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## **2024 Annual Report**

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VI. Overseas Listings and Access to the Listing Information: None.

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#### **Notice to readers**

This English-version annual report is a summary translation of the Chinese version and is not an official document of shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

# **One. Letter to Shareholders**

## **I. Domestic and International Financial Environment**

Looking back to 2024, global inflation is gradually cooling down. Major central banks in the US and Europe reduced monetary tightening. Japan, on the other hand, ended its negative interest rate policy and raised interest rates for the first time in seventeen years. Although the manufacturing industry is not showing any significant recovery, it remains stable. The service industry is expanding and, therefore, has become an important engine for the economy. Despite the multiple challenges, such as the weak housing and domestic demand market in China, the tense relationship between China and the US, and geopolitical risks, the global economy still grew moderately and signified resilient performance. According to the latest forecast released by S&P Global in January 2025, the global economic growth rate was 2.7% in 2024. In Taiwan, benefiting from the booming application of AI and cloud, and the strong demand for information and communication products, the export momentum of Taiwan grew and private investment was also recovering accordingly. The steady employment market, continuous salary growth, and the rise of Taiwan stock market produced the wealth effect and increased the private consumption momentum. According to the latest announcement by the Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan in January 2025, the economic growth rate of Taiwan in 2024 was forecast as 4.30%.

Looking forward to 2025, although the global economy is expected to maintain a moderate growth pace, the current US President's economic and trade policies are highly uncertain and thereby lead to uncertainties in the countermeasures of various countries. Meanwhile, the geopolitical risks still exist. The US-China relations are unclear. And, given the unfavorable factors, including China's economic recession, the risk of economic downturn has increased. According to the forecast by S&P Global in January 2025, the global economic growth rate will be 2.5% in 2025. In terms of Taiwan's economy, steady expansion of global trade and strong demand for emerging technology applications boosted exports and private investment, and wage growth supported private consumption. According to the forecast released by DGBAS in November 2024, the economic growth rate of Taiwan will be 3.29% in 2025.

With regard to the financial market, the market fluctuated significantly in 2024, due to the changes in monetary policies in major economies and geopolitical tensions. Notwithstanding, the application of emerging technologies, such as AI, has raised the profit sought by enterprises. Besides this, the number of new accounts for Taiwan stocks has been growing. In 2024, the daily average trading volume of Taiwan stocks was NT\$524.701 billion, a year-on-year (YoY) of 46.15%, which uplifted the revenue growth of brokerage service fees generated by Yuanta Securities. Further, the wealth management and investment banking businesses have driven the growth of Yuanta Securities' profitability by 53.40% in 2024, reaching NT\$21.158 billion. Yuanta Securities Investment Trust (YSIT) has been able to accurately capture investors' needs, and has been able to set new highs in terms of share and bond ETF scales. The total assets under management (AUM) (including active and passive management funds and discretionary services) broke NT\$2.23 trillion, driving the growth of profit sought by YSIT by 54.98%, reaching NT\$3.948 billion, in 2024, a new record high. Benefiting from the need for hedge in the market and the market share of customers' deposit AUM ranking the first place, the profit

sought by Yuanta Futures also grew significantly, by 16.96%, amounting to NT\$2.167 billion. The banking industry benefited from the expanding lending volume, coupled with the booming capital market, which boosted the sales of funds, insurance, and overseas bonds, contributing to the net income from fees and charges, and financial trading stock and bond operations have all performed well. As a result, Yuanta Bank's profit grew 15.68% to NT\$10.015 billion. In respect of the life insurance industry, despite the high hedging cost, benefiting from the stable increase in the yield rate of recurring revenue and the appreciation of US dollar helpful for exchange gains, Yuanta Life posted a profit of NT\$1.923 billion and remained stable.

Although the financial market in 2025 will build on the foundation of moderate global economic growth, it will still face many challenges, including the varying pace and magnitude of national monetary policies, the impact of US economic and trade policies that have brought uncertainties to the outlook of the economies of various countries, the slow recovery of China's economy, etc., all of which may lead to increased volatility in the global financial market and affect the performance of Taiwan's stock market. In addition, while interest rate cuts will help stimulate demand for lending, they may depress net interest income performance if the banking industry continues to face high funding costs due to tight liquidity in the market. In the life insurance industry, the steepening of yield rates has helped to improve post-hedging recurring yields, but stock and foreign exchange market turbulence may add to profitability uncertainty. In conclusion, financial market volatility will intensify and uncertainty will be high in 2025. Yuanta Financial Holding Company (FHC) will consistently uphold its strict risk control and management policy, and assess the circumstances and seize market opportunities to continue to create record performance.

## **II. Changes in Company Organization**

As of the end of 2024, the number of investment businesses in which Yuanta FHC had controlling stakes remained unchanged from 2023, including eight(8) subsidiaries - Yuanta Securities Co., Ltd., Yuanta Commercial Bank Co., Ltd., Yuanta Life Insurance Co., Ltd., Yuanta Securities Investment Trust Co., Ltd., Yuanta Futures Co., Ltd., Yuanta Securities Investment Consulting Co., Ltd., Yuanta Venture Capital Co., Ltd., and Yuanta Asset Management Co., Ltd.

## **III. Business Achievements**

Looking back to 2024, financial markets were shaken by the effects of major central banks in the US and Europe initiating an easing cycle, geopolitical tensions, and a weak manufacturing industry. Yuanta FHC adopted a cautious and stable approach in dealing with external changes and adjusted its orientation in a timely manner. The self-assessed net income after tax was NT\$35.830 billion, with an earnings per share (EPS) after tax of NT\$2.77 in 2024, ranking the fourth place among fourteen Taiwan Stock Exchange (TWSE)-listed financial holding companies.

While developing the financial business thoroughly and creating profit, Yuanta FHC has also integrated ESG (environment, society and corporate governance) into its corporate culture and business strategies to establish a sustainable business management and service model. Yuanta FHC has been selected by the "DJSI World Index" of the Dow Jones Sustainability Index (DJSI), and "DJSI Emerging Markets Index" for six consecutive years. Yuanta FHC was

ranked number one (No. 1) for the third time in the S&P Global Corporate Sustainability Assessment (CSA) in the group of FBN Diversified Financial Services and Capital Markets. At the same time, Yuanta FHC has been selected by FTSE4Good Emerging Index for eight consecutive years, which has been recognized as one of the most sustainable companies in Taiwan.

As a member of the Coalition of Movers and Shakers on Sustainable Finance of Taiwan's Financial Supervisory Commission (FSC), Yuanta FHC has committed to take more proactive actions in the five major areas of Green Procurement, Funding and Engagement, Information Disclosure, Assistance and Promotion, and International Outreach. At the same time, Yuanta FHC and the Securities and Futures Institute (SFI) jointly acted as the convenor of the "Empowerment and Certification Working Group" of the FSC's net-zero promotion working platform, to promote the "Certificate of Basic Competency for Sustainable Development" and to plan for a complete learning and testing system to assist enterprises in cultivating and recruiting green-collar talent. In addition, Yuanta FHC puts forward a three-hour course on sustainable finance for directors, supervisors, senior managers, and general staff in the financial industry, so that a sustainable culture can be deeply rooted in a company's internal thinking.

In 2024, Yuanta FHC won recognition from multiple external organizations for its ESG practices. For example, Yuanta FHC has made the Climate Change A List on the CDP (formerly Carbon Disclosure Project), a global environmental indicator, for five consecutive years and has been in the "Leadership Level" for seven consecutive years. Yuanta FHC was awarded the Silver Award of the National Enterprise Environmental Protection Award for its proactive efforts to reduce emissions. Yuanta FHC was selected as one of the "Carbon Competitiveness 100" by *Business Weekly* for leveraging its influence in low-carbon transformation. The Group also completed 100% verification of the five ISO management guidelines on the environmental aspect (ISO 14001 Environmental Management System, ISO 14064-1 Greenhouse Gas (GHG) Inventory Verification, ISO 14046 Water Footprint Inventory, ISO 50001 Energy Management System, and ISO 20400 Sustainable Procurement). Yuanta FHC's construction of a sustainable supply chain was recognized by the Executive Yuan for thirteen consecutive years for its outstanding performance in green procurement. Yuanta FHC received the "Best Company to Work for in Asia" award from *HR Asia*, a leading Asian human resources magazine, for five consecutive years for its promotion of the comprehensive employee care and career development system. Yuanta FHC built a diversified and inclusive workplace and won the Gold Award of the "Workplace Gender Equality Certification" of Taipei City for two consecutive years. Yuanta FHC's promotion of sustainable development was recognized at the national level, winning the National Sustainable Development Award for the second time. Yuanta FHC has been continuously recognized as one of the "Corporate Social Responsibility (CSR) Sustainable Citizenship Award - Top 5 Large Enterprises-Financial Industry" by *CommonWealth Magazine*, won the Exemplary Award of the "ESG Corporate Sustainability Award - Comprehensive Performance-Financial Insurance Industry" from *Global Views Monthly* and the Taiwan Financial Award (Financial Holdings CSR Premium Award) from *Wealth Magazine*, and was selected for the "Taiwan Top 100 Sustainable Model Enterprise Award (Service Industry Group)" by Taiwan Corporate Sustainability Awards (TCSA).

For corporate governance, Yuanta FHC ranked in the top 5% of the TWSE-listed companies and the top 10% of the TWSE/TPEx-listed companies engaged in financial insurance

business in the tenth Corporate Governance Evaluation organized by TWSE. Yuanta FHC also received the Best Chief Executive Officer, Best Chief Financial Officer, Best Corporate Social Responsibility, Best Investor Relations Manager, and Best Investor Relations awards in Asia, and the 2024 Sustainable Asia Award from *Corporate Governance Asia*. Furthermore, Yuanta FHC passed the “Outstanding Certification” by the Taiwan Corporate Governance Association’s “CG6014 (2023) Corporate Governance System Assessment” jointly with its subsidiaries including Yuanta Securities and Yuanta Bank, and continued its practices in improving stakeholders’ interests and rights, functions of the Board of Directors, corporate governance culture, and sustainable development and governance.

The business achievements of Yuanta FHC’s subsidiaries are as follows :

Yuanta Securities had 148 branches and brokerage department as of the end of December 2024, with a brokerage market share of around 13.26% in 2024, growing by 4% from 2023 and maintaining the leading position in the industry. In recent years, Yuanta Securities has continuously developed multiple businesses domestically and overseas, driven by an enterprising culture of pursuing innovation and teamwork, and received recognition from domestic and international professional financial magazines, totaling 73 awards for the year, including securities-related awards by various international institutions such as the “Best Broker in Taiwan” and the “Best DCM House in Taiwan” awards by *FinanceAsia*, and the “Best Brokerage in Taiwan” award by *The Asset*. Honors from Taiwan’s competent authorities include the “Anti-fraud Recognition Program - Outstanding Award,” “Partnership Award - Securities Underwriters,” “Toward the Future Award - IPO Market Cap,” “Toward the Future Award-IPO Fund Raised,” and “Better Disclosure of Information List” of the Stewardship Principles Evaluation for Institutional Investors from TWSE; “Futures Proprietary Trading Volume Diamond Award” and “Market-Making Performance Diamond Award” from Taiwan Futures Exchange (TAIFEX); and the “Sustainability Bond Performance Award,” “TPEX-Listed Stock Contribution Award,” “TPEX Pre-listing Tutorship Performance Award,” and “Emerging Market Pre-listing Tutorship Performance Award” from TPEX. Meanwhile, Yuanta Securities also received the “Wealth Management Award (*Wealth Magazine*),” “Consumers Financial Brand Award (*Wealth Magazine*),” and the National Brand Yushan Award’s “Outstanding Enterprise” and “Outstanding Products - Intelligent Conditional Order and Asset Overview.” In particular, the “Outstanding Enterprise” even won the National First Prize. In addition, the securities and investment trust industry has been evaluated by the FSC’s second Sustainable Finance Evaluation from 2024 onwards. Yuanta Securities was rated for the first time and was ranked in the top 25%. All these awards have demonstrated that Yuanta Securities has been recognized for its efforts in expanding its business and fulfilling the rights and interests of its customers, while further realizing Yuanta Securities’ determination and goal of net-zero transformation and sustainable development.

Yuanta Bank actively seeks to grow the scale of its businesses under prudent risk management. Its asset size exceeded NT\$2 trillion in 2024, with record asset growth and steadily increasing profitability. In terms of deposits, Yuanta Bank stabilized core deposits through project activities and cash flow services, and expanded its scale by sprouting potential customer segments locally and developing payroll transfer business. The credit business focused on medium and large enterprises and high-quality individuals as the main customer segments, and aimed to become the lead bank for syndicated loans. Yuanta Bank also took advantage of the



US dollar interest rate cut to develop its foreign currency lending business. Wealth management business continues to enlarge its business team to meet customers' all-round needs with professional services and high-quality financial products. Net fee income was also at an all-time high. In terms of customer management, by promoting the penetration of products among different businesses, Yuanta Bank has been able to attract customers to increase the types of services they use in order to deepen customer retention. Yuanta Bank has been committed to customer management, product innovation, and promotion of financial sustainability for a long time. In 2024, Yuanta Bank was recognized by various professional organizations, including being ranked among the top 25% of banks in the FSC's Treating Customers Fairly Evaluation and among the top 25% of 34 industry peers in the second Sustainable Finance Evaluation, ranking in the top segment for the second consecutive year. These achievements also display Yuanta Bank's commitment to green finance and sustainable development.

