. The NTD core trading platform is TPE II, while the foreign exchange core trading platform is Top Tools. The trust system trading platform uses an IBM AS/400 mainframe. The central and branch networks and peripheral systems (including voice, online banking, foreign exchange, ATMs and other application systems) are all connected using the standard TCP/IP protocols. The branch terminal system uses virtualized, centralized Windows servers and browser-based terminal workstations to build the branch operating environment. Overseas branch systems are also built using Windows servers and browser-based terminal workstations. GEB Global Financial Network uses IBM Power 10 mainframes for operations, testing, development, and backup. The credit card system uses a Linux server for operations, testing, development, and backup.

(2) Emergency backup and security

The backup mechanisms include on-site and off-site methods: On-site backup employs a dual-server high-availability (HA) architecture. Off-site backup involves a service agreement with the Enterprise Customer Division of Chunghwa Telecom Co., Ltd. to establish an off-site backup mechanism at Chunghwa Telecom's Zhongli Renmei data center, which provides dedicated equipment and data center space. Annual off-site disaster recovery drills are conducted to ensure uninterrupted service for the information systems. Furthermore, to ensure that host data can be fully restored in the shortest possible time in the event of a disaster, a real-time synchronization mechanism has been established between the core business host data and the data at the off-site backup center.

(3) Future development or procurement plans

Supporting the merger strategy of the financial holding company to facilitate the maximization of business value transfer through four key initiatives.

Business continuity assurance: Ensuring stable system operations and maintaining service quality.

Maximizing data value transfer:

A. Developing a phased data migration plan based on business priorities to ensure complete and accurate transfer of core data, thereby safeguarding the succession of value.

B. Optimizing integration and merger efficiency: Leveraging AI technology to enhance collaboration efficiency and quality, while effectively controlling costs.

C. Passing on historical value: Establishing an inquiry platform to retain business knowledge documentation.

D. In addition, the bank will continue to strengthen information risk management capabilities and ensure regulatory compliance to safeguard the interests of customers, shareholders, and the bank.

4. Shin Kong Life Insurance

(1) Key information technology systems:

A. The life insurance core system uses IBM Power 9 and IBM Power 10 mainframes. The software is developed using Oracle WebLogic, Spring Framework, Java and PLSQL technologies. The database uses an Oracle relational database.

B. The electronic insurance policy generation system uses a Windows server and is developed using PrintSoft plate-making software.

C. The online insurance application system uses a Windows server, and is developed using the Microsoft .NET framework, with a relational database based on SQL Server.

D. Both the company's internal and external websites use Windows servers, and are developed using the Microsoft .NET framework and T-SQL technology, with a relational database based on Microsoft SQL Server.

E. The business sales management system uses a Windows server, and is developed using the Microsoft .NET framework, with a relational database based on Microsoft SQL Server.

F. The lending system uses an IBM AS/400 mainframe and is developed using Lansa technology.

G. Both the budget and expense system and the movable property system use IBM Power 9 mainframes, with an Oracle relational database. The budget and expense system is developed using Java technology, while the movable property sys tem is developed using the .NET architecture.

H. The investment system utilizes a dedicated cluster of Windows servers, network equipment, and a dedicated electronic trading line. (9)The system is developed using the Microsoft .NET framework, with a relational database based on Microsoft SQL Server.

I. The backup system uses Veritas NetBackup and employs Veritas AIR technology to synchronously back up data to an off-site backup center via fiber optic network.

(2) Emergency backup and security

A. Shin Kong Life's emergency backup system comprises two mechanisms, namely, on-site backup and off-site backup: On-site backup utilizes a cluster architecture to ensure high system availability; off-site backup involves an exclusive data center service agreement with third-party provider Acer e-Enabling Data Center Inc., establishing an off-site backup facility at the Longtan Aspire Park. This covers critical systems including the life insurance core system, imaging system, member section, online insurance application website, sales management system, lending system, AML and counter-terrorism financing systems, new policy Business Process Management (BPM) system, and the Shin Kong Life APP. The environment is equipped with a high-speed fiber-optic OTN network to rapidly synchronize and back up business operation data to the off-site data center, thereby enhancing the disaster recovery capabilities of critical systems, reducing the risk of system downtime and data loss, improving the stability of critical system services, and ensuring uninterrupted business operations.

B. Shin Kong Life conducts annual disaster recovery drills to simulate and validate disaster response mechanisms, and regularly reports drill results to the General Manager and members of the Information Security Committee. At the same time, the company maintains the validity of its international certifications for the Business Continuity Management System (ISO 22301) and the Information Security Management System (ISO 27001), ensuring the ongoing effectiveness of its disaster recovery mechanisms.

(3) Future development or procurement plans

A. To build a robust, flexible, and high-performance life insurance core system, the company will continue to implement enhancement initiatives to meet the following objectives:

◆ Flexible architecture and digitalized processes

- Shorten development time and accelerate the launch of innovative products.
- Provide a platform for specialized division of labor and reduce overall labor costs.

◆ Adoption of mainstream technologies and improved management efficiency.

- Develop a mainstream system architecture and Java platform to facilitate staff training and recruitment.
- Improve system processing performance and management efficiency.

◆ Mobile-enabled services and global applications.

- Support mobile services, business intelligence, and big data applications.
- Develop a multilingual, multi-currency system to support overseas business development.

B. Continuously optimize the Business Process Management (BPM) system to drive automated processing and monitor the capacity of various administrative services in real time, thereby ensuring accurate, rapid, and immediate resolution of process issues to continuously enhance satisfaction among staff, the organization, and customers.

C. Continuously introduce Robotic Process Automation (RPA) application scenarios to reduce repetitive manual tasks, increase task accuracy, and mitigate operational risks.

D. Comprehensively optimize and expand mobile security service offerings to enhance the user experience for agents and create a comprehensive service ecosystem. Simultaneously, actively promote paperless processes to implement ESG sustainability goals and achieve a green financial transformation. Additionally, continue to advance remote service platforms to break down geographical barriers and increase service flexibility. This not only saves customers transaction time and costs, but also ensures fair treatment of customers, thereby enabling all groups to enjoy convenient financial services.

E. Establish a BOE reporting platform for core systems to reduce long-term maintenance and operational costs. The standardized reporting platform will also be utilized to improve development efficiency and accommodate diverse requirements.

F. Enhance the data warehouse platform and refine the governance effectiveness of the lakehouse architecture. By increasing the automation and accuracy of data processing, the company will be able to ensure that analytical operations remain agile even in highly scalable storage environments. This initiative effectively reduces maintenance and operational costs and shortens analysis cycles, helping various business units respond quickly to market changes and achieving high-quality, data-driven governance objectives.

G. Enhance the company's official website to shape and convey the corporate professional image and core values.

H. Improve the performance of the lending system to accelerate the loan process, strengthen internal controls, and increase service efficiency.

I. In response to the trend toward intelligent applications, plan to implement an API Management System (APIM) to enhance Application Programming Interface (API) management capabilities, ensuring that all connected systems and application data operate efficiently, securely, and under controlled conditions.

J. Build a data middle platform to integrate data resources from various sources, achieve data interoperability, and establish data-sharing and collaboration capabilities, thereby promoting data analysis and insights to support business decision-making and innovative development.

5. Masterlink Securities

(1) Key information technology systems:

A. Core business operations utilize Tandem (Non-STOP) mainframes.

- Trading and accounting mainframes for securities firms in two locations: The NS7X3 mainframe serves as the primary trading and accounting mainframe, while the NS2404 mainframe functions as a back-up mainframe. These are located in two regional centers. Additionally, 2 mainframes are designated as development and testing mainframes.
- Securities proprietary trading and futures proprietary trading operations share 1 NS4X4 trading and accounting mainframe.
- 1 trading and accounting mainframe (NS7X2) for the futures subsidiary, with a backup system built using the aforementioned proprietary trading mainframe.

B. The stock agent system uses an IBM AS/400 mainframe (model 9105-41B); the overseas stock sub-brokerage system and wealth management trust business system use an IBM AS/400 mainframe (Model 9009-41B).

C. The e-commerce middleware system primarily uses Oracle Sun Microsystems (T7, T8) servers and Pure Storage (X20R4, M20) storage devices, with databases primarily based on Sybase and MySQL. Front-end electronic trading-related systems (securities, futures, sub-brokerage, wealth management, warrants, etc.) primarily run on Windows servers to provide services, with HP 380G10 as the main hardware equipment. Additionally, an EMC Storage solution is used to build a VM environment; IBM Storage is used for data storage in the sub-brokerage and wealth management systems; NetApp Storage is used for the storage needs of other business systems. Splunk is used for data analysis and monitoring of the e-commerce platform, and Zabbix is used for remote device monitoring.

D. The warrant market-making system/futures hedging system primarily use HP servers to connect to and trade on the exchange.

E. The salesperson SFA system was upgraded by developing and building the system in-house using 5 HP 380G10 mainframes with a Windows operating system and a Microsoft SQL database.

F. The data warehouse system uses SAP IQ V16.1 to store transaction system accounting data. The database primarily uses Sybase, and Informatica ETL V10.4.1 is used for data transfer and scheduling management.

G. VM virtualization technology is utilized (2 sets in each of the 3 data centers) to flexibly allocate system resources.

H. External storage devices are used: 3 sets of EMC Storage, 3 sets of Pure Storage, 2 sets of NetApp Storage, and 2 sets of IBM Storage. These are primarily used to store transaction-related or critical system data, providing stable and secure storage space.

(2) Emergency backup and security

A. The securities business Tandem mainframe consists of 2 mainframes, with backup operations conducted via an off-site terminal connection between Chunghwa Telecom's Banqiao and Beiwa data centers.

B. The futures business Tandem mainframe (Chunghwa Telecom's Banqiao data center) and the securities proprietary futures business Tandem server (Beiwa data center) provide off-site backup for each other.

C. The shared mainframe (AS/400) for the sub-brokerage and wealth management systems consists of 2 mainframes, one located at Chunghwa Telecom's Banqiao data center and the other at the Beiwa data center, operating in an active/standby (A/S) architecture.

D. The e-commerce middleware system mainframe adopts F5 load balancing and HA architecture for backup in Chunghwa Telecom's Banqiao data center, and A/S architecture for off-site backup in the Beiwa data center.

E. 2 data center emergency response drills (including 1 DDoS drill) are scheduled regularly every year to ensure the emergency response capabilities of personnel.

F. Data backup and restore tests are conducted once every six months for securities, futures, proprietary trading, and stock agency; data restore tests for tape backups (NBU) are performed every six months; additionally, emergency backup and recovery drills are conducted on an ad hoc basis in coordination with the Taiwan Stock Exchange and the Taiwan Futures Exchange.

G. An Advanced Persistent Threat (APT) defense mechanism has been implemented at the Beiwa data center.

H. Replaced a total of 1,974 sets of the Windows 10 operating system that had reached End of Support (EOS) of Microsoft with Windows 11.

I. Adopted the Cisco ISE multi-factor authentication server for network device login authentication to strengthen information security management.

J. Replaced a total of 51 network devices that reached End of Support (EOS) in 2025.

(3) Future development or procurement plans

Strengthening information service security management and infrastructure upgrades: Expand the monitoring scope of the Security Information and Event Management (SIEM) system to ensure the security and stable efficiency of system services.

6. Taishin Securites

(1) Key information technology systems:

A. Core business operations utilize IBM AS/400 mainframes

- The securities brokerage/proprietary trading system uses 2 IBM Power 10 mainframes; the securities brokerage/proprietary accounting system uses 2 IBM Power 9 mainframes. The above systems are located in two regional centers with a primary and backup architecture, with 1 IBM Power 9 mainframe at each primary regional center designated for development and testing.
- The futures subsidiary's futures trading and accounting system uses 2 IBM Power 10 mainframes. They are located in two regional centers with a primary and backup architecture, with 1 IBM Power 9 mainframe at the primary regional center designated for development and testing.