Under Yuanta FHC's overall growth and development strategy of "solidification of cores and driving of growth," Yuanta Life continued to strengthen the marketing of protection-type and long-term paying products through the integration of Group resources, in order to respond to the direction of the competent authorities. In 2024, the share of premiums for protection-type and long-term paying products reached 82%, demonstrating that Yuanta Life has been steadily expanding the scale of its business of protection-type and long-term paying products in pursuit of Yuanta Life's core value of "Insurance Protection, Sustainable Business, and Society's Well-being." Yuanta Life turned its loss to profit in 2018 and the interest spread also turned positive in 2020. Yuanta Life's net income after tax in 2024 amounted to NT\$1.923 billion, the second highest ever, and its capital adequacy ratio was 396% and net worth ratio was 7.59%, which are in line with Yuanta Life's principle of maintaining a high standard of capital adequacy ratio and net worth ratio. Yuanta Life also ensured financial stability and sustained profitable growth to enhance its contribution and significance to the Group.

Yuanta Securities Investment Trust's AUM amounted to NT\$2.2250 trillion as of the end of 2024, growing by NT\$737.5 billion from 2023, i.e. a YoY growth by 50%. The AUM growth rate has attained more than 20% for four consecutive years. The net income after tax was NT\$3.948 billion, a YoY growth by 54.98%, and EPS NT\$17.40, in 2024. Since Yuanta Securities Investment Trust was incorporated, it has adhered to the management philosophy stressing "Stability, Integrity, Service, and Innovation" and "Devoted Entirely to Managing Your Wealth," and has been dedicated to engaging in the diversified investment and wealth management areas as the investment trust company with the largest publicly offered fund scale and market share. The publicly offered funds amounted to NT\$2.1964 trillion and were affirmed by more than 4.63 million beneficiaries, stably occupying the first place in the market. Yuanta Securities Investment Trust owns the strongest and largest-scale research team dedicated to helping investors gain access to international trends and related financial products in a timely manner and also providing diversified investment solutions, in order to satisfy investors' wealth management and retirement needs. In past years, Yuanta Securities Investment Trust's domestic/overseas funds have pursued stable performance and growth rate. Yuanta Securities Investment Trust also won multiple awards and patents from domestic/overseas professional organizations, with respect to the three indicators including product, brand, and talent, establishing a leading position in the industry.

In 2024, Yuanta Futures adhered to its operational goal of steady growth and continued to

strengthen the momentum of each business and achieve steady growth. In terms of business performance, Yuanta Futures' domestic futures brokerage market share was 22.62%, options brokerage market share 18.14% and foreign futures market share 26.47%. Its overall business performance led the industry. With regard to financial performance, Yuanta Futures generated a net income after tax of NT\$2.167 billion, ranking the first place among fourteen professional futures firms, a new high historically, with an EPS after tax of NT\$7.47 and a rate of return (ROE) after tax of 14.24%, in 2024, demonstrating its excellent business performance. Yuanta Futures has been actively strengthening various operational indicators and is committed to corporate governance through prudent risk management, and was recognized by domestic/international competent authorities and professional financial institutions for its performance in various areas. For example, it has been included in the "Top 5% of TWSE/TPEX-listed Companies" of the Corporate Governance Evaluation by TWSE for ten consecutive years and in the top 25% of futures firms in the FSC's Treating Customers Fairly Evaluation. Yuanta Futures also won "Futures Diamond Award" from TAIEX and the National Brand Yushan Award's "Outstanding Enterprise" and "Best Product" awards. Yuanta Futures has likewise been honored for its sustainable business performance in the "CSR Sustainable Citizenship Award - Little Giant Award" from *CommonWealth Magazine* for seven consecutive years, the TCSA, and the Digital Financial Awards from *Commercial Times*. Furthermore, it was recognized with multiple honors in the performance of ESG, such as the "CSR Sustainable Citizenship Award - Little Giant Award" from *CommonWealth Magazine* for six consecutive years, the TCSA, and The Asset ESG Corporate Platinum Award. It was granted the long-term credit rating "AA-(tw)," with the "stable" outlook by Fitch Ratings. In the future, Yuanta Futures will continue to develop business at home and abroad, optimize all indicators, and move towards becoming an international futures dealer in Asia.

In implementing their respective 2024 business plans, our subsidiaries posted the following results :

Item		Total assets (NT\$1,000)	Net income (NT\$1,000)	EPS (NT\$)
Yuanta Securities	2024	692,161,451	21,157,892	3.21
	2023	498,423,232	13,793,474	2.09
Yuanta Bank	2024	2,051,940,102	10,015,301	1.25
	2023	1,834,464,451	8,657,463	1.08
Yuanta Life	2024	456,510,317	1,922,588	0.77
	2023	433,372,854	2,018,960	0.83
Yuanta Securities Investment Trust	2024	10,030,544	3,947,571	17.40
	2023	7,659,524	2,547,106	11.22
Yuanta Futures	2024	158,712,471	2,166,896	7.47
	2023	110,060,069	1,852,719	6.39
Yuanta Venture Capital	2024	3,651,472	701,067	2.58
	2023	3,281,118	361,007	1.33

Item		Total assets (NT\$1,000)	Net income (NT\$1,000)	EPS (NT\$)
Yuanta Asset Management	2024	4,509,207	320,682	0.96
	2023	4,186,698	147,022	0.44
Yuanta Securities Investment Consulting	2024	372,251	2,134	0.21
	2023	301,856	3,981	0.40

#### IV. Credit Ratings' Dates and Results

Domestic and international credit rating organizations have recognized Yuanta FHC's stable asset quality and business achievements. Taiwan Ratings confirmed on January 22, 2025 that Yuanta FHC's outlook should remain "stable," reflecting Yuanta Group's strong capitalization on a consolidated basis and its leading position in the relevant securities markets in Taiwan. Fitch Ratings confirmed on November 4, 2024 that Yuanta FHC's outlook should remain as "stable," recognizing Yuanta Group's stable position in the domestic market. Yuanta Group's continued expansion of its domestic banking services, overseas retail brokerage services, and wealth management services further improved its profit quality and financing profile through diversification.

Yuanta FHC's most recent credit rating results are summarized below :

Rating category	Rating agency	Credit rating		Outlook	Effective date
		Long-term	Short-term		
International rating	Fitch Ratings	BBB+	F2	Stable	2024/11/4
Domestic rating	Fitch Ratings	AA-(tw)	F1+(tw)	Stable	2024/11/4
	Taiwan Ratings	twAA-	twA-1+	Stable	2025/1/22

#### V. Future Development Strategies of Yuanta FHC

Yuanta FHC has always aimed to grow stably and upgrade shareholders' value. Looking back on the development history in recent years, the integration and voluntary growth, exercise of the consolidated effects of merger and acquisition (M&A) and consolidation, integration of the securities businesses overseas and efforts used in growing the business of various business entities, have driven the significant increase in the entire business scale. As a result, Yuanta FHC owning the five major profit engines, including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, and Yuanta Futures, was incorporated. Meanwhile, the differentiated services and products drove the mutual growth of Yuanta Group's five major business entities.

Yuanta FHC will continue to adopt the overall growth and development strategy valuing "solidification of cores and driving of growth," with emphasis on "focusing on Taiwan's capital market" and "expanding overseas profit engines." Under the balance of the three core philosophies of "stable profitability," "risk control and management," and "sustainable development," Yuanta FHC operates businesses, markets, and customer segments with growth

potential, leveraging the growth benefits of Yuanta Group's cross-industry and cross-border integration to effectively stabilize and improve earnings levels, and steadily progresses toward the two goals of "Best Financial Services Provider in Asia Pacific" and "International Benchmark Enterprise for Sustainability."

The development strategies of the Yuanta Group for 2025 are summarized as follows :

**(I) Yuanta Securities : Consolidate domestic market position and enhance profit contribution from overseas subsidiaries.**

Yuanta Securities is committed to consolidating its competitive advantages and market leadership in its core businesses, deepening customer relationships and expanding into the youth segment. At the same time, Yuanta Securities is developing various innovative businesses through financial technology, creating diversified and differentiated products and services, and exploring multiple sources of revenue to build up its sustainable growth momentum.

In addition, Yuanta Securities will actively strengthen regional integration and new product development, as well as overseas layout and related business connections, in order to expand its scale of operation and competitive advantage. Yuanta Securities will continue to enlarge its regional presence in Asia and gradually increase the profit contribution of its overseas subsidiaries, aiming to become the best financial service provider in Asia Pacific.

**(II) Yuanta Bank : Adjustment of business structure and steady increase in asset scale and profitability.**

Yuanta Bank continues to focus on "balanced business structure, diversification of profit sources, and efficient use of capital" as its main management theme. The deposit business will implement localized operations and develop cash flow services to increase core deposits with high stability and lay the foundation for the development of various business. In terms of credit business, corporate banking business will continue to strengthen business cooperation with the Group's subsidiaries, cultivate a high-quality customer base, and increase multi-dimensional services and business development. The consumer banking business will optimize the credit system, strengthen the credit business, and increase the volume of financial home loans. With prudent control of credit risk and implementation of post-loan management, interest rate spread can be improved and revenue raised. In the wealth management business, in addition to effectively utilizing the Group's resource strengths and integrating the resources of the corporate banking and consumer banking businesses to expand the wealth management team and the scale of wealth management assets, Yuanta Bank will continue to develop a digital wealth management customer base and service platform. It will promote further breakthroughs in handling fee income by providing comprehensive customer services and expanding operations to high-asset customer segments. With regard to financial investment, Yuanta Bank will pay attention to market changes and maintain operational flexibility, reinforce capital allocation and management, and steadily increase related returns.

**(III) Yuanta Life : Continue the business direction of “digital transformation,” “earnings preservation,” “diversification,” and “channel 25;” the product development continues to focus on the two main axes of “traditional products” and “investment-linked products;” and actively strengthen the operation of the core channels.**

Yuanta Life continues to focus its product development on the needs of various customer segments, and in response to the aging trend and interest rate environment, it has adopted traditional and investment-linked as the two main axes of product development. Meanwhile, it continues to develop the insurance products that satisfy the needs of retirement life, retirement medical treatment, and retirement care, in order to enrich the product lines and optimize the coverage to meet various insurance needs. Through different sales channels such as financial services, insurance brokers and agents, and salespersons, Yuanta Life reaches out to every corner to help customers and their families build a complete protection and financial plan. In addition to delivering the core values of Yuanta Life - “Insurance Protection, Sustainable Business, and Society’s Well-being” - to its customers, Yuanta Life also helps itself achieve long-term financial and business goals.

In terms of channels, with the development direction of focusing on core channels and expanding business capacity, Yuanta Life will take into account the characteristics of the channels and market demand to carry out product forward planning and strengthen the competitive advantage of products. At the same time, Yuanta Life will promote differentiated products and services according to the characteristics of the target customers, optimize the service chain process, and enhance the sales experience in the channel. Yuanta Life will also integrate the Group’s resources to deepen the relationship with the cooperative channels and increase the level of contribution. Meanwhile, in response to the digital transformation wave and post-pandemic era, it exercises the insurance technology proactively to promote various digital services, including remote insurance underwriting, and implementation of AI smart customer services in the service process. Yuanta Life also actively participates in the Life Insurance Association’s policy passbook services and claims alliance chain re-evolution functions to achieve the three major goals of providing zero-contact services, energy saving and carbon reduction, and achieving financial inclusion in the post-pandemic era.

**(IV) Yuanta Securities Investment Trust : Stable growth in asset management scale with innovative and diversified product lines.**

Yuanta Securities Investment Trust’s (YSIT) business objective is to achieve stable growth in the size of AUM and profitability. With “Global Perspective, Leading in Stocks and Bonds, Active and Passive, Product Leadership, and Customer Satisfaction” as the core of development, YSIT, as a leader of the product research and development center, not only continues to introduce innovative products that are in line with the market conditions, but also meets the diversified financial needs of customers by taking advantage of its multiple product lines (stocks, bonds, commodities, foreign exchange, and leveraged inverse trading) under the changes in the financial market. YSIT also actively promotes active and passive funds for regular fixing, in order to realize financial inclusion. In addition, YSIT refines its digital financial services, implements its responsibility for sustainable development, and strengthens its information security resilience, and enhances the quality

of its services in terms of investor education and customer satisfaction.

**(V) Yuanta Futures : Focus on core business and build a global trading platform.**

Yuanta Futures takes “Foresight and Innovation, Wealth and Sustainability” as the main strategic axis, and develops its futures brokerage business with sound financial indicators, continuously optimized IT infrastructure, a complete front and back office team as the basis of operation, and strict risk control and compliance as the core of operation, making steady profits. Yuanta Futures not only continues to increase its brokerage market share, gross margin, and self-operating performance, but also strives to optimize its trading platform and strengthen its information security system to uphold the principles of fair customer treatment and fraud prevention. Yuanta Futures provides a wide range of products and services. At the same time, it deeply pursues the concept of sustainable management and is committed to implementing ESG objectives, taking into account Yuanta Futures’ business development and outlook for corporate sustainability.