B. The stock agency system and the overseas sub-brokerage system each use 2 IBM Power 9 mainframes: The stock agency system uses a cold backup architecture, while the overseas sub-brokerage system uses a hot backup architecture. These systems are located in two regional centers, with 1 IBM Power 9 mainframe at each primary regional center designated for development and testing.

C. The e-commerce system’s mainframe primarily uses x86 hosts running Windows Server, with databases based on MSSQL and MySQL. An EMC Storage-based VM environment is also deployed, and Splunk is used for data analysis and monitoring of the e-commerce platform.

D. The warrant market-making system/futures hedging system primarily use x86 servers to connect to and trade on the exchange.

E. The proprietary trading system for sales representatives primarily uses x86 servers running Windows Server, with MSSQL as the database.

(2) Emergency backup and security

A. The securities business uses 4 AS/400 mainframes, with off-site backup between the Neihu data center and Chunghwa Telecom’s Banqiao IDC.

B. The futures business uses 2 AS/400 mainframes, with off-site backup between the Neihu data center and Chunghwa Telecom’s Banqiao IDC.

C. The sub-brokerage business uses 2 AS/400 mainframes, with off-site backup between the Neihu data center and Chunghwa Telecom’s Banqiao IDC.

D. Annual disaster recovery drills, backup data restoration tests, and DDoS attack simulations are conducted for core systems to ensure personnel emergency response capabilities and system recovery capabilities.

E. For domestic brokerage operations (stocks), including the electronic order platform’s transaction processing, settlement and delivery, and related support activities, the company has implemented and obtained certification for ISO 22301 Business Continuity Management.

F. For information security protection, in addition to complying with the regulations of the competent authorities, the company has implemented a Security Operations Center (SOC) and an Endpoint Detection and Response (EDR) system to enhance the company's cybersecurity resilience.

(3) Future development or procurement plans

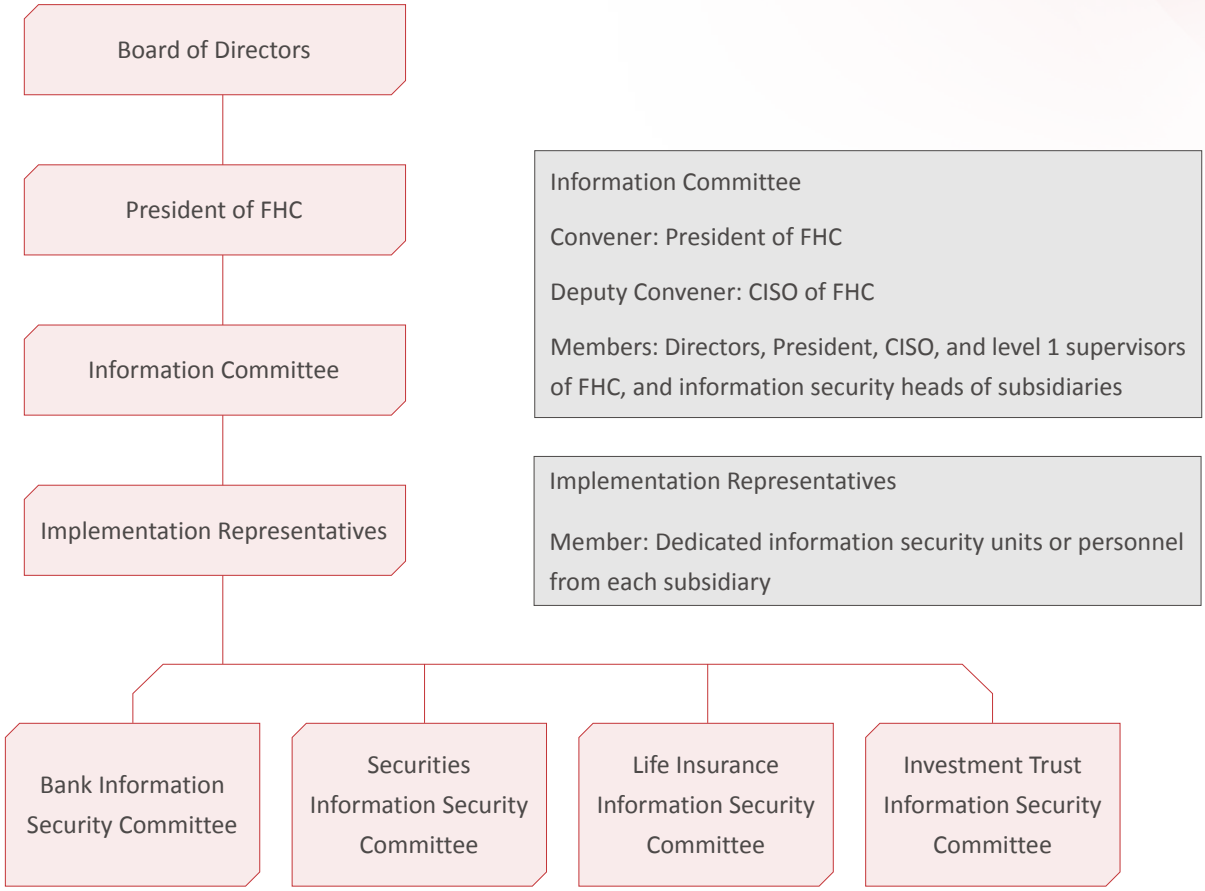
Strengthening information service security management and infrastructure upgrades: Deploy Advanced Persistent Threat (APT) defense and external DDoS defense equipment to ensure the security and stable operation of system services.

H. Information security management

a. Information security policy and organization

1. The Company established the "Cybersecurity Policy", "Cybersecurity Guidelines" 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 with IT/Cybersecurity expertise(Note 1), President, Chief Information Security Officer , level 1 supervisors of TS FHC and information security heads of subsidiaries. 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 (2025), the Information Security Committee has held a total of 4 meetings, with 100% attendance rate of the directors.
2. The Company has established an Information Security Department. 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. In addition, the Company's major subsidiaries have established dedicated information security units and appointed Chief Information Security Officers (CISOs). As of now, the Group has more than 60 full-time information security professionals, thereby strengthening its information security governance and protection capabilities.
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. Since 2025, under the planned initiative of "Providing Trusted Digital Financial Services," we have continuously promoted and executed six key strategies: implementation of international standard management systems, maturity differentiation management, sustainable defense-in-depth, adoption of Zero Trust Architecture (ZTA), training and drills, and collaborative security defense and competitions. 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. To strengthen overall organizational security awareness, effectively manage information security risks, and enhance the security protection capabilities of the Company and its subsidiaries, dedicated information security units or personnel from each subsidiary serve as implementation representatives. They are responsible for executing the policies, objectives, and resolutions established by the Information Security Committee regarding Group information security, and reporting implementation results back to the Committee.

5. Additionally, TS FHC's Information Security Department periodically disseminates security topics and related requirements to all employees through these representatives to foster comprehensive security awareness across the workforce.



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 core operations have obtained relevant international certifications for information security management systems, with the validity periods of all certificates covering the year 2025. The banking, securities, and life insurance subsidiaries have all been certified under ISO 27001 Information Security Management Systems (ISMS) (validity period: banking subsidiary: July 26, 2022 to July 25, 2028; securities subsidiary: August 22, 2024 to September 11, 2028; life insurance subsidiary: July 21, 2024 to July 20, 2027) and ISO 22301 Business Continuity Management Systems (BCMS) (validity period: banking subsidiary: July 13, 2023 to July 12, 2026; securities subsidiary: March 12, 2025 to March 12, 2028; life insurance subsidiary: January 10, 2022 to January 9, 2028).

   In addition, the banking subsidiary has taken the lead in obtaining certification for ISO 27701 Privacy Information Management Systems (PIMS) (validity period: July 4, 2024 to July 25, 2028), while the life insurance subsidiary has also obtained certification for BS 10012 Personal Information Management Systems (PIMS) (validity period: July 8, 2024 to July 7, 2027), thereby establishing a secure and trustworthy information environment.

Furthermore, various information security monitoring tools have been deployed across the information assets of major subsidiaries, achieving a monitoring coverage rate of over 99%, thereby safeguarding corporate assets and stakeholders' interests and supporting the Company's vision of delivering trusted digital financial services.

2. Annually, attack and defense simulation (Red team and blue team), social engineering exercises, distributed denial-of-service (DDoS) attack and information security incident response drill 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. To establish a comprehensive information security defense chain, the Company continuously plans the implementation of Zero Trust Architecture (ZTA) and the deployment of Endpoint Detection and Response (EDR) systems, thereby strengthening the "Protect" function within the NIST Cybersecurity Framework (CSF). Additionally, the Company actively gathers global intelligence on information security—such as hacker tactics, techniques, and procedures (TTPs) and the latest threat trends—through various channels.

   Furthermore, our subsidiaries participate in relevant collaborative defense organizations; for instance, subsidiaries have joined the Financial Information Sharing and Analysis Center (F-ISAC), while the Bank has specifically become a member of 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. In addition, to address potential operational risks and financial losses arising from information security incidents, the Company has implemented risk transfer measures through insurance arrangements. Major subsidiaries, including the banking, securities, and life insurance entities, have all obtained cyber insurance coverage, with an aggregate insured amount exceeding USD 1 million.
5. The FFIEC/CAT or CRI/Profile 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 TS FHC.
6. Regularly convenes meetings for the Chief Information Security Officers (CISOs) of FHC and its major subsidiaries, as well as SOC meetings. These gatherings facilitate the exchange and sharing of group-wide security strategies, threat intelligence, and defense deployment plans, thereby establishing a holistic information security protection network.

c. Losses suffered by major information security incidents: In 2025, no major information security incidents occurred in the Company and its subsidiaries.

I. 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
Shin Kong Bank	2025/10/8	Fu-Lao-Dong-Zi No. 1140395468	Paragraph 1, Article 24 of the Labor Standards Act	The subsidiary Shin Kong Bank failed to pay employees' overtime wages in a timely manner due to the branch manager's failure to implement attendance management procedures. The Changhua County Government determined that the bank had failed to pay overtime wages in accordance with the law.	A fine of NT$50,000 and release of name.
Shin Kong Life Insurance	2025/7/7	Lao-Ju-Na-Zi No. 11401847360	Article 17 of the Labor Occupational Accident Insurance and Protection Act	The subsidiary Shin Kong Life Insurance, while conducting adjustments to employees' insured salary categories, excluded employees who had not received full pay for any month within the past three months from the adjustments. The Bureau of Labor Insurance determined that this constituted overreporting or underreporting of insured salary amounts.	A fine of NT$20,000 and release of name.
Shin Kong Life Insurance	2025/7/14	Bao-Tui-Er-Zi No. 11460089880	Article 15, Paragraph 2 of the Labor Pension Act	The subsidiary Shin Kong Life Insurance, while conducting adjustments to employees' insured salary categories, excluded employees who had not received full pay for any month within the past three months from the adjustments. The Bureau of Labor Insurance determined that this constituted a failure to accurately report and adjust the wages subject to labor pension contributions in accordance with regulations.	A fine of NT$5,000 and release of name.

Company	Date	Case No.	Article number	Article content	Description
Taishin Life Insurance	2025/8/19	Fu-Shou-Lao-Dong-Zi No. 1140201270	Paragraph 2, Article 22 of the Labor Standards Act	The subsidiary Taishin Life Insurance deducted compensation fees from employees' salaries for failing to pass the sales agent qualification assessment in accordance with their agreements. In 2024, the Labor Affairs Bureau, Taichung City Government determined that this constituted a violation of Article 26 of the Labor Standards Act regarding the withholding of wages and imposed a fine of NT$90,000. However, following an appeal filed by Taishin Life Insurance, the Ministry of Labor decided to revoke the original penalty and the Taichung City Government reclassified the matter as a failure to pay wages in full.	A fine of NT$20,000 and release of name.
MasterLink Securities	2025/8/4	Gao-Shih-Lao-Tiao-Zi No. 11435902500	Paragraph 6, Article 30 of the Labor Standards Act	The subsidiary MasterLink Securities was found by the Labor Affairs Bureau, Kaohsiung City Government to have failed to accurately record employees' clock-out times to the minute on a daily basis, as evidenced by a discrepancy between an employee's application of overtime end time and the clock-out time recorded in the attendance log.	A fine of NT$20,000 and release of name.
MasterLink Securities	2025/11/24	Fu-Shou-Lao-Dong-Zi No. 1140359975	Paragraph 2, Article 22 of the Labor Standards Act	In 2004, the subsidiary MasterLink Securities established a bonus system with its sales representatives that involved salary deductions as a disciplinary measure for failing to meet performance targets. However, the company failed to retain a written record of the agreement reached through labor-management negotiations. Consequently, during 2025, the company implemented salary deductions against employees who failed to meet performance targets in accordance with the aforementioned bonus system. The Labor Affairs Bureau, Taichung City Government determined that this constituted a failure to pay wages in full.	A fine of NT$20,000 and release of name.

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.

J. Important contract

TS 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.	2025/01/01~2026/12/31	Automated service equipment (ATM, deposit machine, bankbook entry machine)	None
Procurement contract	Mercuries Data System Ltd.	2025/09/24-2027/03/01	ATM equipment	None
Procurement contract	ECLOUDVALLEY DIGITAL TECHNOLOGY CO., LTD.	2025/01/01~2026/12/31	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

Shin Kong Bank:

Contract type	Party	Start date/ Expiration Date	Contents	Restrictive
Procurement contract	YI-KONG SECURITY CO., LTD.	2024/10/01~2026/09/30	Proposal on security guard services	None
Procurement contract	Fiserv (Hong Kong) Limited.	2025/12/01~2027/07/31	Proposal on procurement of credit card system licensing	None
Procurement contract	TAIWAN SHIN KONG SECURITY CO., LTD	2024/01/01~2026/12/31	Off-site ATM environmental control and security contract	None
Procurement contract	Systex Software & Service Corp.	2024/08/1~2027/07/31	Proposal on procurement of Microsoft large account software licensing	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

Shin Kong Life Insurance Co., Ltd.:

Contract title	Parties involved	Contract beginning and ending date	Main contents	Restrictive terms
Reinsurance contract	General Reinsurance AG	2000/09/01 ~ No end date	Reinsurance	None
Reinsurance contract	Central Reinsurance Corporation	1968/10/31 ~ No end date	Reinsurance	None
Reinsurance contract	RGA Global Reinsurance Company, Ltd.	1999/10/11 ~ No end date	Reinsurance	None
Reinsurance contract	SCOR SE	1994/06/01 ~ No end date	Reinsurance	None

Taishin Securities Co., Ltd.:

Contract type	Party	Start date/ Expiration Date	Contents	Restrictive
Merger Agreement	MasterLink Securities Corporation	2025/9/12 ~ the effective date of the merger	Taishin Securities and MasterLink Securities shall proceed with the merger in accordance with the merger agreement and relevant laws and regulations. Upon completion of the merger, Taishin Securities shall be the surviving company, and MasterLink Securities shall be the dissolved company.	None
Securities Investment Consulting Service Agreement	Taishin Securities Investment Advisory Co., Ltd.	2026/1/1~2026/12/31	Provision of securities investment research and analysis or recommendations	None

Masterlink Securities:

Contract type	Party	Start date/ Expiration Date	Contents	Restrictive
Merger Agreement	Masterlink Securities	2025/09/12~ The effective date of the Merger	Taishin Securities and MasterLink Securities shall proceed with the merger in accordance with the merger agreement and relevant laws and regulations. Upon completion of the merger, Taishin Securities shall be the surviving company, and MasterLink Securities shall be the dissolved company.	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.

Shin Kong Venture Capital International Co., Ltd.:None.

TS Holdings
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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	2024	2025	Variation	
			Amount	(%)
Cash and cash equivalent	21,314,190	21,457,626	143,436	0.67
Financial assets at fair value through other comprehensive income	10,271,040	6,137,118	(4,133,922)	(40.25)
Investment in resale bills and bonds	550,000	0	(550,000)	(100.00)
Receivables-net	1,196,277	4,542,362	3,346,085	279.71
Current tax assets	0	1,516,552	1,516,552	100.00
Investments accounted for using the equity method,net	246,917,298	555,362,443	308,445,145	124.92
Other financial assets	0	0	0	-
Property and equipment-net	13,062	29,282	16,220	124.18
Right-of-use assets-net	6,069	743	(5,326)	(87.76)
Deferred tax assets-net	0	0	0	-
Other assets	25,226	33,707	8,481	33.62
Total assets	280,293,162	589,079,833	308,786,671	110.17
Financial liabilities at fair value through profit or loss	127,782	0	(127,782)	(100.00)
Commercial paper issued	12,026,865	24,457,409	12,430,544	103.36
Payables	893,564	12,912,375	12,018,811	1,345.04
Current tax liabilities	2,146,710	5,473,263	3,326,553	154.96
Bonds payable	36,233,272	34,245,422	(1,987,850)	(5.49)
Preferred Stock Liability	0	28,322,642	28,322,642	100.00
Lease liabilities	7,260	1,277	(5,983)	(82.41)
Reserve for liabilities	0	29,220	29,220	100.00
Other liabilities	0	1	1	100.00
Total liabilities	51,435,453	105,441,609	54,006,156	105.00

Item	2024	2025	Variation	
			Amount	(%)
Capital sotck	140,761,443	262,610,672	121,849,229	86.56
Capital surplus	38,197,778	133,732,478	95,534,700	250.11
Retained earnings	50,104,233	64,159,018	14,054,785	28.05
Other equity	(116,447)	23,225,354	23,341,801	(20,045.00)
Treasury stock	(89,298)	(89,298)	0	0.00
Total equity	228,857,709	483,638,224	254,780,515	111.33

Figures exceeding NT$100 million and changed by 20% or higher are analyzed as follows:

(1) The decrease in the total amount of cash and cash equivalents, repurchase bills, and bond investments as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the remaining balance of commercial paper issued for distributing cash dividends.

(2) The decrease in financial assets at fair value through other comprehensive income as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the disposal and derecognition of Chang Hwa Bank shares.

(3) The increase in receivables - net as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the increase in consolidated taxes receivable from subsidiaries in 2025.

(4) The increase in current income tax assets as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the acquisition of Shin Kong Financial Holding Co., Ltd. and the general assumption of tax refund receivables from subsidiaries.

(5) The increase in investments accounted for using the equity method - net as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the acquisition of Shin Kong Financial Holding Co., Ltd. and the general assumption of its subsidiaries and sub-subsidiaries.

(6) The decrease in financial liabilities at fair value through profit or loss as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the valuation of the exchange rights for convertible corporate bonds payable resulting from the conversion and redemption at maturity of the corporate bonds

(7) The increase in commercial paper payable as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the issuance of additional commercial paper for distributing cash dividends.

(8) The increase in payables as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the increase in consolidated taxes payable to subsidiaries in 2025.

(9) The increase in current income tax liabilities as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the increase in income tax payable.

(10) The increase in preferred stock liabilities as of December 31, 2025, compared to December 31, 2024, was attributed mainly to the issuance of preferred stock liabilities in connection with the acquisition of Shin Kong Financial Holding Co., Ltd.

(11) The increase in share capital and capital surplus as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the issuance of new shares in connection with the acquisition of Shin Kong Financial Holding Co., Ltd., resulting in the increase in equity items.

(12) The increase in retained earnings as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the increase in profits.

(13) The increase in other equities as of December 31, 2025, compared to December 31, 2024, was mainly attributed to the increase in recognition of unrealized gains on financial assets of subsidiaries in 2025.

B. Standalone financial Performance

Unit: NT$1,000

Item	2024	2025	Variation	
			Amount	%
Income/loss on equity-accounted investments	20,807,244	39,486,299	18,679,055	47.31
Other income	679,630	742,089	62,459	8.42
Operating expenses	(833,219)	(1,778,252)	(945,033)	53.14
Other expenses and losses	(748,625)	(1,469,361)	(720,736)	49.05
Pre-tax income (loss)	19,905,030	36,980,775	17,075,745	46.17
Income tax (expense) benefit	159,366	346,037	186,671	53.95
Net Income	20,064,396	37,326,812	17,262,416	46.25
Other comprehensive income (loss), net of tax	1,787,379	24,429,715	22,642,336	92.68
Total comprehensive income	21,851,775	61,756,527	39,904,752	64.62

Figures exceeding NT$100 million and changed by 20% or higher are analyzed as follows:

(1) The increase in investment gains recognized under the equity method in 2025 compared to 2024 was primarily attributed to the acquisition of Shin Kong Financial Holding Co., Ltd., the general assumption of its subsidiaries and sub-subsidiaries, and the rise in recognized investment profits from subsidiaries.

(2) The increase in operating expenses, other expenses, and losses in 2025 compared to 2024 was primarily attributed to the acquisition of Shin Kong Financial Holding Co., Ltd. and the expansion of human resources and assets, resulting in an increase in related losses and expenses.

(3) The increase in income tax gains in 2025 compared to 2024 was mainly attributed to the rise in income tax gains arising from consolidated tax calculation.

(4) The increase in other comprehensive income in 2025 compared to 2024 was mainly attributed to the increase in recognition of unrealized gains on financial assets of subsidiaries in 2025.

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
21,457,626	23,075,699	(21,538,537)	22,994,788	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 2025.

E. Investment policy in the recent year

The Company's investments are made in accordance with Articles 36 and 37 of the Financial Holding Company Act. In making such investments, the Company evaluates expected returns on investment as well as the synergistic benefits of joint marketing among subsidiaries, with the objective of enhancing shareholder returns.

On July 24, 2025, the Company completed its merger with Shin Kong Financial Holding. With Shin Kong team joining the Group, the Company will be able to provide customers with a broader and more diversified range of products and an enhanced service experience.

Looking forward, the subsidiaries will progressively complete their integration. The Company will enter a “multi-engine” development phase. Amid an increasingly competitive and rapidly evolving financial environment, the Company will leverage and integrate the Group’s resources and capital strengths to further enhance the market competitiveness of its banking, insurance, securities, asset management, and other financial businesses, thereby creating greater profitability for shareholders. At the same time, the Company will continue to expand its overseas presence to provide customers with more diversified products and services.