In terms of international layout, Yuanta Global (Singapore) Pte. Ltd. obtained the approval-in-principle letter from the Singaporean authorities in October, and is currently making preparations for the opening of the subsidiary. In the future, Yuanta Futures will combine the resources of its head office, Hong Kong, and Singapore to expand potential customers in Southeast Asian countries, increase the opportunities for cooperation with international institutional investors, and create Group synergies, as well as move towards the goal of becoming a large-scale international futures trader.

Yuanta FHC’s corporate governance plan and sustainable development strategy for the year 2025 are highlighted below :

In terms of the corporate governance plan, Yuanta FHC continues to pay attention to the development trend of corporate governance at home and abroad, and in response to the FSC’s “Sustainable Development Action Plans for TWSE/TPEX-listed Companies,” Yuanta FHC’s corporate governance plan is introduced in a timely manner and is revised annually in line with the execution status to achieve effective implementation. The corporate governance plan and specific measures for the year 2025 include continuously strengthening the structure and operation of the Board of Directors (planning to increase the number of female directors to more than one-third of the number of seats on the Board of Directors for the tenth term of the Board of Directors, and planning to have an independent director as the convener and chairperson of the tenth term of the Board of Directors’ nominating committee); enhancing the transparency of audit quality (regularly evaluating the independence and appropriateness of appointed accountants by referring to the Audit Quality Indicators (AQIs) each year); proactively communicating with shareholders and stakeholders (uploading the materials of shareholders meeting and annual reports in both Chinese and English in advance, and formulating the “Corporate Value Enhancement Plan,” submitting it to the Board of Directors for approval, and disclosing it on the Market Observation Post System (MOPS)); and improving the quality of the sustainability information (implementing the system of internal control on the management of the sustainability information, and submitting the sustainability (ESG) report to the Board of Directors for approval).

With regard to sustainable development strategy, Yuanta FHC actively echoes the “Taiwan

2050 Net-Zero Carbon Emissions” policy, follows international sustainability standards and initiatives, and gradually improves its own carbon inventory of its operations and investment and financing assets, as well as its management mechanism for climate risks and opportunities, and deepens its climate risk management mindset through its internal carbon pricing mechanism. Meanwhile, Yuanta FHC prudently responds to the physical and transformational risks of climate change, and supports Taiwan’s four major transformation strategies, including “energy transformation,” “industry transformation,” “lifestyle transformation,” and “social transformation,” through the use of sustainable financial commodities, responsible investment and financing, low-carbon operations, and sustainable supply chains. It has also incorporated the concept of net-zero transformation into its daily operations and business decisions. As the rotating chair of the Coalition of Movers and Shakers on Sustainable Finance of the FSC in 2025, Yuanta FHC will continue to keep pace with the government and international standards, and join hands with shareholders, customers, employees, and other stakeholders to utilize the peer-to-peer effect, to drive the industry and society toward the goal of sustainable development, and to reach the best state of sustainability and common good.

Looking to the future, Yuanta FHC will continue to use the power of capital, commodities, and engagement of financial institutions to guide domestic industries toward sustainable transformation, and all of the staff will work together to promote sustainable development in this spirit.

## Two. Corporate Governance Report

### I. Information on Directors, Independent Directors and Managers

#### (I) Directors'/Independent Director's information

As of January 31, 2025

Title	Nationality or Place of Registration	Name	Gender /Age	Date of Election (Appointment) Date	Term (years)	Date when first elected	Shareholding when elected		Current shareholding		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions	Other concurrent positions in Yuanta FHC or in other companies	Mangers, directors or supervisors who are spouses or relatives within the second degree of kinship	
							Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Relationship
Chairman	Republic of China	Ting Chien Shen (Tony)	M 74	2022.06.10	Three years	2009.04.16	5,384,398	0.04%	6,044,168	0.05%	—	—	—	—	Taipei High School of Commerce Chairman, Vice Chairman, Chairman, Executive Vice President of Yuanta FHC; Chairman, Executive Vice President, and Vice President of Yuanta Securities; Vice Chairman of Yuanta Securities Asia Financial Services Private Ltd.; Chairman of Yuanta Securities (Hong Kong) Co., Ltd.	Director of Yuanta Securities; Director of Yuanta Foundation	—	—
Director	Republic of China	Wei Chen Ma (Michael)	M 55	2022.06.10	Three years	2013.06.01	—	—	—	—	—	—	—	—	Bachelor of Business, University of Southern California Vice Chairman of Yuanta Life; Executive Vice President of Yuanta FHC; Vice Chairman of Yuanta Bank; CEO of Syspower; Director of Yuanta Core Pacific Securities; Chairman of Richcorp International Limited; Special Assistant of Chairman of Yuanta Construction Development	Director of Yuanta Bank; Director of Yuanta Construction Development; Director of Yuanta Life; Director of International Taipei Trade Building, World Trade Center Co., Ltd.; Director of TWSE; Director of Richcorp International Limited; Director of Yuanta International Investment; Director of Sunshine City Global (PTC) Limited; Director of Empire Vision Limited; Supervisor of Bai Hung Investment Co., Ltd.	—	—
Director	Republic of China	Representative of Tsun Chieh Investment : Chung Yuan Chen	M 75	2022.06.10	Three years	2016.06.16	Holds 429,749,788 shares with Director Daniel Y.M. Song on behalf of Tsun Chieh Investment Co., Ltd. and also individually holds 2,592,000 Shares	3.54%	Holds 458,267,553 shares with Director Daniel Y.M. Song on behalf of Tsun Chieh Investment Co., Ltd. and also individually holds 2,560,730 Shares	3.54%	—	—	—	—	KaiNun High School of Commerce and Industry Responsible person of Xinyi Mansion Artwork Chung Yuan Chen; Chairman of Taipei City Jie Xiu Temple	Director of Yuanta Bank; Responsible person of Xinyi Mansion Artwork Chung Yuan Chen; Chairman of Taipei City Jie Xiu Temple	—	—



Title	Nationality or Place of Registration	Name	Gender /Age	Date of Election (Appointment) Date	Term (years)	Date when first elected	Shareholding when elected		Current shareholding		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions	Other concurrent positions in Yuanta FHC or in other companies	Manager, director, supervisor, shareholder or addressee within the second degree of kinship	
							Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name Relationship
Director	Republic of China	Representative of Tsun Chieh Investment : Daniel Y.M. Song	M 64	2022.06.10	Three years	2019/06.14	Holds 429,749,788 shares with Y.M. Song on behalf of Tsun Chieh Investment Co., Ltd. and also individually holds 249,305 shares	3.54%	Holds 458,267,553 shares with Director Chung Yung-Cheng on behalf of Tsun Chieh Investment Co., Ltd. and also individually holds 385,537 shares	3.54%	—	—	—	—	Master of Law, Columbia University Partner, Lee and Li Attorneys-at-Law; Attorney-at-Law, New York, the USA; Prosecutor, Taiwan Taichung District Prosecutors Office; Prosecutor assisting Ministry of Justice; Director of UNI Airways Corporation	Chairman of Yuanta Asset Management; Director of Yuanta Bank; Director of Yuanta Life; Director of Sunshine City Global (PTC) Limited	—	—
Director	Republic of China	Representative of Modern Investment : Chien Weng	M 67	2022.06.10	Three years	2022/06.10	Holds 127,445,068 shares on behalf of Modern Investment Co., Ltd. and also individually holds 2,008,005 shares	1.05%	Holds 135,902,194 shares on behalf of Modern Investment Co., Ltd. and also individually holds 2,376,616 shares	1.05%	7,132	0.00%	—	—	Bachelor in Law, Fu Jen Catholic University Director, President, Vice President and Administrative Director of Yuanta Pollaris Securities; Auditor-General and Executive Vice President of Yuanta FHC; Chairman of Yuanta Bank; Chairman of Yuanta Venture Capital; Director of Yuanta Life; Capital; Managing Director, Vice President and Board of Directors Chief Secretary of Oversea-Chinese Banking Corporation Limited	President of Yuanta FHC; Director of Yuanta Bank; Independent Director of Taiwan FamilyMart; Director of Yuanta Foundation	—	—
Independent Director	Republic of China	Ming Ling Hsueh	M 70	2022.06.10	Three years	2016/06.16	—	—	—	—	—	—	—	—	Masters, Soochow University Institute of Accounting, MBA, Bloomsburg University of Pennsylvania President of PwC Taiwan; Adjunct Professor of College of Technology Management, National Tsing Hua University; Adjunct Professor of National Taiwan University of Science and Technology School of Management; Member of the Board of Examiners for Senior Professional and Technical Examination of the R.O.C.; Chairman of Financial Literacy & Education Association (FINLEA)	Independent Director of Yuanta Bank, Life-On Technology Corporation, ITY Biopharm, Walsin Lihwa Corp.; Standing Director of Taiwan Corporate Governance Association; Director of Tung Hua Book Co., Ltd.	—	—

Title	Nationality or Place of Registration	Name	Gender /Age	Date of Election (Appointment) Date	Term (years)	Date when first elected	Shareholding when elected		Current shareholding		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions	Other concurrent positions in Yuanta FHC or in other companies	Manager, director, supervisor, shareholder or officer within the second degree of kinship	
							Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Relationship
Independent Director	Republic of China	Kuang Si Shiu	M 74	2022.06.10	Three years	2019/06.14	—	—	—	—	—	—	—	—	Master, Indiana University Kelley School of Business Chairman, President and Vice President of Mega Financial Holdings; Chairman and President of Mega Bank; Chairman of Hua Nan Financial Holdings; Chairman of Hua Nan Bank; Chairman of Land Bank of Taiwan; Vice President of Bank of Communications; Section Chief of Bureau of Monetary Affairs, Ministry of Finance; Assistant Auditor of Taxation Administration, Ministry of Finance; Research Associate of Council for Economic Planning and Development, Executive Yuan	Independent Director of Yuanta Bank; Supervisor of Yu Cheng Investment Co., Ltd.; Supervisor of The Promised Land Real Estate; Director of Canaan Chia Co., Ltd.; Supervisor of Hui Mo Tai Investment Co., Ltd.; Independent Director of United Microelectronics Corporation; Director of Canaan Social Welfare & Charity Foundation	—	—
Independent Director	Republic of China	Hsiang Yi Chow	M 66	2022.06.10	Three years	2019/06.14	—	—	—	—	—	—	—	—	Doctorate, Indiana University Kelley School of Business Director and Supervisor of Taipei Exchange; Director of Securities and Futures Institute; Independent Director of Uni-President Enterprises Corporation; Independent Director of Polaris Securities; President of National Chengchi University (NCCU), and Chair of NCCU Department (Graduate Institute) of Finance; Vice Chairman of Asian Finance Association; Member of Financial Restructuring Fund Commission; Member of Research, Development and Evaluation Commission, Executive Yuan; Supervisor of Securities and Futures Investors Protection Center; Chairman of NCCU Griffin; Chairman of Financial Literacy & Education Association (FINLEA)	Emeritus Professor of NCCU Department of Finance; Independent Director of Yuanta Securities; Independent Director of Coreonic Corp.; Director of Global Views Educational Foundation; Director of ESG World Citizens & Digital Governance Foundation (ESGWD); Independent Director of Lien Hwa Industrial Holdings Corp.; Director of Koo Foundation Sun Yat-Sen Cancer Center; Director of Andrew T. Huang Medical Education Promotion Fund; Chairman of Taiwan Institute of Directors	—	—

Title	Nationality or Place of Registration	Name	Gender /Age	Date of Election (Appointment) Date	Term (years)	Date when first elected	Shareholding when elected		Current shareholding		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions	Other concurrent positions in Yuanta FHC or in other companies	Manager, director or supervisor, spouse or relative within the second degree of kinship	
							Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Relationship
Independent Director	Republic of China	Sharon S. Yang	F 54	2022.06.10	Three years	2022.06.10	—	—	—	—	—	—	—	—	PhD in Actuarial Science, Heriot-Watt University, UK Associate Dean of the School of Management and Chair of the Department of Finance at National Central University; Independent Director of BNP Paribas Cardif TCB Life Insurance Company Ltd., Director of Taiwan Insurance Guaranty Fund; Investment Linked Insurance Review Member of Investment Review Financial Supervisor Committee Supervisor Committee Member of Discipline Committee Taiwan Futures Exchange, Advisory Committee member of the Life Insurance Association of the Republic of China; Futures Trust Fund Risk Control Member of Chinese National Futures Association; Adjunct Associate Professor of the NCCU Department of Risk Management and Insurance; Clerk of the Department of Mathematics, Cuhay Life Insurance	Independent Director of Yuanta Life; Director of Yuanta Foundation; Advisory Committee member of Central Deposit Insurance Corporation; Director of Financial Research Center, NCCU College of Commerce; Member of Taiwan Futures Exchange Trading Committee; Advisory Committee member of Financial ombudsman Institution; Vice Chairman of Pension Fund Association, R.O.C.; Independent Director of SPORTON INTERNATIONAL INC.	—	—

Note 1 : The contents above, including shares and shareholding ratios, were based on actual shareholdings on January 31, 2025. Shareholding ratios for institutional shareholders do not include the personal shareholdings of representatives.

Note 2 : Yuanta FHC's directors of the board were re-elected in whole on June 10, 2022, and the directors shall hold the position from June 10, 2022 until June 9, 2025.