F. Assessment of risk management

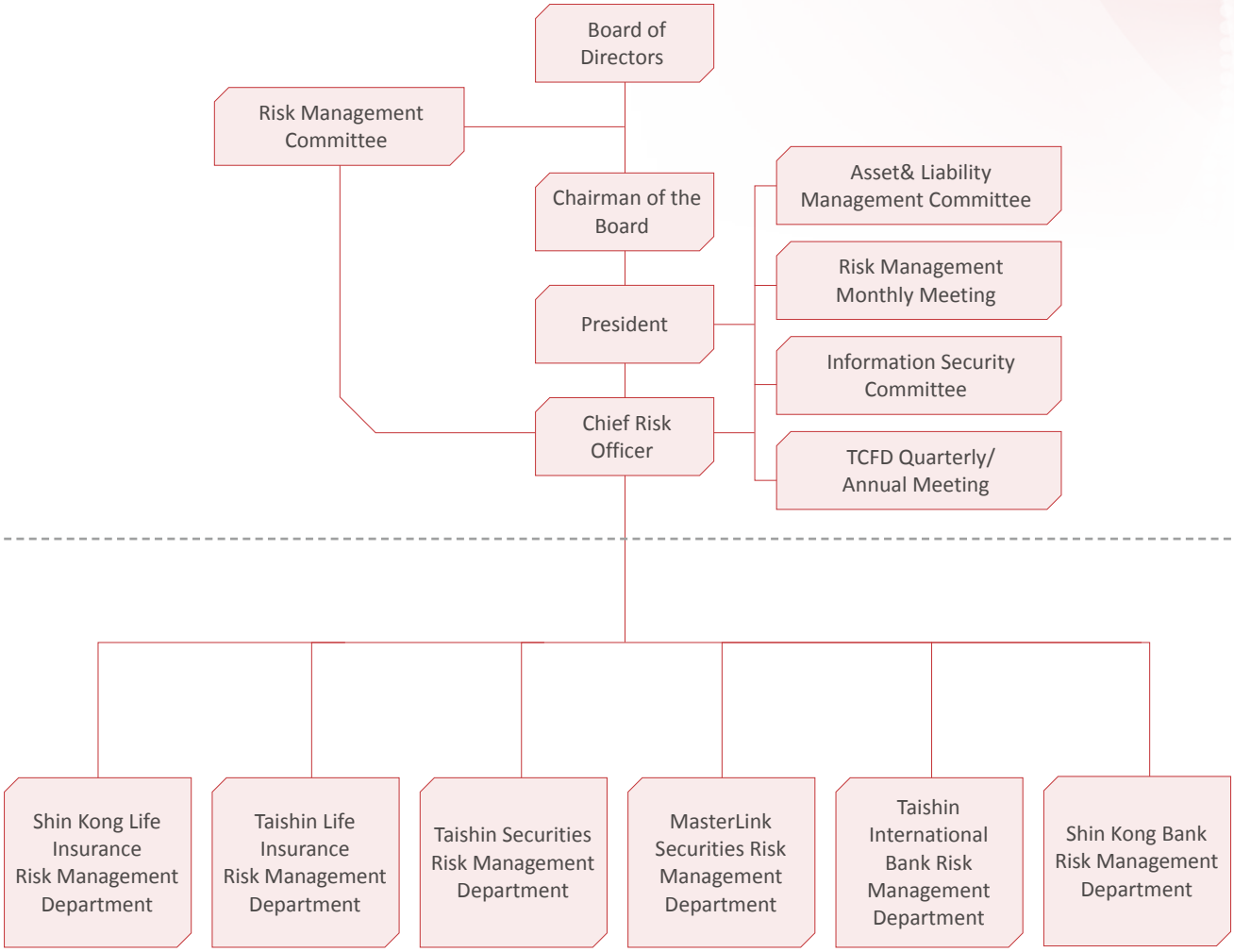
a. Risk management framework and policy of the financial holding company and subsidiaries

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 Risk Management Department and risk management units of subsidiaries in executing related policy. 4. Assure effective cross department communication and coordinate risk management functions.
Risk Management Department	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 TS Financial Holding Co., Ltd.

Base date: Dec. 31 2025



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.

(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 responsible for the establishment of internal credit rating system, the monitoring of credit risk positions and analysis of credit risk concentration, the planning of management measures, and the appraisal of real estate. 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, 2025 Unit: NT$1,000

Type of Risk Exposure	Risk Exposure after Mitigation	Capital Requirement
Sovereigns	617,646,649	16,096
Non-central government public sector entities	5,304,402	84,870
Banks (including multilateral development banks and central counterparties)	273,823,476	6,609,253
Covered bonds	107,460	860
Corporates (including securities firms and insurance companies)	500,542,954	34,317,669
Retails	502,970,542	28,820,819
Real estate	1,004,612,897	39,927,423
Equities investments	17,614,181	2,449,459
Equities invesments in fund and venture capital	0	0
Other assets	53,180,506	3,185,286
Total	2,975,803,067	115,411,735

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, 2025 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	2,981,097,318	465,487,724	436,148,245	421,232,024	232,322,447	325,474,960	1,100,431,918
Main cash outflow on maturity	3,764,496,221	207,853,799	299,333,926	531,618,133	405,009,583	692,685,768	1,627,995,012
Gap	(783,398,903)	257,633,925	136,814,319	(110,386,109)	(172,687,136)	(367,210,808)	(527,563,094)

Maturity Analysis of Assets and Liabilities (U.S. Dollars)

I. Head office, Domestic Branches, and Offshore banking unit

Dec. 31, 2025 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	50,155,764	15,174,774	11,426,519	5,442,278	7,794,687	10,317,506
Main cash outflow on maturity	50,003,946	17,739,340	13,913,266	6,203,632	6,661,676	5,486,032
Gap	151,818	(2,564,566)	(2,486,747)	(761,354)	1,133,011	4,831,474

II. Overseas branch

Dec. 31, 2025 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	13,244,239	3,502,622	3,074,828	1,704,740	1,879,729	3,082,320
Main cash outflow on maturity	13,176,459	4,146,129	4,234,550	1,966,024	1,820,774	1,008,982
Gap	67,780	(643,507)	(1,159,722)	(261,284)	58,955	2,073,338

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) Quantified information on risk exposure

Capital Requirement for Market Risk

Dec. 31, 2025 Unit: NT$1,000

Item		Capital Requirement
1	General Interest Rate Risk(GIRR)	1,431,847
2	Equity Risk	320,325
3	Commodity Risk	2,525
4	Foreign Exchange Risk	346,656
5	Credit Spread Risk(CSR):non-securitisations	1,087,519
6	CSR:securitisations (non-Correlation Trading Portfolio(CTP))	0
7	CSR:securitisations (CTP)	0
8	Default Risk Capital(DRC):non-securitisations	2,190,240
9	DRC:securitisations(non-CTP)	0
10	DRC:securitisations(CTP)	0
11	Residual Risk Add-On(RRAO)	11,998
12	Total	5,391,110

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) Quantified information on risk exposure

Capital Requirement for Operational Risk

Dec. 31, 2025 Unit: NT$1,000

Item		Amount
1	Biness Indicator Component(BIC)	7,314,787
2	Internal Loss Multiplier(ILM)	0.66320224
3	Operation Risk Capital Requirement(ORC)	4,851,183
4	Risk weighted Asset(RWA) for Operational Risk	60,639,791
Additional explanation for ILM(Note): None		

Note: Whenever internal loss data are excluded due to non-compliance with the loss data standards, an explanation must be provided.

(2) Taiwan Shin Kong Commercial Bank Co., Ltd.

A. Credit Risk

(a) Management Method:

Depending on the nature of each business, risk limits and related regulations are set according to the country, customer, related party, group company, industry and collateral category, taking into account factors such as the transaction (investment) object, collateral type, and borrower's financial/operational/debt repayment ability/credit status. These serve as the standard for measuring credit risk. Except for the collateral category, which is assessed and controlled monthly, all others are assessed and controlled daily.

(b) Scope and Characteristics of the Risk Reporting and Measurement System:

I. The Bank's Risk Management Department regularly submits credit risk management analysis reports to senior management, such as monthly risk management reports, large-scale risk assessments, and financial product assessment reports. These reports cover asset quality, scoring card warnings, concentration risk, changes in financial product ratings, CDS warning monitoring, and credit risk position control. The department also regularly verifies the Bank's scoring card monitoring reports to review the effectiveness of the scoring cards. Business management units can use the scoring cards to reflect risks in a timely manner and adjust credit granting strategies.

II. In accordance with regulatory requirements, the Bank has established a "stress testing" mechanism to regularly review credit risk tolerance under stress scenarios, analyze reports, and submit them to senior management for credit risk management measurement.

III. The Bank has gradually introduced quantitative models for credit risk to assist in risk identification and measurement. Rating models have been developed for corporate finance, SME finance, consumer finance (including credit loans, mortgages, auto loans, micro-enterprise loans, and credit card business).

Through the establishment of the aforementioned quantitative models and the launch of related systems, the Bank's credit risk measurement employs indicators such as default probability and risk ranges for businesses where models and systems have been implemented, enabling the Bank to conduct standardized and refined risk management.

IV. Management procedures and methods have been established for the pre-, during-, and post-transaction phases of investments in financial assets or derivative financial products outside of credit lines to ensure consistent and sound risk management across the board.

V. In addition to the risk measurement system, the Bank's risk management mechanism is structured as follows: independent review mechanisms, management standardization mechanisms, audit mechanisms, and other mechanisms to effectively implement risk management.

(c) Policies for risk hedging and mitigation, and strategies and processes for monitoring the continued effectiveness of risk hedging and mitigation tools:

I. Conduct prudent credit checks based on the characteristics of counterparties.

II. Regarding concentration risk, establish separate limits for the same legal entity, related companies, group companies, industry, collateral, and country, and monitor regularly to diversify risk.

III. Appropriate collateral is required based on counterparty risk and business characteristics.

IV. Short-term funds are primarily used for short-term lending, while medium- and long-term funds are primarily used for medium- and long-term lending.

V. Regularly review and adjust the exposure of large credit clients and group companies to avoid excessive concentration of credit risk.

VI. Regularly review the credit status of counterparties, issuers, guarantors, and underlying assets in financial transactions to achieve effective credit risk early warning management.

(d) Risk Quantitative Information

Credit Risk Standard Approach: Risk Mitigation and Capital Provisions

Dec. 31, 2025 Unit: NT$1,000

Type of Risk Exposure	Risk Exposure after Mitigation	Capital Requirement
Sovereign States	161,728,862	61,357
Non-Central Government Public Sector	0	0
Banks (including multilateral development banks and centralized clearing counterparties)	123,160,447	2,770,516
Securities-Backed Bonds	0	0
Corporate (including securities and insurance companies)	133,924,879	7,504,134
Retail Risk	164,117,152	9,083,696
Real Estate Risk	695,676,948	35,019,562
Equity Securities Risk	5,982,088	602,602
Fund Equity Securities Investments	42,873	4,942
Other Assets	18,378,527	1,203,767
Total	1,303,011,776	56,250,576

Note 1: The capital to be provided is the risk amount after risk reduction multiplied by the risk weight and the minimum capital provision rate (8%).

Note 2: For the risk portion of the bank that is approved to be measured using the Internal Ratings Approach (IRB), please fill in the "Capital Required by Internal Ratings Approach to Credit Risk" form. For the remaining risk portion measured using the standardized approach, please fill in this form. That is, the same risk should not be filled in this form and the "Capital Required by Internal Ratings Approach to Credit Risk" form.

Note 3: Individual verification numbers.

B. Funding liquidity risk

(a) Management Principle

Funding liquidity risk management aims to ensure that under any current or future circumstances, Shih Kong Bank's liquidity funds can meet the funding capacity required to accommodate asset growth or fulfill matured obligations.

The following matters should be monitored and managed:

- Maintain sufficient funds to support all matured obligations, off-balance-sheet guarantees, and committed credit facilities under both normal market fluctuations and emergency situations.
- Allocate funds at reasonable market prices.
- Supply the liquidity needs required for business growth.

Funding liquidity risk management principles are:

- Diversification Principle:

Avoid excessive concentration of funds in the same maturity date, funding instruments, currencies, regions, funding sources, or counterparties.

- Stability Principle: Formulate strategies to obtain stable funding and reduce dependence on unstable funding sources (such as interbank borrowing), avoiding the impact of market volatility on funding sources.
- Maintain appropriate market liquidity for each asset: The quality of market liquidity will indirectly affect funding liquidity. In addition to ensuring that total assets can support total liabilities, a certain proportion of assets with good liquidity or that can be used as collateral to borrow cash should be maintained, and should at least be able to support short-term liabilities without concern.
- Pay attention to the matching principle of asset and liability maturity dates.
- Pay attention to payment commitments derived from credit business.

(b) Quantitative Information

I. Maturity Analysis of Assets and Liabilities for New Taiwan Dollars

Dec. 31, 2025 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	1,212,654,713	181,176,874	64,126,711	98,787,658	80,908,001	93,493,091	694,162,378
Main cash outflow on Maturity	1,502,531,797	60,174,962	119,503,119	184,110,693	200,083,594	365,142,375	573,517,054
Gap	(289,877,084)	121,001,912	(55,376,408)	(85,323,035)	(119,175,593)	(271,649,284)	120,645,324

II. Maturity Analysis of Assets and Liabilities for U.S. Dollars

(i) Headquarters, domestic branches and OBUs

Dec. 31, 2025 Unit: NT$1,000

	Total	The Amount for the Remaining Period to Maturity				
		0-30 days	31-90 days	91-180 days	181days-one year	Over one year
Main cash inflow on maturity	5,974,367	1,800,595	838,679	552,344	428,092	2,354,657
Main cash outflow on Maturity	7,632,941	1,318,018	1,719,467	1,070,091	1,714,032	1,811,333
Gap	(1,658,574)	482,577	(880,788)	(517,747)	(1,285,940)	543,324

(ii) Overseas branch

Dec. 31, 2025 Unit: NT$1,000

	Total	The Amount for the Remaining Period to Maturity				
		0-30 days	31-90 days	91-180 days	181days-one year	Over one year
Main cash inflow on maturity	1,764,998	512,788	124,657	65,325	83,332	978,896
Main cash outflow on Maturity	2,095,212	1,074,144	513,539	225,031	110,084	172,414
Gap	(330,214)	(561,356)	(388,882)	(159,706)	(26,752)	806,482

C. Market Risk

(a) Strategy and Procedures

I. Risk Management Strategy

Shin Kong Bank's risk management strategy is to establish limits based on risk appetite and risk-adjusted returns, maximizing return within capital constraints to pursue shareholder value maximization. In terms of control procedures, all risk-taking units must obtain approval and be granted limits before conducting transactions. Independent risk management units assess the profit and loss of positions held daily and regularly report profit/loss and position exposure to senior management.

II. Scope and Characteristics of Risk Reporting and Measurement Systems

The purpose of risk reporting is to disclose risks and serve as an important reference for senior management to formulate strategies and adjust portfolios to achieve business objectives. Shih Kong Bank is committed to integrating trading management systems across various products

to promptly disclose position exposure and profit/loss fluctuations. We accomplish this through an independent risk management function, along with setting up risk policies and processes, including pricing verifications, benchmarking, model validation and a new product review/approval mechanism.

(b) Trading and Risk Control Systems

I. Qualitative Aspects

We focus on strengthening the formulation and implementation of the Bank's risk management policies and regulations, as well as establishing a risk management culture. Risk management units operate independently from risk-taking units, measuring and analyzing exposure, reporting to senior management for decision-making, and establishing valuation processes, financial product launch procedures and management mechanisms, model validation procedures, etc. In addition to complying with regulatory requirements, the aim is to accurately measure risks and standardize control and operational procedures.

II. Quantitative Aspects

We establishes sensitivity limits according to different risk factors for risk exposure measurement. It also calculates the Value-at-Risk (VaR) of portfolios to monitor the impact of market volatility on the Company's positions.

(c) Quantitative Information

Market Risk Capital Requirement

Dec. 31, 2025 Unit: NT$1,000

Type of Risk	Capital Requirement
Interest rate risk	109,803
Equity price risk	0
Commodity price risk	0
Currency rate risk	85,799
Credit spread risk	95,513
Default risk	224,876
Residual risk add-ons	0
Total	515,990

D. Operational Risk

(a) Operational risk management policy and framework

Stipulate the operational risk management regulations, introduce operational risk management methodology and tools, establish operational risk management framework, and use tools of collection for data of losses, self-assessment on risk control and key risk indicators in order to effectively identify, assess, monitor, report, control and mitigate the operational risk of the Bank.

(b) Identification of operational risk

Shin Kong Bank has established and implemented operational risk management tools such as a loss database, risk control self-assessment, and key risk indicators to identify and assess the probability and exposure of operational risks. Based on the analysis results, action plans are proposed to control various operational risks within the bank's acceptable range.

(c) Operational risk assessment and supervision

To measure and monitor operational risks, the monthly risk management meeting will report and track the collection of loss data and the analysis results of key risk indicators, and propose necessary improvement plans to implement daily management of operational risks.

(d) Quantified information on risk exposure

Capital Requirement for Operational Risk

Dec. 31, 2025 Unit: NT$1,000

Items	Amount
Business Indicator Component(BIC)	2,645,876
Internal Loss Multiplier(ILM)	1
Operational Risk Capital Requirement(ORC)	2,645,876
Risk-weighted Asset(RWA)	33,073,450
Additional explanation for ILM(Note): Not applicable	

Note: Whenever internal loss data are excluded due to non-compliance with the loss data standards, an explanation must be provided.

(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

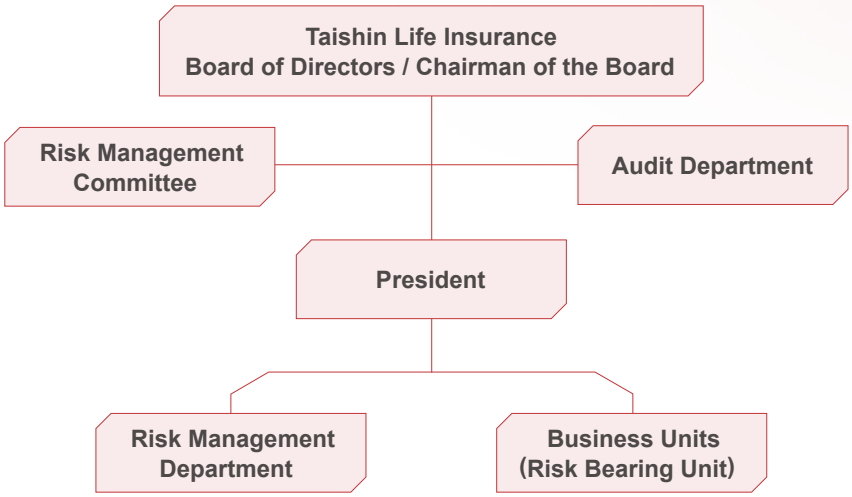
The Company's Risk Management Policy is drafted by the risk management division and is implemented with the approval of the board of directors. Any future revision will follow the same procedure.

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

Risk type	Management Method
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, claims 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.
Asset liability matching risk	Asset liability mismatch risk refers to risks caused by inconsistent changes in the value of asset and liability. This is primarily focused on 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:

	2024/12/31	2025/12/31	Note
RBC Ratio	349%	421%	All greater than the statutory ratio of 200%

(4) Shin Kong Life Insurance Co., Ltd.

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.

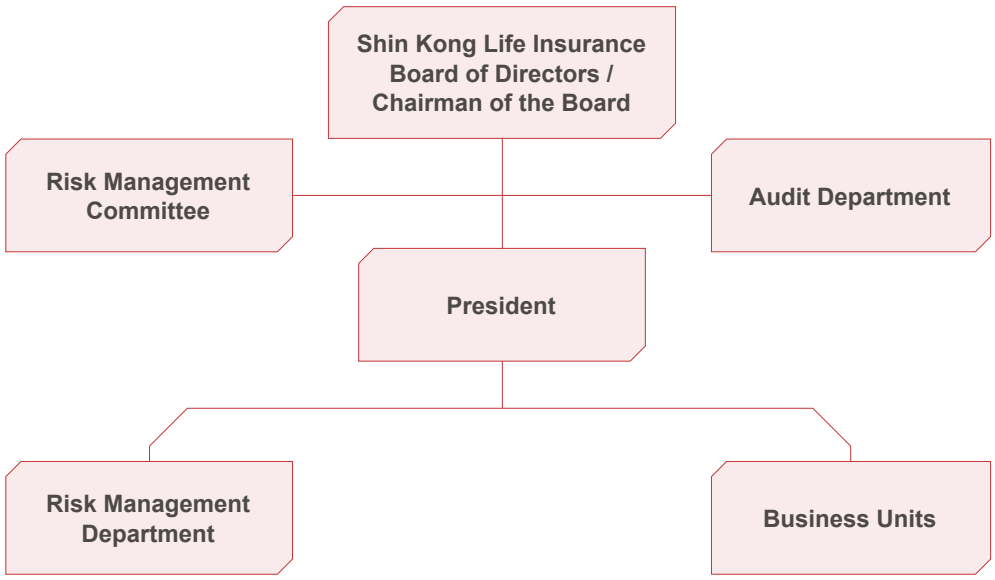
(b) Process flow for formulating and approving risk management policy

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 mechanism operates under the board of directors who bears the ultimate responsibility for the overall risk management operation. The Risk Management Committee under 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 Department, as an independent unit, assists the board of directors and the Risk Management Committee in performing risk management activities.

(a) Risk management system organizational structure chart



(b) Risk management organization and responsibilities

The company's risk management organization is described below:

I. Board of Directors:

(i) Recognize the various risks inherent in the insurance business and establish appropriate risk management mechanisms and a risk management culture.

(ii) Approve risk management policies, risk appetite, and risk limits to ensure the effectiveness of risk management, and bear ultimate responsibility for overall risk management.

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 Organization Rules of Risk Management Committee.

III. Risk Management Department:

(i) Assist in formulating and implementing risk management policies approved by the board of directors; based on the nature of the business and in accordance with laws and regulations, assist in formulating risk limits, consolidate risk information provided by various departments, coordinate and communicate with departments to implement policies and limits, analyze and assess changes in risks, establish risk indicators and early warning mechanisms, submit regular reports on risk management, and carry out other risk management-related matters.

(ii) Responsible for handling matters arising from breaches of risk limits upon authorization by the board of directors or the Risk Management Committee.

IV. Business Unit:

(i) Conduct risk management operations for the business under its jurisdiction, assist in the collection of risk-related data, and ensure the effective implementation of internal control procedures within the departments to comply with relevant regulations.

(ii) The head of each business unit shall be responsible for daily risk management and reporting in his/her unit, take necessary corrective measures, and oversee the regular transmission of relevant risk management information to the risk management division.

(iii) Each business unit shall designate an appropriate member appointed by the unit head to serve as the risk management officer. The risk management officer shall act as the liaison between the unit and the Risk Management Department, and implement risk management within the unit in accordance with relevant regulations.

C. Risk management approach

Risk type	Management Method
Market risk	Market risk refers to the risk of potential loss of asset value due to market price changes over a certain period of time. We have established management mechanisms for asset positions involving market risk (including risk control, investment limits, 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	Credit risk 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. We have established management mechanisms for asset positions involving credit risk (including credit risk analysis, credit risk limit control, and monitoring of expected credit losses) in order to ensure credit risk is managed effectively. Review results are submitted to the management regularly.
Liquidity risk	Liquidity risk includes funding liquidity risk and market liquidity risk. Funding liquidity risk refers to the risk of being unable to convert 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 prices due to inadequate market depth or disorder when disposing or writing off positions. In accordance with the regulations of the competent authorities and the nature of business, We have established relevant liquidity risk management procedures and implements management mechanisms for funding liquidity risk and market liquidity risk in accordance with these provisions.
Operational risk	Operational risk refers to the risk of direct or indirect losses caused by inappropriate or negligent errors in internal operations, personnel and systems, or by external events. It includes legal risk but excludes strategic risk and reputational risk. To manage operational risks, the company employs a system of business responsibilities, internal controls, and Key Risk Indicators (KRI) to effectively identify, assess, monitor, and control potential operational risks. Regarding the response to major emergency incidents, We have established procedures for reporting major incidents and implemented a Business Continuity Management System (BCMS) to protect policyholder interests and ensure the company's normal operations.