Note 3 : Yuanta FHC convened the Board of Directors meeting to elect Mr. Tony Shen as the Chairman of Board on June 10, 2022.

Note 4 : The date first elected is the date on which directors or representative first assumed their positions.

Note 5 : Yuanta FHC had a total of 12,942,864,025 shares outstanding as of January 31, 2025.

Note 6 : The Chairman of the Board of Directors and President or equivalent (the chief executive officer) of Yuanta FHC are not the same person, spouses or relatives within first degree of kinship.

**(II) Major shareholders of institutional shareholders**

As of January 31, 2025

Name of Institutional shareholder	Major shareholders of institutional shareholders
Tsun Chueh Investment Co., Ltd.	Teng Ta Investment Co., Ltd. - 19.69%, Lian Ta Investment Co., Ltd. - 19.84%, Chiu Ta Investment Co., Ltd. - 18.36%, Lien Heng Investment Co., Ltd. - 18.92%, Hsing Tsai Investment Co., Ltd. - 10.23%, Victor Ma - 12.96%
Modern Investment Co., Ltd.	Lian Ta Investment Co., Ltd. - 46.37%, Lien Heng Investment Co., Ltd. - 19.73%, Teng Ta Investment Co., Ltd. - 17.23%, Hsing Tsai Investment Co., Ltd. - 16.67%

**(III) Key shareholders of major institutional shareholders**

As of January 31, 2025

Name of Juristic Person	Major shareholders of Juristic Person
Teng Ta Investment Co., Ltd.	Lien Heng Investment Co., Ltd. - 54.13%, MCGold Ventures Limited - 45.87%
Lian Ta Investment Co., Ltd.	GW International Inc. - 45.79%, Lien Heng Investment Co., Ltd. - 40.19%, Chiu Ta Investment Co., Ltd. - 14.02%
Chiu Ta Investment Co., Ltd.	CK Investments Group Limited - 46.06%, Lian Ta Investment Co., Ltd. - 34.95%, Teng Ta Investment Co., Ltd. - 18.99%
Lien Heng Investment Co., Ltd.	Suchluck Investments Limited - 45.14%, Hsing Tsai Investment Co., Ltd. - 24.11%, Teng Ta Investment Co., Ltd. - 19.61%, Lian Ta Investment Co., Ltd. - 11.14%
Hsing Tsai Investment Co., Ltd.	Lien Heng Investment Co., Ltd. - 48.93%, Taiwan Dragon Management Limited - 46.19%, Chiu Ta Investment Co., Ltd. - 4.88%

**(IV) Disclosure of information about professional qualifications and independence of directors and independent directors**

<div>Qualification</div> <div>Name</div>	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
<p>Ting Chien Shen (Tony) Chairman</p>	<p>Chairman Tony Shen used to be the Chairman of Yuanta Polaris Securities (2009/4-2014/6), and also Yuanta FHC's President (2009/9 - 2013/5, 2014/7 - 2019/6), Vice Chairman (2013/11 - 2014/7) and Chairman (2013/6 - 2013/11, 2019/6 - present), who satisfies the professional qualifications referred to in subparagraph 1, Paragraph 1, Paragraph 3, Paragraph 5, Paragraph 9, Paragraph 10, of Article 9 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" (hereinafter referred to as the "Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies"). Meanwhile, Chairman Tony Shen also held the position as the Vice Chairman (2007/4 - 2007/10), Director (2001/10 - 2014/7) of Yuanta Securities Asia Financial Services and Chairman (2007/6 - 2009/7) of Yuanta Securities (HK) once and engaged in the securities-related work for nearly fifty years. He holds the expertise in management and corporate governance of financial holding company and securities house.</p>	<ol style="list-style-type: none"> <li>1. Not an employee of Yuanta FHC or an affiliate.</li> <li>2. To be director or supervisor of Yuanta FHC or any of its affiliated companies.</li> <li>3. Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>4. Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>5. Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.</li> <li>8. Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.</li> <li>9. 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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>10. Is not the spouse or relative within the second degree of kinship of another director.</li> <li>11. Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>12. Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	<p align="center">0</p>

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Wei Chen Ma (Michael) Director	<p>Director Wei Chen Ma (Michael) used to be the director of Yuanta Core Pacific Securities (2000/8 - 2005/6), Vice Chairman of Yuanta Bank (2005/7 - 2008/3), Executive Vice President of Yuanta FHC (2007/9 - 2009/5) and Vice Chairman of Yuanta Life (2016/2 - 2018/1), and is experienced in the financial business and management and, therefore, satisfies the professional qualifications referred to in the subparagraph 3, Paragraph 1, Paragraph 3 of Article 9 of the Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies. For the time being, he holds the position as director of TWSE with the expertise in management and corporate governance of financial holding company and financial business.</p>	<ol style="list-style-type: none"> <li>1. Not an employee of Yuanta FHC or an affiliate.</li> <li>2. To be director or supervisor of Yuanta FHC or any of its affiliated companies.</li> <li>3. Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>4. The spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>5. To be Director, Supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act.</li> <li>6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.</li> <li>8. Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.</li> <li>9. 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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>10. Is not the spouse or relative within the second degree of kinship of another director.</li> <li>11. Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>12. Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	0

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Chung Yuan Chen Director	<p>Director Chung Yuan Chen used to be the Executive Yuan Political Adviser (2000 - 2008), Managing Director of Taiwan Power Company (2005 - 2008), Chairman of Taipei City Fire Buff Association (2003-2008), and Supervisor of Chang Jia M&amp;E Engineering Corp., (2013 - 2016) and is very experienced in the industry, has extensive popularity and good reputation in the industry, and holds in-depth insights into corporate management, industrial development trends and related risk controls. For the time being, he holds the position as director of Yuanta FHC (2016/6 - present) and Yuanta Bank (2016/6 - present), and exercises his specialty in the corporate management and industry perfectly, provides various professional suggestions, holds expertise in management and corporate governance of financial holding company and banking business.</p>	<ol style="list-style-type: none"> <li>1. Not an employee of Yuanta FHC or an affiliate.</li> <li>2. To be director or supervisor of Yuanta FHC or any of its affiliated companies.</li> <li>3. Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>4. Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>5. Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.</li> <li>8. Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.</li> <li>9. 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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>10. Is not the spouse or relative within the second degree of kinship of another director.</li> <li>11. Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>12. To be elected as a institution or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	0

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Daniel Y.M. Song Director	<p>Director Daniel Y.M. Song, currently the Chairman of Yuanta Asset Management (2019/2 - present), used to be a partner of Lee and Li Attorneys-at-Law (1997/1 - 2018/12), Prosecutor of Taiwan Taichung District Prosecutors Office (1988/12 - 1995/12), and the negotiator for the important economic, trade and legal affairs including WTO Trade in Services, counseling services, Taiwan-US intellectual property rights negotiation and Taiwan-US mutual legal assistance in criminal matters. He is qualified for practicing law in the USA and Taiwan, with plentiful experience in dealing with cases involving international affairs. His legal expertise covers administrative law, Fair Trade Act, Mass Communication Law, commercial cases, criminal actions, intellectual property right litigation and international trade disputes, etc., and particularly the M&amp;A and transnational commercial cases.</p>	<ol style="list-style-type: none"> <li>1. Not an employee of Yuanta FHC or an affiliate.</li> <li>2. To be director or supervisor of Yuanta FHC or any of its affiliated companies.</li> <li>3. Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>4. Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>5. Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.</li> <li>8. Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.</li> <li>9. 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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>10. Is not the spouse or relative within the second degree of kinship of another director.</li> <li>11. Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>12. To be elected as a institution or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	0



Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Chien Weng Director	Mr. Chien Weng is the current the President of Yuanta FHC (2019/7 - present) and the director of Yuanta Bank (2019/6 - present), the former Chairman of Yuanta Bank (2020/10 - 2023/8), and the former Auditor - General of Yuanta FHC (2012/8 - 2016/5) and Yuanta Bank (2012/10 - 2016/5), Executive Vice President of Yuanta Polaris Securities, President, Vice President and Administrative Director of Polaris Securities (2007/12 - 2010/1), and Vice President of Oversea-Chinese Banking Corporation Limited and Board of Directors Chief Secretary (2005/3 - 2007/11), who should be held as satisfying the professional qualifications referred to in subparagraph 1, Paragraph 1, and Paragraph 9, Paragraph 10, of Article 9 of the Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies. Meanwhile, he is the former Chairman of Yuanta Venture Capital (2016/6 - 2019/3) and former Director of Yuanta Life (2018/2 - 2020/10), well experienced in finance. He holds the expertise in management and corporate governance of a financial holding company, banking industry and securities houses.	<ol style="list-style-type: none"> <li>1. To be employee of Yuanta FHC or an affiliate.</li> <li>2. To be director or supervisor of Yuanta FHC or any of its affiliated companies.</li> <li>3. Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>4. Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>5. Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.</li> <li>8. Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.</li> <li>9. 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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>10. Is not the spouse or relative within the second degree of kinship of another director.</li> <li>11. Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>12. To be elected as a institution or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	1

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Ming Ling Hsueh Independent Director	Independent Director Ming Ling Hsueh has practiced as a CPA for more than three decades, and used to be the President of PwC Taiwan (2006/7 - 2013/6). Through practicing in the CPA business, he has experience in auditing financial statements for financial holding companies of 9 years. Therefore, he should be held as satisfying the professional qualifications referred to in subparagraph 3, Paragraph 1, Paragraph 3, Paragraph 6 of Article 9 of the Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies. Meanwhile, he serves as the Standing Director of Taiwan Corporate Governance Association (2010/3-present) and also as the keynote speaker of the Corporate Governance Forum and trainer of professional courses; he holds expertise in management and corporate governance of financial holding companies, accounting and finance.	<ol style="list-style-type: none"> <li>Not an employee of Yuanta FHC or an affiliate.</li> <li>Not a director of Yuanta FHC or any of its affiliated companies.</li> <li>Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC (this restriction does not apply to independent director positions in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC (this restriction does not apply to any specific company or organization which holds more than 20% but less than 50% of the total shares issued by Yuanta FHC that is an independent director in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company who has been appointed in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>Is not the spouse or relative within the second degree of kinship of another director.</li> <li>Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	3

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Kuang Si Shiu Independent Director	Independent Director Kuang Si Shiu became the Vice President of General Administration Bank of Communications Co., Ltd. (2001/8 - 2006/8), and the President of Mega International Commercial Bank (2006/8 - 2014/8). He has held the position as Vice President or above for 13 years in total, thus satisfying professional qualifications referred to in subparagraph 1, Paragraph 1, Paragraph 3, Paragraph 9 of Article 9 of the Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies. He used to be the Chairman (2008/7 - 2014/8) and President of Mega Financial Holdings (2015/9 - 2016/8), Chairman of Hua Nan Financial Holdings, Chairman of Mega Bank, Chairman of Hua Nan Bank (2015/9 - 2016/8) and Chairman of Land Bank of Taiwan (2014/8 - 2015/9), and is thus well experienced in the banking business. He holds the expertise in management and corporate governance of a financial holding company and banking business.	<ol style="list-style-type: none"> <li>Not an employee of Yuanta FHC or an affiliate.</li> <li>Not a director of Yuanta FHC or any of its affiliated companies.</li> <li>Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC (this restriction does not apply to independent director positions in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC (this restriction does not apply to any specific company or organization which holds more than 20% but less than 50% of the total shares issued by Yuanta FHC that is an independent director in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company who has been appointed in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>Is not the spouse or relative within the second degree of kinship of another director.</li> <li>Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	1

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Hsing Yi Chow Independent Director	Independent Director Hsing Yi Chow is the Emeritus Professor of NCCU Department of Finance. He used to be President of National Chengchi University (NCCU) (2014/11 - 2018/11), Dean of NCCU College of Commerce (2005/8 - 2008/7), Director of Investor Research Center, Chair of NCCU Department (Graduate Institute) of Finance (2000/8 - 2002/7), and Vice President of Asian Finance Association (1996/8 - 1997/7); he holds the expertise in investment, risk management, international finance, entrepreneurial financial management and corporate governance and engages in in-depth research in the securities houses and capital market development in Taiwan. He used to be the Supervisor of TPEx (2006/8 - 2018/7), Director of International Cooperation and Development Fund (2009/8 - 2014/7), Member of Financial Restructuring Fund Commission (2010/1 - 2012/12), and Supervisor of Securities and Futures Investors Protection Center (2003/2 - 2008/7), this well experienced in the securities and financial businesses. He holds the expertise in management and corporate governance of a financial holding company and securities houses and also finance.	<ol style="list-style-type: none"> <li>Not an employee of Yuanta FHC or an affiliate.</li> <li>Not a director of Yuanta FHC or any of its affiliated companies.</li> <li>Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC (this restriction does not apply to independent director positions in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC (this restriction does not apply to any specific company or organization which holds more than 20% but less than 50% of the total shares issued by Yuanta FHC that is an independent director in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company who has been appointed in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>Is not the spouse or relative within the second degree of kinship of another director.</li> <li>Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	2

Qualification Name	Professional Qualifications and Experience	Compliance of Independence (Note 2)	Number of positions as an Independent Director in other public listed companies (Note 1)
Sharon S. Yang Independent Director	Ms. Sharon S. Yang is the Independent Director of Yuanta Life (2019/6 - present), and holds the positions including the Director of Financial Research Center, NCCU College of Commerce (2020/1 - present), TAIFEX Trading Committee Member (2023/1 - present), Vice Chairman of Pension Fund Association, R.O.C. (2023/6 - present) and Actuarial Review Committee Member of National Pension Insurance (2017/10 - present), and was the former Investment Linked Investment Review Member of Insurance Bureau, Financial Supervisory Commission (2005/7 - 2016/4), former director of Taiwan Insurance Guaranty Fund (2011/5 - 2015/4), former Discipline Committee Member of the Taiwan Futures Exchange (2019/5-2020/12), and former director of Asia Pacific for the Risk and Insurance Association, etc., who should be held as satisfying the professional qualifications referred to in subparagraph 3, Paragraph 1, Paragraph 3, Paragraph 9 and Paragraph 10 of Article 9 of the Regulations Governing Qualification Requirements for Responsible Persons of Financial Holding Companies. She holds the expertise in management and sustainable finance related to a financial holding company, life insurance industry and finance, and financial actuarial.	<ol style="list-style-type: none"> <li>Not an employee of Yuanta FHC or an affiliate.</li> <li>Not a director of Yuanta FHC or any of its affiliated companies.</li> <li>Not a director, or his or her spouse or minor child, does not hold, in his or her own name or another name, more than 1% of Yuanta FHC's total outstanding shares, nor is one of Yuanta FHC's ten largest natural-person shareholders.</li> <li>Not a spouse, relative within 2nd degree of kinship, or lineal relative by blood within 3rd degree of kinship or closer to the managers described in Item 1. or persons described in the Item 2. and Item 3.</li> <li>Not a director, supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act (this restriction does not apply to independent director positions in Yuanta FHC its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.</li> <li>Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC (this restriction does not apply to independent director positions in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC (this restriction does not apply to any specific company or organization which holds more than 20% but less than 50% of the total shares issued by Yuanta FHC that is an independent director in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company who has been appointed in accordance with Securities and Exchange Act, or laws of the registered country).</li> <li>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 Yuanta FHC or any affiliated company of Yuanta FHC, or that provides commercial, legal, financial, accounting or related services to Yuanta FHC or any affiliated company of Yuanta FHC for which the provider in the past two years has received cumulative compensation not 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 related laws and regulations, including the Securities and Exchange Act or Business Mergers and Acquisitions Act.</li> <li>Is not the spouse or relative within the second degree of kinship of another director.</li> <li>Is not a person of the conditions specified in any of the sub-paragraphs of Article 30 of the Company Act.</li> <li>Has not been elected as a government unit, institution, or their representative as prescribed in Article 27 of the Company Act.</li> </ol>	1

Note 1 : Yuanta FHC's Independent Directors include, Mr. Ming Ling Hsueh who is concurrently acting as the independent director of Yuanta Bank, Mr. Kuang Si Shiu concurrently acting as the independent director of Yuanta Bank, and Mr. Hsing Yi Chow concurrently acting as the independent director of Yuanta Securities, Ms. Sharon S. Yang concurrently acting as the independent director of the subsidiaries including Yuanta Life (not for public offering). The number of positions as an independent director in other publicly listed companies is excluded. According to Paragraph 2, Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" amended and promulgated by Financial Supervisory Commission, Executive Yuan on January 15, 2020, where any independent director of a financial holding company concurrently acts as an independent director of more than one subsidiary wholly owned by Yuanta FHC, the number of additional subsidiaries in which he concurrently acts as an independent director shall be counted as "other unrelated" public companies.

Note 2 : For the following items, this restriction does not apply to independent director positions in Yuanta FHC, its parent company or subsidiary, or any subsidiary of the same parent company which has been appointed concurrently in accordance with Securities and Exchange Act or laws of the registered country :

- (1) Not a director or supervisor of Yuanta FHC or any of its affiliated companies.
- (2) Not a Director, Supervisor, or employee of any institutional shareholder that has 5% or higher of the total shares issued by Yuanta FHC, or of top-5 institutional shareholders of Yuanta FHC, or the institutional shareholders who appoint their representatives to serve as the Director or Supervisor of Yuanta FHC in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act.
- (3) Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the director seats or voting shares of Yuanta FHC.
- (4) Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of Yuanta FHC.
- (5) Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any companies or institutions that have a financial or business relationship with Yuanta FHC.

## **(V) Diversity and independence of the Board of Director**

Yuanta FHC has established the "Procedure for Election of Directors", to expressly define that the overall composition of the Board of Directors shall be taken into consideration in the selection of directors.

In order to strengthen the functions of the Board of Directors and its management mechanism, Yuanta FHC formulates an appropriate diversity policy based on its business operations, business type, and development needs, including but not limited to the following two general standards :

1. Basic requirements and values : Gender, age, nationality, and culture, et al.
2. Professional knowledge and skills : A professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

As stated in the subparagraph 2 of the preceding paragraph, each Board member of Yuanta FHC shall have the necessary knowledge, skills, and experience required to perform their duties. The professional knowledge and skills that must be present in the Board as a whole are stated as follows :

1. Ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability (including ability to manage subsidiaries).
4. Crisis management ability
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.
9. Risk management knowledge and ability.

According to said diversity policy, Yuanta FHC's existing Board of Directors sets the diversity targets and practices, summarized as follows :

1. The elected independent directors shall account for more than 40% of the elected directors; Yuanta FHC has four independent directors, accounting for 44%.
2. Yuanta FHC aims to have one-third of the Board of Directors composed of members of different genders starting from the 10th term of the Board of Directors (2025).  
When the directors of the 9th Board of Directors were re-elected in 2022, one(1) female independent director, Ms. Sharon S. Yang, was elected.  
When the directors of the 10th Board of Directors are re-elected in 2025, Yuanta FHC will aim to ensure that female directors account for one-third of the Board seats.
3. Appoint the directors satisfying the natural-person professional qualifications, in accordance with 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."  
9 directors of the 9th Board of Directors (including four independent directors) were elected in 2022, with 6 of them elected as natural persons (including 4 independent directors). 4 seats of natural person professional directors shall be elected in accordance with said Regulations.

The Board members' industrial experience covers financial holding, securities, banking, insurance, information technology, construction, aviation, asset management, utilities, mechatronics, education, retailing and pharmaceuticals, etc. The members are also specialized in banking, marketing, risk management, information technology, laws, finance & accounting, asset management, engineering and construction, and actuarial science. Directors hold the abilities to make judgments about operations and for business management, risk management, international market, merger & acquisition, leadership and decision-making, accounting and financial analysis, and make a contribution to the development of Yuanta FHC's strategies and plans about domestic/overseas business management, business decision making and risk control. The directors of the 9th term as elected are held satisfying Yuanta FHC's diversity policy and targets, who will practice what they are good at to help Yuanta FHC keep pursuing the two major targets, "Best Financial Services Provider in the Asia Pacific Region" and "International Sustainable Benchmarking Enterprise," in line with the three core philosophies, "Stable Profit," "Risk Control" and "Sustainable Development."

Among the directors of the 9th term, Director Tony Shen has worked for Yuanta Securities for more than five decades, and, with plentiful experience in financial management, has gone through multiple domestic and foreign merger and acquisition projects and helped upgrade the Group's profitability to hit the record, as a natural person director specialized in banking and securities operations. Director Chien Weng has held the position as President of Yuanta FHC for about four as from July 26, 2019, and held the position as the Chairman of Yuanta Bank since October 2020 to August 2023, and has engaged in the finance for more than three decades, gone through securities, banking, venture capital, life insurance and financial holding, served as the important promoter of Yuanta FHC's important decisions and execution thereof, as a natural person director

specialized in finance, securities and banking. Director Michael Ma has held the position as director of Yuanta FHC since June 2013, and, with his insight into the financial business and industry, leads the Group to promote the integration of business and financial operations and drive the five major business units of the Group to grow together and move forward the vision “the Best Financial Services Provider in the Asia Pacific Region” stably, as a natural person director specialized in banking. Independent Director Ming Ling Hsueh, qualified as a CPA, is experienced in auditing accounts of Yuanta FHC for about one decade and performs remarkably, as a natural person independent director specialized in accounting and banking. Independent Director Kuang Si Shiu has worked in the banking industry for more than four decades, and is experienced in international banking, international layout and overseas business management, as a natural person director specialized in financial and banking. Independent Director Hsing Yi Chow has worked for Yuanta Securities for many years, specialized in the investment science, risk management, international banking and entrepreneurial finance management and conducting in-depth research on Taiwan’s securities industry and capital market development, with the expertise in securities markets and corporate governance. Independent Director Sharon S. Yang formerly held some important position in the financial supervisory authority and its peripheral business, and is well experienced in promoting corporate governance and financial practices, as a natural person director specialized in finance and insurance. Furthermore, Director Daniel Y.M. Song is specialized in law. Director Michael Ma, Director Tony Shen and four independent directors are specialized in finance and accounting. Director Michael Ma and Director Chung Yuan Chen are experienced in the information technology industry, construction industry and engineering. Meanwhile, all of Yuanta FHC’s directors hold plentiful experience and expertise in mergers & acquisitions, risk management, business management, finance & banking insurance, corporate governance and sustainable development.

The average term of office served by Yuanta FHC’s directors is 8 years. two(2) of the directors has held the position for 12 to 16 years, two(2) of the directors for 8 to 11 years, three(3) of the directors for 5 to 7 years, and two(2) of the directors for 0 to 4 years. Yuanta FHC’s directors consist of eight(8) male directors and one(1) female director, including two(2) at the age of 51 to 60 years old, four(4) at the age of 61 to 70 years old, and three(3) at the age of 71 - 80 years old. Therefore, the average age of all directors is 67.



Yuanta FHC's fulfillment of the board member diversity policy is summarized as following :

Name	Professional skills	
<b>Ting Chien Shen</b> <b>(Tony)</b> <b>Director</b> <b>(Chairman)</b>	<b>71-80 years old male/Date of Appointment : April 16, 2009/Term of Office : 16 years/Nationality : Republic of China</b>	
	With the experience in the industries including financial holding and Securities. With the expertise in finance, marketing, financial and risk management, and the abilities to make judgments about operations and for business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience<sup>note</sup></b>	Financials
<b>Wei Chen Ma</b> <b>(Michael)</b> <b>Director</b>	<b>51-60 years old male/Date of Appointment : June 1, 2013/Term of Office : 12 years/Nationality : Republic of China</b>	
	With the experience in the industries including financial holding, banking, life insurance, securities, information technology and construction, etc. With the expertise in finance, financial, information technology and risk management, and the abilities to make judgments about operations and for business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Financials, Information Technology, Real Estate
<b>Chung Yuan Chen</b> <b>Director</b>	<b>71-80 years old male/Date of Appointment : June 16, 2016/Term of Office : 9 years/Nationality : Republic of China</b>	
	With the experience in the industries including utilities, electrical and mechanical work, education and construction, etc. With the expertise in finance, engineering and construction, and the abilities for business management, risk management, leadership and decision-making.	
	<b>Industry work experience</b>	Real Estate
<b>Daniel Y.M. Song</b> <b>Director</b>	<b>61-70 years old male/Date of Appointment : June 14, 2019/Term of Office : 6 years/Nationality : Republic of China</b>	
	With the experience in the industries including banking, life insurance, aviation and asset management. With the expertise in law and asset management, and the abilities for business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Legal Service (Consumer Discretionary)
<b>Chien Weng</b> <b>Director</b>	<b>61-70 years old male/Date of Appointment : June 10, 2022/Term of Office : 3 years/Nationality : Republic of China</b>	
	With the experience in the industries including financial holding, banking, securities and retail. With the expertise in finance, laws and risk management, and the abilities to make judgments about operations and for business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Financials

Name	Professional skills	
<b>Ming Ling Hsueh Independent Director</b>	<b>61-70 years old male/Date of Appointment : June 16, 2016/Term of Office : 9 years/Nationality : Republic of China</b>	
	With the experience in the industries including financial holding, banking, information technology and medicines, etc. With the expertise in finance, financial, accounting and information technology, and the abilities for accounting and financial analysis, business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Educational and Cultural Industry & Accounting Services (Consumer Discretionary)
<b>Kuang Si Shiu Independent Director</b>	<b>71-80 years old male/Date of Appointment : June 14, 2019/Term of Office : 6 years/Nationality : Republic of China</b>	
	With the experience in the industries including financial holding and banking. With the expertise in finance, marketing, financial and risk management, and the abilities to make judgments about operations and for business management, risk management, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Financials
<b>Hsing Yi Chow Independent Director</b>	<b>61-70 years old male/Date of Appointment : June 14, 2019/Term of Office : 6 years/Nationality : Republic of China</b>	
	With the experience in the industries including education, securities and information technology. With the expertise in finance, financial and risk management, and the abilities for business management, financial analysis, international market, merger & acquisition, leadership and decision-making.	
	<b>Industry work experience</b>	Educational and Cultural Industry (Consumer Discretionary)
<b>Sharon S. Yang Independent Director</b>	<b>51-60 years old female/Date of Appointment : June 10, 2022/Term of Office : 3 years/Nationality : Republic of China</b>	
	With the experience in the industries including insurance and education. With the expertise in finance, actuarial, financial and risk management, and the abilities for international market and financial analysis.	
	<b>Industry work experience</b>	Financials, education & culture (Consumer Discretionary)
Note : It refers to the industry work experience in non-directorship. The industry type is classified based on GICS Level 1.		