Risk type	Management Method
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) Underwriting Risk Management: To control the risk of unexpected losses arising from business marketing, underwriting review, and related operational expenses, we have established internal underwriting systems and procedures, formulated an underwriting approval manual, set acceptance criteria for each product, and established multiple underwriting risk management indicators. (b) Claims Risk Management: The company has formulated the claims handling system and procedures, claims payment management measures, and standard operating procedures. We train and develop professional claims personnel to reduce risks arising from negligent errors in claims processing. (c) Catastrophe Risk Management: Assess catastrophic events that could result in significant losses to the company, including but not limited to aircraft accidents, major traffic accidents, and other incidents. When such events exceed the company's retention limit, catastrophe reinsurance will be arranged to transfer the risk. (d) Reinsurance Risk Management: Based on the risk characteristics of each product, the company will appropriately select reinsurers with sound credit ratings to arrange reinsurance cession. (e) Product Design and Pricing Risk Management: To mitigate the risk arising from inadequacy, inconsistencies or unexpected changes in product design, policy provisions, and basis of pricing assumptions, in addition to ensuring that product content complies with relevant laws and regulations and actuarial practice standards, the company also assesses the products based on their specific risk characteristics using appropriate actuarial assumptions, profit analysis, sensitivity testing, or cash flow testing to evaluate the reasonableness of the product structure and the adequacy, reasonableness, and fairness of the premium rates. Furthermore, after product sales, the company regularly conducts experience loss ratio analyses, reviews asset allocation plans, and assesses risk transfer arrangements to verify or adjust product content and premium rate setting. (f) Reserve Risk Management: In addition to setting aside various reserves in accordance with legal requirements, the company regularly performs reserve adequacy analyses to evaluate the sufficiency of reserves.
Asset liability matching risk	Asset liability mismatch risk refers to risks caused by inconsistent changes in the value of asset and liability. The company conducts regular balance sheet risk assessments and adjusts the composition of assets and liabilities as appropriate to achieve balance sheet management objectives.
Other risks	Information security risks: The company has established the position of Chief Information Security Officer to oversee the implementation of information security policies. A dedicated information security unit has also been established to continuously assess information security risks and the effectiveness of defenses. The company allocates appropriate resources, builds a vertical defense mechanism, and regularly conducts information security attack and defense drills to strengthen response capabilities and enhance information security resilience. Regarding information security incident management, the company regularly reports to the Information Security Committee to review the effectiveness of information security incidents and correctives measures. It also conducts case studies and awareness campaigns to enhance the security awareness among all employees and reduce the occurrence of information security incidents. Climate change risks：The company has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework. In managing climate change risks, the company identifies climate-related physical and transition risks by assessing the economic environment and the company's various business operations. It evaluates how they affect the company's operations and financing/investing activities, ultimately determines the major climate change risks, formulates response strategies, and discloses climate risk related information in the sustainability report.

D. Information on quantified risk exposure:

	2024/12/31	2025/12/31	Note
RBC Ratio	221%	191%	In 2025, the company completed a cash capital increase of NT$7 billion, and issued bonds with capital characteristics of US$400 million to strengthen its capital base. In addition, it reallocated part of its liability reserves to the foreign exchange valuation reserves, leading to an increase in the available capital compared to the previous period. However, the impact of interest rate risk and interest rate risk capital in the previous year resulted in a significant increase in required capital, causing the RBC ratio to decline compared to the previous period.

(5) Taishin Securities Co., Ltd.

A. Risk management method

As of 2025, 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 TS 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.

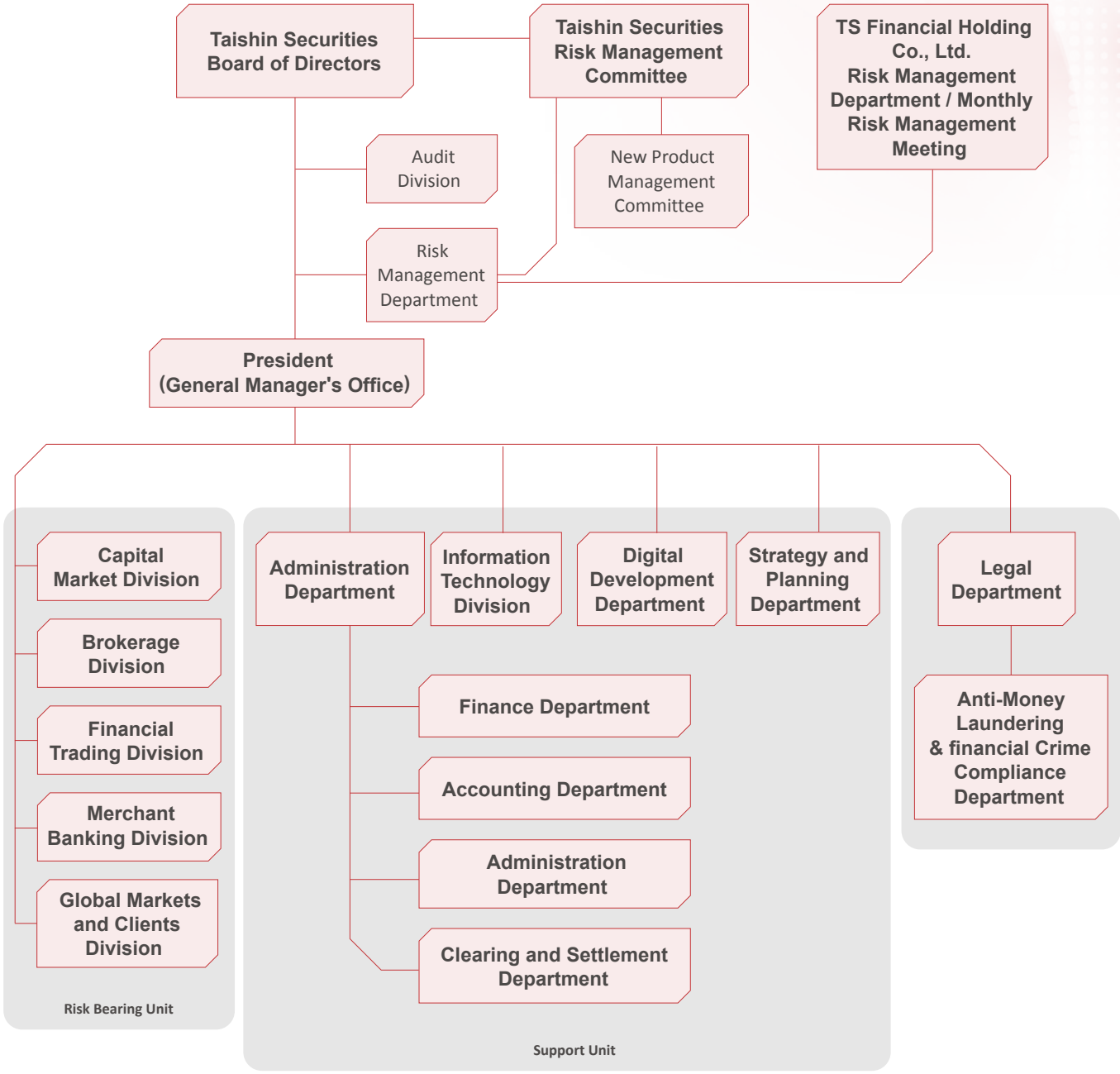
IV. Upgrade the efficacy of capital allocation, so as to maximize returns after risk adjustment.

(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


Taishin Securities Board of Directors
Taishin Securities Risk Management Committee
TS Financial Holding Co., Ltd. Risk Management Department / Monthly Risk Management Meeting
Audit Division
New Product Management Committee
Risk Management Department
President (General Manager's Office)
Capital Market Division
Brokerage Division
Financial Trading Division
Merchant Banking Division
Global Markets and Clients Division
Risk Bearing Unit
Administration Department
Information Technology Division
Digital Development Department
Strategy and Planning Department
Finance Department
Accounting Department
Administration Department
Clearing and Settlement Department
Support Unit
Legal Department
Anti-Money Laundering & financial Crime Compliance Department

(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.
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, 2025 Unit: NT$1,000

Kinds of Risk	Equivalent Value of Risks
Market risk	2,415,527
Credit risk	1,760,578
Operational risk	757,691
Total	4,933,796

(6) MasterLink Securities Co.,Ltd.

A. Risk management strategy and process

(a) Risk management strategy and goals

I. Actively engage in all business operations within acceptable risk levels to enhance both the quality and quantity of revenue.

II. Strengthen the breadth and depth of risk management. Breadth is defined by the nine major risk categories as the horizontal axis and the three-tier risk control framework as the vertical axis; depth is achieved through self-assessment and self-discipline to ensure compliance with the nine major risk categories, and secure institutionalization, computerization, and discipline.

III. Business departments shall effectively manage system and event risks, market risks, credit risks, liquidity risks, model risks, Legal risks, operational risks, Institutional risk, and other risks (such as climate risks, reputational risks, and natural risks) associated with their respective operations. The Risk Monitoring Unit shall continuously monitor operational activities and respond in real time, while the Audit Department shall conduct thorough audits to facilitate risk response.

(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

(a) Risk management organization and responsibilities

To oversee, plan, and execute risk management matters, a risk management organization shall be established, comprising the board of directors, the Risk Management Committee, the Risk Management Office, business departments, and other relevant departments (the Legal and Compliance Office and the Audit Office).

I. Board of directors

i. Ensure effective implementation of the risk management practice and be ultimately responsible for risk management.

ii. Approve risk management policies.

iii. Approve risk capital limits and product/business authorization limits.

iv. Approve risk limits for OTC derivatives and foreign derivatives businesses.

v. Oversee the implementation of the overall risk management system.

II. Risk Management Committee

i. Establish risk management policies.

ii. Establish risk measurement indicators to formulate qualitative and quantitative standards.

iii. Establish overall risk limits and product/business authorization limits.

iv. Establish risk limits for OTC derivatives and foreign derivatives businesses.

v. Approve risk limits for each business department.

vi. Report to the board of directors on the implementation of risk management and propose recommendations for improvement.

III. Risk Management Department

To plan and execute risk management-related matters, the Risk Management Office is established under the Chairman. The appointment and removal of the head of the Risk

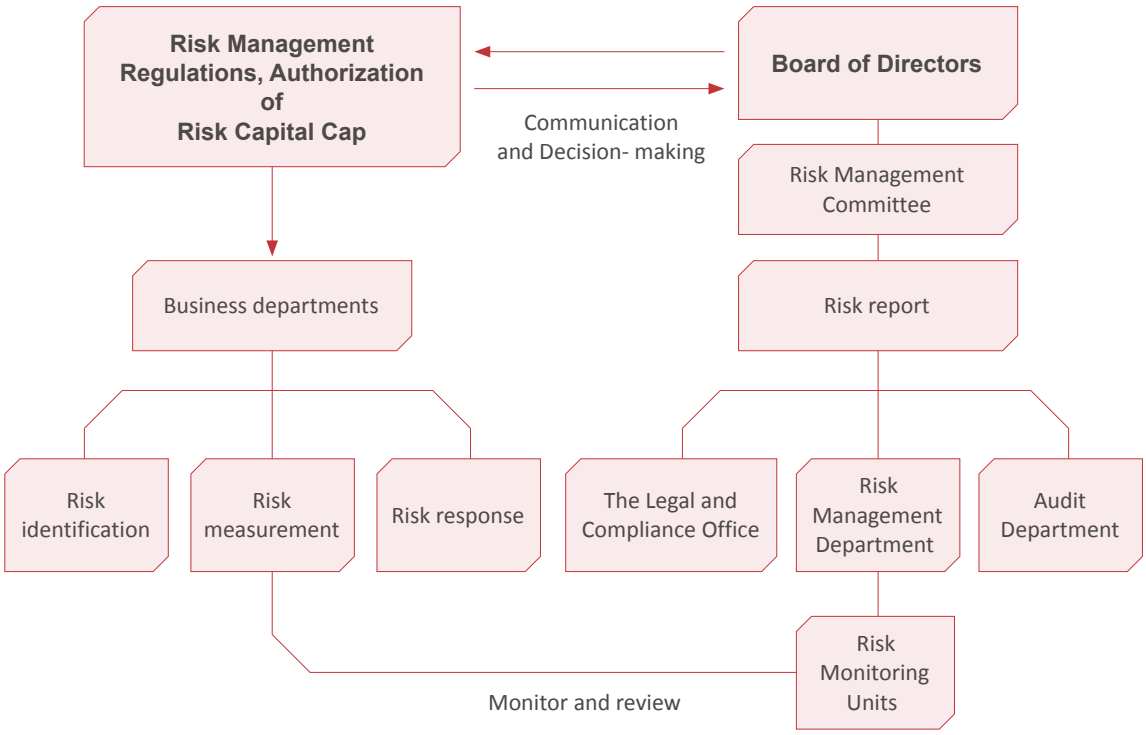
Management Office shall be approved by the board of directors. The office is responsible for measuring, monitoring, and assessing daily risks, and ensuring effective implementation of risk management policies.

i. Establish risk management policies.
ii. Establish risk limits for various categories.
iii. Develop risk management measures and operational guidelines, and implement controls based on them.
iv. Responsible for the execution of daily risk measurement, monitoring, and assessment.
v. Generate risk management reports on a regular basis (daily, weekly, or monthly) and submit them according to organizational hierarchy.
vi. Review the financial instrument valuation models used by business units.
vii. Develop or assist in the development and maintenance of risk management information systems.
viii. Submit risk reports to the board of directors and the Risk Management Committee.

IV. Business Unit

i. Participate in the formulation of risk management mechanisms and implement routine risk management.
ii. Ensure that the reliability of models used within business units is maintained on a consistent basis.
iii. Effectively implement internal control procedures within business units to comply with regulations and risk management policies.

(b) Risk management organization and responsibilities



C. Risk management method

Risk type	Definition And Management Method
System and event risk	1. System and event risks generally refer to events such as major natural disasters and accidents that disrupt the normal business operations of the company or result in losses. 2. The company has established the “Crisis Management Procedures” to promptly address major natural disasters, accidents, and other incidents, in order to maintain normal business operations.
Legal risk	1. Legal risk generally refers to potential losses resulting from failure to comply with government laws and regulations, as well as from contracts being invalid due to lack of legal effect, ultra vires acts, omissions in terms, or inadequate provisions. 2. The Legal and Compliance Office is responsible for reviewing contracts and other documents involving the company’s rights, as well as handling all non-litigation and litigation matters. 3. The Legal and Compliance Office is responsible for promoting legal awareness and providing consultations, ensuring that operations comply with laws and regulations, and supervising the compliance of all units and domestic and overseas branches.
Liquidity risk	1. Liquidity risk includes market liquidity risk and funding liquidity risk. Market liquidity risk refers to the risk of significant fluctuations in market prices when settling or offsetting positions due to insufficient market depth or market disorder. Funding liquidity risk refers to the risk of being unable to fulfill settlement obligations or contractual responsibilities due to the inability to obtain sufficient funds or liquidate assets. 2. To address market liquidity risk management, liquidity risk management mechanisms are clearly stipulated in the detailed rules for various business risk management. Taking into account the concentration of positions held and general market trading volume, restrictions are imposed to ensure that positions held do not exceed a certain percentage of the average daily trading volume. 3. To address funding liquidity risk management, in addition to monitoring the company’s daily cash flows, various financial indicators are established, such as borrowing stability, borrowing liquidity, and emergency liquidity reserve indicators.
Market risk	1. Market risk generally refers to losses caused by market price fluctuations (including stock prices, interest rates, exchange rates, etc.). 2. To mitigate risks arising from market price fluctuations, the company sets authorization limits for individual and aggregate positions, loss alerts, risk appetite, stop-loss limits, risk indicator limits (e.g., Greeks, DV01, etc.), value at risk controls, market value at risk limits, and market risk stress test limits based on the characteristics of different products. 3. Regarding the value at risk measurement model, the company uses the variance-covariance method to calculate the 99% confidence interval VaR for a 1-day horizon and performs regular backtesting to ensure the validity of the value at risk model. 4. To measure the impact of significant abnormal market fluctuations on changes in portfolio value, stress testing is conducted using three methods, namely assumption scenarios, historical scenarios, and sensitivity analysis.
Model risk	1. Model risk generally refers to valuation errors resulting from the use of inappropriate models, parameters, or assumptions. 2. To maintain model operations and management, strengthen risk management of derivatives, and reduce model risk arising from the use of inappropriate models, parameters, or valuation assumptions, the company has established operational procedures covering model development, validation, maintenance, and modification. Additionally, the company conducts pre-issuance pricing validation, post-trade confirmation, month-end valuation validation, and validation of gains and losses at maturity and upon withdrawal.

Risk type	Definition And Management Method
Credit risk	1. Credit risk refers to financial and operational losses incurred by the company due to the failure of counterparties (including securities issuers, contractual counterparties, or debtors) to fulfill their contractual obligations. 2. To ensure the integrity of credit risk management, the company has clearly defined the authorization levels, reporting prCo.,dures, monitoring of limit usage, and exception management procedures for credit risk management. Through a tiered management system, different transaction limits are assigned based on the credit ratings of counterparties and issuers. The credit ratings and exposure amounts of counterparties and issuers are reviewed periodically. Additionally, credit risk default prediction models (such as KMV and Z-Score) have been developed.
Operational risk	1. Operational risk refers to direct or indirect losses caused by negligent errors in internal operations, personnel and systems, or by external events. 2. All operations are conducted in accordance with the operational procedures and control points of the internal control system. Based on these, the Audit Department establishes detailed internal audit implementation rules and conducts regular and ad hoc audits.
Institutional risk	1. Institutional risk generally refers to situations where deficiencies in systems prevent corporate management systems from functioning effectively, thereby hindering the achievement of objectives; where systems fail to ensure the smooth execution of corporate governance and business operations; where systems fail to precisely define the responsibilities and authorities of the organization and its personnel; or where systems fail to adapt to changes in laws and regulations or company policies. 2. To ensure effective control, when business operations or regulations are amended, the relevant business departments shall establish and adhere to the new procedures, supplemented by monitoring from the Risk Management Office, the Legal and Compliance Office, and the Audit Office to ensure proper implementation.
Other risks	1. Climate risk I.Climate risk refers to transition risks related to climate change and the low-carbon transition that may impact the company's finances, strategy, operations, products, and reputation, as well as physical risks arising from extreme weather events caused by climate change that affect the company's finances and operations. II.In accordance with the Risk Management Best-Practice Principles for Securities Firms, relevant control mechanisms are being progressively incorporated, and regular disclosures are made in compliance with statutory requirements. To identify climate risks and enhance the company's operational resilience, a Climate Risk Task Force has been established under the Corporate Sustainability Committee to oversee the mitigation and adaptation of climate change risks. In accordance with the TCFD framework and the Risk Management Best-Practice Principles for Securities Firms, we identify and assess climate risks and opportunities across all business operations, and evaluate the financial impacts of climate change based on these findings. Furthermore, the Climate Risk Management Measures clearly define the responsibilities of the climate risk management organization and the three-tier risk division framework, implementing the three lines of defense mechanism to oversee, plan, and execute climate risk management matters, thereby ensuring the effective operation of the risk management mechanism. 2. Reputational risk I.Reputational risk refers to the negative events related to the company's operations, regardless of whether they are true, that may lead to a shrinking customer base, reduced revenue, substantial litigation costs, or other potential losses. II.The company has established the Crisis Management Procedures to promptly address reputation risk incidents caused by serious negative news, thereby mitigating the risk of potential losses. 3. Natural risks I.Natural risks refer to physical, transition, and systemic risks resulting from changes in the natural environment. II.The company adheres to the Financial Holding Company Climate and Natural Risk Management Guidelines and is progressively incorporating natural risk management mechanisms to mitigate the impact of natural risks.

D. Quantitative information for risk exposure

Dec. 31, 2025 Unit: NT$1,000

Kinds of Risk	Equivalent Value of Risks
Market risk	4,375,113
Credit risk	1,521,232
Operational risk	1,150,687
Total	7,047,032

(7) Shin Kong Property Insurance Agency Co., Ltd.

A. Establishment of firewall: Protect customer information from leaking.

B. Underwriting risk: Currently the Company only undertakes products of Shin Kong Property Insurance, and underwriting risks are borne by Shin Kong Property Insurance.

(8) Shin Kong Venture Capital

A. Establishment of stakeholder data: The Company firmly implements regulations governing stakeholder transactions provided in Article 44 and Article 45 of the Financial Holding Company Act that investigate takeholder data every 6 months and update the stakeholder data in the system of stakeholder of SKFH in order to ensure the transactions between the Company and stakeholders do not compromise the operational safety and stability of the Company.

B. Credit risk: The Company establishes loan control measures on debtors of financing and leasing subsidiaries, prepares investment risk management statement on a monthly basis, and submits the statement to high-ranking management level for review. The financing and leasing subsidiaries submit the operating status and risk exposure status to the Board of Directors of SKFH quarterly and review the operating mode on a regular basis in order to strengthen the supervision of financing and leasing subsidiaries in Mainland China.

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
"Designated International Financial Reporting Standards (IFRS) Download Section as the Recognized IFRS Sustainability Disclosure Standards (hereinafter referred to as the IFRS Sustainability Disclosure Standards)	In accordance with the roadmap for Taiwan's alignment with the IFRS Sustainability Disclosure Standards issued by the FSC, the Company is required to disclose the information stipulated in the IFRS Sustainability Disclosure Standards in its Annual Reports, and reasonably anticipate sustainability-related risks and opportunities that may affect the cash flow or funding costs of the reporting entity in the future. These requirements will be applicable from 2026 with reporting commencing in 2027.	To ensure smooth implementation of and alignment with the IFRS Sustainability Disclosure Standards, the Company has established the IFRS Sustainability Disclosure Standards Task Force as the dedicated unit to be responsible for promoting the implementation plan. In accordance with the reference examples of sustainability disclosure standards implementation plans announced by the Taiwan Stock Exchange, the Company is required to report the plans to the Board of Directors.
"Regulations Governing Capital Adequacy of Insurance Companies" and "Notes on Selective Transitional Measures for Own Capital and Risk-Based Capital of Insurance Enterprises"	The Financial Supervisory Commission has issued regulations regarding minimum capital requirements for the insurance industry, criteria for classifying capital grades, and the components of various capital categories. Insurance companies that calculate the ratio of own capital to risk capital in accordance with relevant regulations may apply to the FSC for selective transitional measures, which will come into effect from January 1, 2026 to December 31, 2040, for a period of 15 years.	Subsidiary Shin Kong Life Insurance has formulated its internal capital adequacy management measures in accordance with the revised Regulations Governing Capital Adequacy of Insurance Companies. It has revised the internal regulations to align with the reporting schedule for the regulatory reporting information under the ICS system.
"Regulations Governing Banks Conducting Financial Products and Services for High-Asset Customers" and "Operation Directions for Financial Institutions Applying for Business Trials in Local Asset Management Zones"	The Financial Supervisory Commission encourages large-scale international banks to participate in the domestic wealth management market for high-asset customers. Accordingly, it has removed the eligibility requirement regarding the scale of assets under management for banks applying to conduct wealth management services, and has adopted a tiered management approach for the high-asset businesses. Additionally, to promote Taiwan as the Asia Asset Management Center, the Financial Supervisory Commission has issued the "Operation Directions for Financial Institutions Applying for Business Trials in Local Asset Management Zones", which serves as the basis for financial institutions to conduct business trials within the zones.	Subsidiary Taishin Bank has applied to the Financial Supervisory Commission to launch related businesses and has established relevant internal regulations for this purpose.