**(VI) Information concerning the president, vice presidents, assistant vice presidents, and department and branch managers**

As of January 31, 2025

Title (Note 1)	Nationality	Name	Gender	Date of Election (Appointment) Date	Shares held		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions (Note 2)	Concurrent positions at other companies	Managers who are spouses or relatives within the second degree of kinship		
					Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship
President	Republic of China	Chien Weng	M	2019.07.26	2,376,616	0.02%	7,132	0.00%	—	—	Bachelor in Law, Fu Jen Catholic University Chairman of Yuanta Bank, Chairman of Yuanta Venture Capital; Chairman of Yuanta I Venture Capital; President of Polaris Securities	Director of Yuanta FHC; Director of Yuanta Bank; Independent Director of Taiwan FamilyMart Co., Ltd.; Director of Yuanta Foundation	—	—	—
Auditor-General	Republic of China	Sung Shan Chao	M	2024.06.17	231,139	0.00%	—	—	—	—	Master in Law, Soochow University Vice President of Yuanta Bank	None	—	—	—
Senior Vice President (Chief Secretary)	Republic of China	Lawrence Lee	M	2017.09.01	247,565	0.00%	987,249	0.01%	—	—	Master in Law, Soochow University Chairman of Yuanta Asset Management; Chairman of Ta Chong Securities; President of Yuanta Securities Finance; President of Yuanta Financial Consulting	Executive Vice President of Yuanta Securities	—	—	—
Vice President (Chief Risk Officer)	Republic of China	Chi Wei Lai	F	2023.08.01	89,879	0.00%	—	—	—	—	Master degree in Finance, Tamkang University Senior Assistant Vice President of Yuanta Life	Vice President of Yuanta Life	—	—	—
Executive Vice President (Chief Strategy Officer and International Operation Officer)	Republic of China	Wei Cheng Hwang (Bobby)	M	2024.05.15 2023.10.01	449,245	0.00%	—	—	—	—	MBA, University of California Vice Chairman of Yuanta Securities; President of Yuanta Securities; President of Yuanta Securities (Korea) Co., Ltd.	Director of Yuanta Securities; Director of Yuanta Asia Investment (HK); Director of Yuanta Securities (HK); Director of Yuanta Securities (Thailand); Director of Yuanta Securities Asia Financial Services; Director of Yuanta Securities (Korea) Co., Ltd.; Authorized Representative of Yuanta Securities Vietnam	—	—	—
Senior Vice President (Chief Digital Development Officer)	Republic of China	Mei Ling Kuo	F	2019.01.02	273,644	0.00%	—	—	—	—	Master of Business Administration, National Chengchi University Executive Vice President of Yuanta Securities	Executive Vice President of Yuanta Bank; Director of Yuanta Futures; Director of Yuanta Securities Finance	—	—	—
Senior Vice President (Chief Corporate Banking Officer)	Republic of China	Hsiao Ling Chou	F	2021.11.01	1,107,682	0.01%	—	—	—	—	Master degree in Finance, National Taiwan University Vice Chairman of Yuanta Futures; President of Yuanta Futures	Vice Chairman of Yuanta Bank; Director of Yuanta Bank; Director of Yuanta Venture Capital; Director of Yuanta I Venture Capital; Director of Yuanta Foundation; Independent Director of Allek Marine Electronics Corp.	—	—	—
Senior Vice President (Chief Compliance Officer)	Republic of China	Wen Ching Chiu	F	2018.02.01	434,577	0.00%	—	—	—	—	Bachelor in Law, National Chengchi University Senior Vice President of Yuanta Securities	Director of Yuanta Bank; Executive Vice President of Yuanta Bank	—	—	—
Senior Vice President (Chief Financial Officer)	Republic of China	Hsu Shu Mai	M	2017.07.01	1,134,553	0.01%	—	—	—	—	Master degree in Finance, National Taiwan University Senior Vice President of Yuanta Securities	Senior Vice President of Yuanta Bank; Supervisor of Yuanta Securities Finance	—	—	—
Senior Vice President (Chief Admin. Officer)	Republic of China	Robert C.S. Yang	M	2014.07.21	396,256	0.00%	—	—	—	—	Doctor of Philosophy in News & Mass Communication, Jinan University Vice President of Yuanta FHC	Senior Vice President of Yuanta Bank; Vice Chairman of Yuanta Asset Management; Director of Yuanta Asset Management	—	—	—

Title (Note 1)	Nationality	Name	Gender	Date of Election (Appointment) Date	Shares held		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions (Note 2)	Concurrent positions at other companies	Managers whose spouses or relatives within the second degree of kinship		
					Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship
Senior Vice President (Chief Operational Support Officer)	Republic of China	Ming Lang Liu	M	2017.09.01	821,646	0.01%	—	—	—	—	Bachelor in Business Administration, Tamkang University Senior Vice President of Yuanta Securities	Executive Vice President of Yuanta Securities; Director of Yuanta Life; Director of Yuanta Securities Finance	—	—	—
Senior Vice President (Chief Accounting Officer)	Republic of China	Hui Jung Lu	F	2020.07.01	359,835	0.00%	—	—	—	—	Master degree in Finance, National Taiwan University of Science and Technology Senior Vice President of Yuanta Life	Senior Vice President of Yuanta Securities; Supervisor of Yuanta International Insurance Brokers; Director of Yuanta Securities (HK)	—	—	—
Senior Vice President (Chief Information Officer)	Republic of China	Fang Ming Lo	M	2020.04.01	110,356	0.00%	42,769	0.00%	—	—	Bachelor of Computing Engineering, Tamkang University Vice President of Yuanta FHC	Senior Vice President of Yuanta Securities	—	—	—
Senior Vice President (Chief Legal Officer)	Republic of China	Yung Chu Su	F	2021.01.01	94,309	0.00%	—	—	—	—	Master of Finance Law, Boston University Vice President of Yuanta FHC	Senior Vice President of Yuanta Securities; Director of Yuanta Futures; Supervisor of Yuanta Venture Capital; Supervisor of Yuanta I Venture Capital; Director of Yuanta Securities (HK); Director of Yuanta Asia Investment (HK); Director of EMPIRE VISION LIMITED; Director of SUNSHINE CITY GLOBAL (PTC) LIMITED	—	—	—
Vice President (Chief Information Security Officer)	Republic of China	Chi Jung Huang	M	2022.09.01	230,198	0.00%	7,564	0.00%	—	—	Bachelor of Information Engineering, Feng Chia University Senior Assistant Vice President of Yuanta Bank	Vice President of Yuanta Bank	—	—	—
Vice President (Chief HR Officer)	Republic of China	Ching Fang Lin	F	2023.08.01	289,834	0.00%	—	—	—	—	Master of Industrial Education, National Taiwan Normal University Vice President of Yuanta Futures	Vice President of Yuanta Bank	—	—	—
Senior Vice President	Republic of China	Allen Wu	M	2011.06.01	942,849	0.01%	—	—	—	—	MBA, Mississippi State University Vice Chairman of Yuanta Securities Asia Financial Services	Executive Vice President of Yuanta Bank; Chairman of Yuanta Savings Bank Philippines, Inc.; Director of Yuanta Savings Bank (Philippines)	—	—	—
Senior Vice President	Republic of China	Yann Dun Deng	M	2023.04.01	—	—	—	—	—	—	Bachelor in Law, National Taiwan University Chief Legal Officer of CTBC Financial Holding Co., Ltd.	Director of Yuanta Bank; Vice Chairman of Yuanta Venture Capital; Vice Chairman of Yuanta I Venture Capital; Director of Yuanta Venture Capital; Director of Yuanta I Venture Capital	—	—	—
Senior Vice President	Republic of China	Chieh Wu	M	2024.01.01	491,150	0.00%	—	—	—	—	Master of Business Administration (MBA), Waseda University Vice Chairman of Yuanta Asset Management; Vice Chairman of Yuanta Securities Finance	Director of Yuanta Life; Director of Yuanta Venture Capital; Director of Yuanta I Venture Capital; Vice Chairman of Yuanta Securities Investment Consulting; Director of Yuanta Securities Investment Consulting	—	—	—
Senior Vice President	Republic of China	Sophia Chang	F	2021.06.01	571,137	0.00%	—	—	—	—	Master of Professional Accounting, National Taiwan University Senior Vice President of Yuanta Life	Senior Vice President of Yuanta Bank	—	—	—
Vice President (Vice Chief Corporate Banking Officer)	Republic of China	Yi Wen Ma	F	2018.05.01	292,314	0.00%	—	—	—	—	Master of Business Administration, National Chengchi University Vice President of Yuanta Securities	Senior Vice President of Yuanta Securities	—	—	—

Title (Note 1)	Nationality	Name	Gender	Date of Election (Appointment) Date	Shares held		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions (Note 2)	Concurrent positions at other companies	Managers whose spouses or relatives within the second degree of kinship		
					Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship
Vice President	Republic of China	Yi Cheng Liao	M	2022/07/01	81,880	0.00%	—	—	—	—	Master degree in Finance, National Taiwan University Vice President of Sales, Yuanta Securities	Senior Assistant Vice President of Yuanta Bank	—	—	—
Vice President	Republic of China	Wei Chen Chang	M	2021/05/01	153,133	0.00%	—	—	—	—	MBA, Tulane University Vice President of Yuanta Securities	Vice President of Yuanta Bank; Director of Yuanta Futures	—	—	—
Vice President	Republic of China	Feng Hsiang Kuo	M	2023/11/01	426,904	0.00%	24,932	0.00%	—	—	MBA, Pepperdine University Executive Vice President of Yuanta Securities	Professional Senior Assistant Vice President of Yuanta Bank; Authorized Representative of Yuanta Securities Vietnam	—	—	—
Senior Assistant Vice President (Vice Chief Admin. Officer)	Republic of China	Po Ching Li	M	2014/07/21	549,976	0.00%	—	—	—	—	Department of Electronic Engineering, You De High School Senior Assistant Vice President Yuanta Securities	Vice President of Yuanta Securities	—	—	—
Senior Assistant Vice President (Vice Chief Accounting Officer)	Republic of China	Wei Ning Chang	F	2024/05/01	13,641	0.00%	—	—	—	—	Master of Business Administration, National Chengchi University Senior Assistant Vice President of Yuanta Bank	Vice President of Yuanta Bank; Supervisor of Yuanta International Leasing	—	—	—
Senior Assistant Vice President	Republic of China	Chien Wen Chen	M	2023/07/01	54,242	0.00%	5,366	0.00%	—	—	M.A. in International Business Administration, National Taiwan University Assistant Vice President of Yuanta FHC	Director of Yuanta Securities Investment Trust	—	—	—
Senior Assistant Vice President	Republic of China	Ho Hsing Pan	F	2021/11/26	2,572	0.00%	—	—	—	—	GMBA, University of South Australia Assistant Vice President of Yuanta FHC	None	—	—	—
Senior Assistant Vice President	Republic of China	Yang Chia Huang	M	2023/06/13	—	—	—	—	—	—	Bachelor in Finance, National Taiwan University Senior Specialist of Insurance Bureau, Financial Supervisory Commission	None	—	—	—
Senior Assistant Vice President	Republic of China	Hsin Ling Chung	F	2024/10/01	52,953	0.00%	—	—	—	—	B.B.A., National Chiayi University Senior Assistant Vice President of Yuanta Futures	None	—	—	—
Assistant Vice President	Republic of China	Yu-Chin Tsao	F	2020/04/01	—	—	—	—	—	—	Master of Accounting, National Taipei University Professional Assistant Vice President of Yuanta Bank	None	—	—	—
Assistant Vice President	Republic of China	Chia Hui Lin	F	2020/07/01	—	—	1,108	0.00%	—	—	Bachelor of International Trade, Chinese Culture University Senior Manager of Yuanta FHC	None	—	—	—
Assistant Vice President	Republic of China	Tzu Miao Chen	F	2020/07/01	2,688	0.00%	—	—	—	—	MBA, The University of Sheffield Senior Manager of Yuanta FHC	Professional Senior Manager of Yuanta Bank	—	—	—
Assistant Vice President	Republic of China	Fu Mei Chen	F	2020/07/01	5,774	0.00%	—	—	—	—	Master of International Trade, Tamkang University Senior Manager of Yuanta FHC	Senior Manager of Yuanta Bank	—	—	—

Title (Note 1)	Nationality	Name	Gender	Date of Election (Appointment) Date	Shares held		Shareholdings of spouse and underage children		Shareholding under another		Education and selected past positions (Note 2)	Concurrent positions at other companies	Managers who are spouses or relatives within the second degree of kinship		
					Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship
Assistant Vice President	Republic of China	Hui Wei Tsai	F	2021.06.01	—	—	—	—	—	—	Bachelor of International Trade, Ming Chuan University Senior Manager of Yuanta FHC	None	—	—	—
Assistant Vice President	Republic of China	Yi Ju Wei	F	2022.06.01	2,551	0.00%	—	—	—	—	Bank Insurance Department of National Taipei College of Business Professional Assistant Vice President of Yuanta Venture Capital	Supervisor of Yuanta Securities Investment Consulting	—	—	—
Assistant Vice President	Republic of China	Hsuan Feng Tien	F	2022.06.01	998	0.00%	—	—	—	—	Bachelor in Law, Fu Jen Catholic University Senior Manager of Yuanta FHC	None	—	—	—
Assistant Vice President	Republic of China	Hsiao Ching Chao	F	2022.06.01	11,089	0.00%	—	—	—	—	MBA, Tamkang University Senior Manager of Yuanta FHC	None	—	—	—
Assistant Vice President	Republic of China	Hsin Yi Kuo	F	2023.09.01	10,882	0.00%	—	—	—	—	Master of Economics, National Chengchi University Senior Manager of Yuanta FHC	Assistant Vice President of Yuanta Securities	—	—	—
Assistant Vice President	Republic of China	Hung Chou Chen	M	2023.09.01	4,355	0.00%	—	—	—	—	MBA, International University of Monaco Senior Manager of Yuanta FHC	Assistant Vice President of Yuanta Bank	—	—	—
Assistant Vice President	Republic of China	Chung Shu Lin	F	2024.01.01	31,990	0.00%	—	—	—	—	MBA, National Chaiyi University Assistant Vice President of Yuanta Securities	None	—	—	—
Assistant Vice President	Republic of China	Jung Feng Chiu	M	2024.04.16	—	—	—	—	—	—	Department of Accounting, National Taipei College of Business Assistant Vice President of Yuanta Securities Investment Trust	None	—	—	—
Assistant Vice President	Republic of China	Pei Wen Yang	F	2024.06.01	—	—	—	—	—	—	Master of Accountancy, Tamkang University President of Yuanta International Leasing	Liquidator of Yuanta International Leasing	—	—	—
Assistant Vice President	Republic of China	Yi Lin Yang	M	2024.06.01	—	—	—	—	—	—	M.A., National Taipei University Senior Manager of Yuanta FHC	Senior Manager of Yuanta Bank	—	—	—
Assistant Vice President	Republic of China	Shang En Wu	M	2024.06.01	—	—	—	—	—	—	M.A., National Chengchi University Senior Manager of Yuanta FHC	Professional Assistant Vice President of Yuanta Bank	—	—	—

Note 1 : Information for all persons holding a position equivalent to president, vice president, or assistant vice president must be disclosed, regardless of title.

Note 2 : The work experience of anyone above relating to their current roles, e.g. previous employment in the auditor's firm or employment in a related company, must be addressed with detailed job titles and responsibilities.

Note 3 : The "Shares" and "Ratio" columns above marked with "—" denote "0"; columns under "Managers who are spouses or relatives within the second degree of kinship" marked with "—" denote "None."

Note 4 : The president or equivalent (the top manager) of Yuanta FHC and the chairperson of the board are not the same person, spouses of each other, or members of the same degree of kinship.

## II. Remuneration paid to directors, President, Vice Presidents, consultants, etc. and distribution of employee remuneration in the most recent year

### (I) Remuneration to Directors and Independent Directors

As of December 31, 2024  
Unit : NT\$1,000; %

Title	Name	Remuneration to directors						Remuneration from concurrently servings as employees						Sum of A, B, C, D, E, F, G and as percentage of net income			Remuneration from investees other than subsidiaries, or parent company					
		Wages (A)		Pension upon retirement (B)		Compensation to directors (C)		Service Expenses (D)		Sum of A, B, C, D and as percentage of net income		Wages, bonuses, and special allowances, etc. (E)		Pension upon retirement (F)		Employee Compensation (G)		Sum of A, B, C, D, E, F, G and as percentage of net income				
		Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Cash		Stock	Yuanta FHC	Companies included into the financial statement	Cash	Stock
Director	Ting Chien Shen (Tony)																					
Director	Wei Chen Ma (Michael)																					
Director	Tsun Chueh Investment Co., Ltd. Representative : Chung Yuan Chen	95,000	134,000	0	0	290,222	290,222	1,230	4,540	386,452 1.08%	89,925	89,925	0	0	104	0	104	0	476,481 1.33%	518,791 1.45%		
Director	Tsun Chueh Investment Co., Ltd. Representative : Daniel Y.M. Song									428,762 1.20%												None
Director	Modern Investment Co., Ltd. Representative : Chien Wong																					
Independent Director	Ming Ling Hsueh																					
Independent Director	Kuang Si Shiu	11,520	18,000	0	0	0	0	960	2,737	12,480 0.03%	0	0	0	0	0	0	0	0	12,480 0.03%	20,737 0.06%		
Independent Director	Hsing Yi Chow																					None
Independent Director	Sharon S. Yang																					

1. Please state the remuneration policies, systems, standards and packages about independent directors, and the connection of the factors, such as responsibilities, risk and spent hours, with the amount of remuneration :

(1)The remuneration to independent directors consists of compensation, and professional practice expenses.

(2)The remuneration to Yuanta FHC's independent directors is decided based on their experience, functions, and contribution, and expected or actual risks, and the Board of Directors is authorized to resolve the remuneration based on the typical pay levels adopted by peer companies in accordance with Article 19 of the Articles of Incorporation. The remuneration is paid at fixed amount on a monthly basis, excluded from Yuanta FHC's allocation of remuneration to directors.

(3)The professional practice expenses refer to those incurred by independent directors' performance of job duties, including the transportation allowance and fees for attending meetings; paid based on the typical pay levels adopted by peer companies.

2. Other than the remuneration disclosed in said table, the remuneration received by any of Yuanta FHC's directors for providing services to any companies included in the financial statement, e.g., as an advisor other than employee in the most recent year : N/A.

1. Please state the remuneration policies, systems, standards and packages about independent directors, and the connection of the factors, such as responsibilities, risk and spent hours, with the amount of remuneration :

(1)The remuneration to independent directors consists of compensation, and professional practice expenses.

(2)The remuneration to Yuantia FHC's independent directors is decided based on their experience, functions, and contribution, and expected or actual risks, and the Board of Directors is authorized to resolve the remuneration based on the typical pay levels adopted by peer companies in accordance with Article 19 of the Articles of Incorporation. The remuneration is paid at fixed amount on a monthly basis, excluded from Yuantia FHC's allocation of remuneration to directors.

(3)The professional practice expenses refer to those incurred by independent directors' performance of job duties, including the transportation allowance and fees for attending meetings paid based on the typical pay levels adopted by peer companies.

2. Other than the remuneration disclosed in said table, the remuneration received by any of Yuantia FHC's directors for providing services to any companies included in the financial statement, e.g., as an advisor other than employee in the most recent year : N/A.

## (II) Range of Remuneration to Directors and Independent Directors

As of December 31, 2024

Breakdown of remuneration to Yuanta FHC's directors (NT\$)	Directors			
	Sum of foregoing four items (A+B+C+D)		Sum of foregoing seven items (A+B+C+D+E+F+G)	
	Yuanta FHC	Companies included into the financial statement (H)	Yuanta FHC	Companies included into the financial statement (I)
Below 1,000,000	Chung Yuan Chen, Daniel Y.M. Song, Chien Weng	Chung Yuan Chen, Chien Weng	Chung Yuan Chen, Daniel Y.M. Song	Chung Yuan Chen
1,000,000 (inclusive) ~ 2,000,000 (exclusive)				
2,000,000 (inclusive) ~ 3,500,000 (exclusive)	Ming Ling Hsueh, Kuang Si Shiu, Hsing Yi Chow, Sharon S. Yang		Ming Ling Hsueh, Kuang Si Shiu, Hsing Yi Chow, Sharon S. Yang	
3,500,000 (inclusive) ~ 5,000,000 (exclusive)		Sharon S. Yang		Sharon S. Yang
5,000,000 (inclusive) ~ 10,000,000 (exclusive)		Ming Ling Hsueh, Kuang Si Shiu, Hsing Yi Chow,		Ming Ling Hsueh, Kuang Si Shiu, Hsing Yi Chow,
10,000,000 (inclusive) ~ 15,000,000 (exclusive)				
15,000,000 (inclusive) ~ 30,000,000 (exclusive)				
30,000,000 (inclusive) ~ 50,000,000 (exclusive)		Daniel Y.M. Song		Daniel Y.M. Song
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	Ting Chien Shen (Tony), Wei Chen Ma (Michael), Modern Investment Co., Ltd.	Ting Chien Shen (Tony), Wei Chen Ma (Michael), Modern Investment Co., Ltd.	Ting Chien Shen (Tony), Wei Chen Ma (Michael), Chien Weng Modern Investment Co., Ltd.	Ting Chien Shen (Tony), Wei Chen Ma (Michael), Chien Weng Modern Investment Co., Ltd.
Over 100,000,000	Tsun Chueh Investment Co., Ltd.	Tsun Chueh Investment Co., Ltd.	Tsun Chueh Investment Co., Ltd.	Tsun Chueh Investment Co., Ltd.
Total	11	11	11	11

Notes : (1) This table summarizes the amounts of various payments made to directors. Payments are calculated from the date the directors were appointed during the year.

(2) Remuneration disclosed herein is different from the term "income" as defined in the Income Tax Act; this table is for information disclosure, and not for taxation purposes.

(3) As Yuanta FHC was free from any circumstances requiring that the remuneration to directors should be disclosed individually as defined in the regulations governing information to be published in annual reports, Yuanta FHC disclosed aggregate remuneration information, with the name(s) indicated for each remuneration range.



### (III) Remuneration to President, and Vice Presidents

As of December 31, 2024  
Unit : NT\$1,000; %

Title	Name	Wages (A)		Pension upon retirement (B)		Bonuses and special allowances (C)		Employee Compensation (D)				Sum of A, B, C, D and as percentage of net income (%)		Remuneration from investors other than subsidiaries, or parent company
		Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Cash	Stock	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	
President	Chien Weng													
Auditor-General	Sung Shan Chao													
Senior Vice President (Chief Secretary)	Lawrence Lee													
Vice President (Chief Risk Officer)	Chi Wei Lai													
Executive Vice President (Chief Strategy Officer)	Hsuan Min Kuo													
Executive Vice President (Chief Strategy Officer and Chief International Operation Officer)	Wei Cherng Hwang (Bobby)													
Senior Vice President (Chief Digital Development Officer)	Mei Ling Kuo													
Senior Vice President (Chief Corporate Banking Officer)	Hsiao Ling Chou													
Senior Vice President (Chief Compliance Officer)	Wen Ching Chiu	37,080	121,481	0	0	291,373	559,289	675	0	1,433	0	329,128 0.92%	682,203 1.90%	None
Senior Vice President (Chief Financial Officer)	Hsu Shu Mai													
Senior Vice President (Chief Admin. Officer)	Robert C.S. Yang													
Senior Vice President (Chief Operational Support Officer)	Ming Lang Liu													
Senior Vice President (Chief Accounting Officer)	Hui Jung Lu													
Senior Vice President (Chief Information Officer)	Fang Ming Lo													
Senior Vice President (Chief Legal Officer)	Yung Chu Su													
Vice President (Chief Information Security Officer)	Chi Jung Huang													
Vice President (Chief HR Officer)	Ching Fang Lin													

Title	Name	Wages (A)		Pension upon retirement (B)		Bonuses and special allowances (C)		Employee Compensation (D)				Sum of A, B, C, D and as percentage of net income (%)		Remuneration from investees other than subsidiaries, or parent company
		Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	Yuanta FHC	Cash	Stock	Companies included into the financial statement	Yuanta FHC	Companies included into the financial statement	
Senior Vice President	Allen Wu													
Senior Vice President	Yann Dun Deng													
Senior Vice President	Chieh Wu													
Senior Vice President	Sophia Chang													
Vice President (Vice Chief Corporate Banking Officer)	Yi Wen Ma													
Vice President	Yi Cheng Liao													
Vice President	Wei Chen Chang													
Vice President	Feng Hsiang Kuo													
Former Auditor-General	Su Ching Weng													
Former Executive Vice President	Hsuan Min Kuo													
Former Senior Vice President	Chin Peng Lo													

\* According to the qualifications that the person in charge of a financial holding company should have, the restrictions on concurrent employment of persons in charge and the criteria for matters that should be followed, the scope of persons in charge shall be determined, and regardless of their job titles, all persons with positions equivalent to general manager or Vice President (for example, president, CEO, director, etc.) shall be disclosed.