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, including the continuous planning for the implementation of Zero Trust Architecture (ZTA) and the deployment of Endpoint Detection and Response (EDR) systems. The Company has become a member of the Financial Information Sharing and Analysis Center (F-ISAC) in Taiwan and the bank 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, TS 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 TS 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, 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. TS Financial Holding Co., Ltd

Unappealable judgment, or under litigation	The facts of the dispute	Value of Claim	The initiation of Litigation	The involved parties	The current status
Revocation of shareholder meeting resolutions	Former shareholders surnamed Chen and others of Shin Kong Financial Holding Co., Ltd. (hereinafter referred to as "Shin Kong Financial Holding") filed a lawsuit with the Intellectual Property and Commercial Court (hereinafter referred to as "IPCC") to revoke the resolutions at the 2024 Extraordinary General Shareholders' Meeting (Including Common Shares and Preferred Shares) of Shin Kong Financial Holding held on October 9, 2024.	N/A	November 4, 2024	Shareholders surnamed Chen and others vs. Shin Kong Financial Holding (the Company assumed the litigation in accordance with the law)	Currently under review by IPCC.

Unappealable judgment, or under litigation	The facts of the dispute	Value of Claim	The initiation of Litigation	The involved parties	The current status
Determination of share purchase price	Former shareholders surnamed Lin and others of Shin Kong Financial Holding objected to the merger between Shin Kong Financial Holding and the Company, and requested Shin Kong Financial Holding to purchase their shares. As Shin Kong Financial Holding and these shareholders failed to reach an agreement on the purchase price, Shin Kong Financial Holding filed a petition with IPCC to determine the price.	N/A	January 3, 2025	Shin Kong Financial Holding (the Company assumed the litigation in accordance with the law) vs. Shareholders surnamed Lin and others	Currently under review by IPCC.

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. Taiwan Shin Kong Commercial Bank Co., Ltd.：Nil.

4. Taishin Life Insurance Co., Ltd: Nil

5. Shin Kong Life Insurance Co., Ltd.: Nil.

6. Taishin Securities Co., Ltd.:

A former sales representative of Taishin Securities was accused of fraudulently soliciting investments off-market. From January 2025 to the annual report's published date, Taishin Securities received 6 civil lawsuit (5 of which were ancillary civil actions in criminal proceedings). The plaintiffs are seeking joint and several civil liability from Taishin Securities, with the total amount of claims reaching approximately NT$402,536 thousand. One of these civil lawsuits was heard by the Taiwan New Taipei District Court and a judgment was rendered on February 12, 2026, holding Taishin Securities jointly and severally liable with the former sales representative for 40% of the damages (approximately NT$22,166 thousand). Taishin Securities has filed an appeal. The remaining 5 ancillary civil actions in criminal proceedings are still pending before the Taiwan New Taipei District Court.

7. Masterlink Securities Co., Ltd.:

Unappealable judgment, or under litigation	The facts of the dispute	Value of Claim	The initiation of Litigation	The involved parties	The current status
Tax administrative relief	Application for re-examination of disputed items regarding the additional tax levied for the 2019 profit-seeking enterprise income tax.	NT$29,338 thousand	December, 2024	MasterLink Securities VS. National Taxation Bureau, Ministry of Finance	Under re-examination

8. Taishin Asset Management: Nil.

9. Taishin Venture Capital: Nil.

10. Taishin Securities Investment Trust: Nil.

11. Taishin Securities Investment Advisory: Nil.

k. Other key risks and countermeasures:

Emerging Risk Topics	WEF risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
Uncertainties in the global political and economic landscape and tariff policies	Economic	The Trump administration's active interference in the Federal Reserve's independence and international energy investments, coupled with the ongoing impact of tariffs, has added uncertainty to the global trade outlook. Given the global geopolitical tensions and the risk of sanctions and retaliation, demand for safe-haven assets is expected to rise, leading to increased volatility in financial markets. Although the Federal Reserve is expected to continue cutting interest rates in 2026, any missteps in policy implementation could actually cause long-term interest rates to rise. Interest rate volatility in the bond market is expected to intensify.	• Impact on operations (1)Dramatic changes in cost structure: The decentralization of supply chains leads to a significant increase in logistics, tax, and management costs, which may erode the profitability of credit customers or investment targets. (2)Financial sanctions and compliance risks: Financial sanctions and transaction restrictions resulting from geopolitical conflicts expose financial holding companies to the risk of inadvertently crossing regulatory red lines, or even suffering asset losses, in their overseas investments and settlements.	• Investment portfolio management: In light of challenges to the Federal Reserve's independence and the risks of a trade war, investment strategies should adopt a flexible approach involving "defensive asset allocation" and "dynamic interest rate management". This includes increasing the proportion of safe-haven assets to hedge against political uncertainty and mitigate the impact of unexpected interest rate hikes. Meanwhile, interest rate hedging instruments should be used to lock in financing costs, thereby alleviating the effects of tariffs and the impact of severe financial market volatility.

Emerging Risk Topics	WEF risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
			• Impact on business (1)Potential rise in client default rates: High tariffs or uncertain tariff policies may dampen export momentum and private investment, potentially leading to an economic recession. If slow economic growth triggers a stock market decline, increased market volatility could reduce corporate investment returns and lead to a rise in non-performing loans. (2)Wealth management and asset allocation: Investor demand for safe-haven assets (such as gold and Bitcoin) may increase to hedge against inflation and geopolitical uncertainty. The financial sector must assist customers in global asset allocation to adapt to the “reshuffling” of capital flows. (3)Growing demand for cross-border financial services: As Taiwanese businesses establish “regionalized supply chains”, banking branches in Vietnam, the United States, and other locations would become critical in supporting customers’ localized production, cross-border payments, and tax advisory services.	• Financing position management: Diversify asset allocation to reduce the risk of excessive concentration in a single region or project; diversify the industrial customer base to avoid excessive systemic risk. Additionally, continuously monitor the latest guidelines from the Financial Supervisory Commission, the Bankers Association of the Republic of China, and international organizations (such as the FATF) regarding sanctions, money laundering, and terrorist financing, and incorporate these requirements into relevant operational procedures and system audits to mitigate the risk of penalties and reputational damage. • Customer service: By regularly distributing market briefings and trend reports to wealth management customers, we provide in-depth analysis of market and interest rate changes to bridge the information gap for customers. Concurrently, financial advisors guide customers in flexibly adjusting the allocation between investment and hedging assets to mitigate market impacts caused by geopolitical tensions and tariff policies.

Emerging Risk Topics	WEF risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
AI and business resilience	Technologic	According to WEF's Risks Report 2026, AI has evolved from a single technological innovation into a systemic force that profoundly impacts the labor market, the information environment, national security, and social trust. Without cross-border governance and minimum safety standards, AI could further amplify risks such as misinformation, social inequality, and escalation of conflicts.	• Generative AI is being rapidly adopted in financial services; however, issues such as model errors, algorithmic bias, data bias, and a lack of explainability and accountability could lead to significant financial and reputational losses. If regulatory frameworks fail to keep pace with technological advancements, this could create governance gaps. • AI models are used to highly automate processes such as credit granting, marketing, automated underwriting, pricing, claims processing, and customer inquiries. If these models exhibit algorithmic bias, data poisoning, or strategic imbalances, they may lead to misjudgments of risk, customer complaints, and attention from regulatory authorities. • To comply with regulatory requirements regarding digital sovereignty and AI governance across countries, the financial industry will face steadily rising costs for compliance and technical validation.	• AI Governance: TS Holdings has established its AI policy in accordance with the Financial Supervisory Commission's "Six Core Principles for AI Applications in the Financial Industry" and has established an "Artificial Intelligence Governance Committee". This committee is responsible for decision-making oversight, risk management, and accountability mechanisms regarding AI applications, ensuring that the entire lifecycle of AI, from planning, development, and deployment to actual operation, complies with core governance requirements such as fairness, people-oriented design, privacy protection, system robustness, security, and explainability. • Fintech services: TS Holdings has independently developed the "TS Holdings Brain", Taiwan's first "financial-specific Traditional Chinese large language model" developed in-house by a financial institution and fully deployed in an on-premises environment. Its on-premises deployment architecture ensures that all data processing and storage are confined within the Group's internal systems, not only meeting the highest standards for data security, privacy protection, and regulatory compliance, but also providing highly precise understanding and generation capabilities tailored to financial scenarios.

Emerging Risk Topics	WEF risk Classification	Description	Impact on operations and business	Mitigation measures and response strategies
Structural labor shortages	Societal	As many key global markets enter a super-aged and low birth rate society, the labor supply is shrinking significantly. According to the National Development Council's report "Estimates of Overall Labor Demand for 2030", the age structure of Taiwan's core workforce will gradually shift to older age groups. In 2024, the working-age population will be concentrated among those aged 35 to 44, and by 2030, it is projected to shift to the 45 -54 age group. Labor shortages are likely to become the new normal, leading not only to increased recruitment difficulties, but also to changes in related financial service models.	• Demographic shifts will pose operational risks such as difficulties in recruiting staff, labor shortages, and rising labor costs. • As the elderly population grows, purely digital services may lead to "digital exclusion", an increase in customer complaints, and may even violate the principles of financial inclusion. • Demographic shifts require the financial industry to adapt product offerings and sales models for elderly customers. Products may need to be designed with a greater focus on retirement security and health protection, and should include more emphasis on inheritance and wealth transfer. Regarding sales models, companies face heightened "due diligence" challenges when serving elderly customers with declining cognitive abilities. Improper sales practices could trigger substantial litigation and customer complaints.	• Optimize internal processes and diversify recruitment: The human resources department should utilize process optimization and automation to shift workforce focus from administrative procedures and repetitive tasks toward performance creation. Additionally, they should adopt diverse recruitment strategies, establish long-term partnerships with colleges and universities to build industry-academia networks; or retrain middle-aged and older adults to serve as vital human resources in the face of labor shortages. • Optimize financial services for the elderly and ensure inclusive finance: (1)Optimize digital equity and financial inclusion by regularly enhancing the user experience for the elderly and visually impaired, for example: Taishin Bank has comprehensively upgraded nearly 4,000 ATMs nationwide, adding "enlarged font" and "barrier-free cardless withdrawal" features. It has designed a large-font interface specifically for seniors, extended the time limits for cash withdrawal and card retrieval, and provided dedicated interfaces and voice guidance services for the visually impaired, ensuring that elderly customers can easily and comfortably complete withdrawals, transfers and other operations. (2)To prevent elderly customers from assuming excessive risk, products are appropriately labeled to restrict elderly customers with declining cognitive abilities from purchasing complex products that are unsuitable for them, thereby reducing customer complaints arising from inappropriate sales.

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. Affiliated enterprise information:

Please refer to the section of Affiliation Reports, Consolidated Business Report and Consolidated Financial Statements of Affiliated Enterprises on MOPS: https://mopsov.twse.com.tw/mops/web/t57sb01_q10

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 2025 and As of the Date for the Publication of the Annual Report

VII. Items with Major Effect on Shareholders' Benefits or Securities Prices in 2025 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 and the merger was completed on July 24, 2025.

TS Financial Holding Co., Ltd.

Chairman

TS Holdings

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