#### (IV) Range of remuneration to president and vice presidents

As of December 31, 2024

Breakdown of remuneration to Yuanta FHC's president and vice presidents (NT\$)	President and vice presidents	
	Yuanta FHC	Companies included into the financial statement (E)
Below 1,000,000	Lawrence Lee, Ming Lang Liu, Hui Jung Lu, Fang Ming Lo, Yung Chu Su, Ching Fang Lin, Allen Wu, Yann Dun Deng, Sophia Chang, Yi Wen Ma, Wei Chen Chang,	
1,000,000 (inclusive) ~ 2,000,000 (exclusive)	Chin Peng Lo	Chin Peng Lo
2,000,000 (inclusive) ~ 3,500,000 (exclusive)	Chi Wei Lai, Chi Jung Huang, Feng Hsiang Kuo	
3,500,000 (inclusive) ~ 5,000,000 (exclusive)	Sung Shan Chao, Su Ching Weng	Sung Shan Chao, Su Ching Weng
5,000,000 (inclusive) ~ 10,000,000 (exclusive)	Hsiao Ling Chou, Wen Ching Chiu, Hsu Shu Mai	Sophia Chang, Wei Chen Chang
10,000,000 (inclusive) ~ 15,000,000 (exclusive)	Mei Ling Kuo, Yi Cheng Liao	Lawrence Lee, Chi Wei Lai, Ching Fang Lin, Yi Cheng Liao, Feng Hsiang Kuo
15,000,000 (inclusive) ~ 30,000,000 (exclusive)	Wei Cherng Hwang (Bobby), Robert C.S. Yang	Mei Ling Kuo, Hsiao Ling Chou, Hsu Shu Mai, Robert C.S. Yang, Ming Lang Liu, Hui Jung Lu, Fang Ming Lo, Yung Chu Su, Chi Jung Huang, Allen Wu, Yann Dun Deng, Yi Wen Ma
30,000,000 (inclusive) ~ 50,000,000 (exclusive)		Wei Cherng Hwang (Bobby), Wen Ching Chiu
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	Chien Weng, Hsuan Min Kuo, Chieh Wu	Chien Weng, Hsuan Min Kuo, Chieh Wu
Over 100,000,000		
Total	27	27

Notes : (1) This table summarizes the amounts of various payments made to presidents and vice presidents. Payments are calculated from the date the presidents and vice presidents were appointed during the year.

(2) Remuneration disclosed herein is different from the term "income" as defined in the Income Tax Act; this table is for information disclosure, and not for taxation purposes.

(3) As Yuanta FHC was free from any circumstances requiring that the remuneration to directors or president/vice presidents should be disclosed individually as defined in the regulations governing information to be published in annual reports, Yuanta FHC disclosed aggregate remuneration information, with the name(s) indicated for each remuneration range.

(4) Yuanta FHC's vice presidents who were not serving throughout the year are as follows :

Sung Shan Chao's term of office commences on June 5, 2024; Chin Peng Lo's term of office is from January 2, 2024 to April 25, 2024;

Su Ching Weng's term of office expired on May 27, 2024; Hsuan Min Kuo's term of office expired on May 14, 2024.

**(V) Managers receiving employee compensation and state of distribution**

As of December 31, 2024

Unit : NT\$1,000; %

	Title	Name	Stock	Cash	Total	The sum as percentage of net income (%)
Managers	President	Chien Weng	0	736	736	0.002
	Auditor-General	Sung Shan Chao				
	Senior Vice President (Chief Secretary)	Lawrence Lee				
	Vice President (Chief Risk Officer)	Chi Wei Lai				
	Executive Vice President (Chief Strategy Officer and Chief International Operation Office)	Wei Cherng Hwang (Bobby)				
	Senior Vice President (Chief Digital Development Officer)	Mei Ling Kuo				
	Senior Vice President (Chief Corporate Banking Officer)	Hsiao Ling Chou				
	Senior Vice President (Chief Compliance Office)	Wen Ching Chiu				
	Senior Vice President (Chief Financial Officer)	Hsu Shu Mai				
	Senior Vice President (Chief Admin. Officer)	Robert C.S. Yang				
	Senior Vice President (Chief Operational Support Officer)	Ming Lang Liu				
	Senior Vice President (Chief Accounting Officer)	Hui Jung Lu				
	Senior Vice President (Chief Information Officer)	Fang Ming Lo				
	Senior Vice President (Chief Legal Officer)	Yung Chu Su				
	Vice President (Chief Information Security Officer)	Chi Jung Huang				
	Vice President (Chief HR Officer)	Ching Fang Lin				
	Senior Vice President	Allen Wu				
	Senior Vice President	Yann Dun Deng				
	Senior Vice President	Chieh Wu				
	Senior Vice President	Sophia Chang				
	Vice President (Vice Chief Corporate Banking Officer)	Yi Wen Ma				
	Vice President	Yi Cheng Liao				
	Vice President	Wei Chen Chang				
	Vice President	Feng Hsiang Kuo				
	Senior Assistant Vice President (Vice Chief Admin. Officer)	Po Ching Li				
	Senior Assistant Vice President (Vice Chief Accounting Officer)	Wei Ning Chang				
	Senior Assistant Vice President	Chien Wen Chen				
	Former Auditor-General	Su Ching Weng				
	Former Executive Vice President	Hsuan Min Kuo				
	Former Senior Vice President	Chin Peng Lo				

Note : The employee remuneration allocated to managers in 2024 was only the estimated amount. The managers who were allocated the employee remuneration shall actually be identified based on the name list passed by Yuanta FHC's Board of Directors.

**(VI) An explanation on remuneration paid to directors (including independent directors), president, and vice presidents in the last two years**

1. Ratio of directors' (including independent directors), presidents' and vice presidents' remuneration to net income after tax of the entity or individual financial report.

The proportions of the remuneration paid by Yuanta FHC and all of the companies included in the consolidated financial statements (exclusive of the remuneration received for serving as an employee concurrently) to the directors against the net income were 1.15% and 1.39% in 2023, and 1.11% and 1.25% in 2024.

The proportions of the remuneration paid by Yuanta FHC and all of the companies included in the consolidated financial statements (exclusive of the remuneration received for serving as an employee concurrently) to the presidents and vice presidents against the net income were 0.84% and 2.08% in 2023, and 0.92% and 1.90% in 2024.

2. Remuneration policies, standards and packages; procedures for determining remuneration and its connection with business performance and future risk exposure.

**(1) Directors (including Independent Directors)**

**A. Director and Independent Director**

The remuneration to directors shall be allocated in the manner referred to in Article 33 of Yuanta FHC's Articles of Incorporation. That is, if Yuanta FHC has profit at the year's final accounting, the remuneration to directors shall be no more than 0.9% of the remainder after the profit less accumulated loss, if any. The allocation of remuneration to directors shall be subject to the overall operating performance for the year, and follow the typical pay levels adopted by peer companies and consider the reasonableness of the correlation with future risk exposure. The actual allocation shall be based on the self-appraisal result on the Board of Directors members, hours of directors' attendance at meetings and continuing education, and negative qualifications, and calculated on a pro-rata basis subject to the session of the Board of Directors, the number of directors seats (exclusive of independent directors) and the number of days for which the directors hold the position in the year when the earnings to be allocated as remuneration to directors were sought.

The Board of Directors is authorized to resolve the remuneration to the independent directors based on the typical pay levels adopted by peer companies. The remuneration is paid at fixed amount on a monthly basis, excluded from Yuanta FHC's allocation of remuneration to directors.

Meanwhile, according to Yuanta FHC's Articles of Incorporation, the transportation allowance and fees for attending meetings payable to directors shall be paid based on the typical pay levels adopted by peer companies. Yuanta FHC's regulations governing transportation allowance

and attendance fees method stipulates that the transportation allowance is NT\$10,000 per month, the attendance fees is NT\$10,000 per time.

B. Chairman and Vice Chairman

Except for the remuneration to directors, the Chairman's salary shall be no more than 1.5 times the President's salary. The Vice Chairman's salary shall be no more than 1.25 times the President's salary, as resolved by the Remuneration Committee and Board of Directors. The Remuneration Committee and Board of Directors are authorized to resolve any other remuneration and benefits to Chairman and Vice Chairman based on their personal performance, company operation performance, and reasonableness of the correlation with future risk exposure and the typical pay levels adopted by peer companies. Meanwhile, the Board of Directors is authorized to resolve the severance pay/pension payable to the Chairman and Vice Chairman based on their participation in Yuanta FHC's operation, contribution value and the typical pay levels adopted by peer companies, in accordance with Yuanta FHC's Articles of Incorporation and Regulations Governing Severance Pay/Pension Payable to Chairman and Vice Chairman.

(2) President and managers

According to Article 29 of Yuanta FHC's Articles of Incorporation, the President shall take charge of all of Yuanta FHC's affairs subject to resolution made by the Board of Directors, and may be authorized by the Board of Directors to carry out transactions externally. The President and Managers shall set the annual operating objectives and performance appraisal indicators based on Yuanta FHC's mid-term and long-term business strategies and annual business plan on a yearly basis.

A. Target setting

Yuanta FHC's President and managers set the annual operating objectives and performance appraisal standards based on Yuanta FHC's business strategies (including sustainable development goals) and annual business plan. The operating objectives consist of the operating development strategies, annual operating highlights, operations and human resource management, group resource integration and supporting, internal control and compliance. The management team holds a meeting on a monthly basis to review, discuss and timely modify Yuanta FHC's operating performance, promotion of operating highlights and effect of integration, and practices the strategies and achieves the performance under the performance management mechanism dedicated to "initial target setting, mid-term follow-up and improvement, and final review and appraisal".

B. Performance appraisal

According to Yuanta FHC's Performance Management Regulations, Yuanta FHC must conduct the mid-term and final performance appraisals each year to rate the performance, subject to the physical result per target, based on the operating objectives and performance appraisal indicators for

the President and managers. The performance appraisal results are categorized into 5 levels (5~1 levels). Specifically, Level 5 stands for excellent performance beyond the expected target. Level 4 stands for the performance higher than the standard and occasionally excellent performance. Level 3 stands for the performance satisfying what is expected and the operating objectives. Level 2 stands for the performance less than the expected target and to be improved. Level 1 stands for the performance far less than the expected target, namely failure. Upon weighted summing up of all objectives, the results are reported to Chairman to help the Chairman conduct the performance appraisal on the President and managers. The results about performance appraisal on the President and managers, and correspondent group performance bonus, must be submitted to the Remuneration Committee and directors' meeting for review and approval.

C. Remuneration policies and business performance, and future risk correlation

70% of the operating objectives to be set by Yuanta FHC's President reside in the business development objectives, including the operating profit achievement rate, ROE achievement, achievement rate of subsidiaries' core business lines and growth-driven business, and results of promotion of sustainability and corporate social responsibility of Yuanta FHC and its subsidiaries. 30% thereof reside in the internal management objectives, including supervision on the achievement rate of co-marketing objectives of the Group's subsidiaries, successors selection and cultivation, and fulfillment of compliance and internal control. Both of said operating objectives are primarily based by the performance appraisal and group performance bonus about the President. The standards governing allocation of the annual remuneration to the President must follow the typical pay levels adopted by peer companies and also take into consideration the entire contribution of the President to the Group achieved by his operation of the Group and operating performance. The annual remuneration allocated to the President and all contributions he/she achieves are related to each other positively.

Yuanta FHC values the managers' contribution and value to the Group. Yuanta FHC's managers set their annual operating objectives subject to their job responsibilities, in accordance with Yuanta FHC's strategic targets and sustainability strategic roadmap, covering business development, sustainable development/projects, annual key business, talent management, integration and support of the Group's resources, compliance and internal control management, etc. The policy, system, standard and structure of the salary and remuneration to Yuanta FHC's managers must be reviewed by Remuneration Committee and then submitted to the Board of Directors for resolution on the remuneration to managers. When resolving the salary and remuneration to individual managers, the Board of Directors must follow the profit earned by or typical pay levels adopted by peer companies, and take into consideration the individual performance and the managers' business performance and contribution to Yuanta

FHC. In order to ensure and align with the profit earned upon the risk exposure adjustment, the bonus to the President and managers must be changed based on specific proportions to make it related to the profit earned by Yuanta FHC and Yuanta FHC's stock price in the form of the deferred savings shareholding trust. Notwithstanding, if any other significant risk events affecting Yuanta FHC's goodwill adversely arise, Yuanta FHC may cut or withhold the bonus to have the President and managers share the future risk exposure with Yuanta FHC, so as to develop toward the corporate sustainability management philosophy. Yuanta FHC's remuneration system balancing business performance and risk management helps recruit and retain excellent talents and encourage the talents to develop their potentials effectively. In conclusion, the management team consisting of excellent talents would create more excellent business performance for Yuanta FHC and shareholders inevitably. Yuanta FHC feeds the operating results back to the managers reasonably, so that the managers' personal operating objectives may align with Yuanta FHC's operating objectives and shareholders' equity permanently and closely to help create the mutual interest for the individuals, Yuanta FHC and shareholders, and achieve a win-win-win situation.

**(VII) Information about Chairmen and presidents rehired as consultant after retiring :**  
**None.**

**(VIII) Whether the Company establishes any successor cultivation planning for the Board members and key management, and the operation of such planning**

1. Member of Board of Directors

The nomination system is adopted for the election of Yuanta FHC's Board members. The Nominating Committee recruits and recommends competent candidates based on the quota of electees and qualifications required from the electees. Then, the directors will be elected among the candidates together with the nominees recommended by shareholders at a shareholders' meeting upon approval of the Board of Directors meeting.

The successor cultivation planning for Yuanta FHC's Board members shall not only satisfy the conditions required by laws and regulations, but also recruit competent candidates based on Yuanta FHC's development orientation and mid-term and long-term strategic goals and by taking into account the diversified background and independence standards, such as professional knowledge, expertise, experience, and gender of the Board members. The candidates of Yuanta FHC's director successors shall hold the diversified professional knowledge and skills (e.g. finance, law, accounting, industry, financial, marketing or technology or risk management) and industry experience, and as a whole, they shall also hold the abilities including the ability to make judgments about operations, accounting and financial analysis ability, operational ability(including the management of subsidiaries), ability to manage crisis, industrial knowledge, international market perspective, leadership, decision-making ability, and risk management knowledge and ability.

Additionally, in order to balance the planning for appointment of professional



directors of the financial holding Company's board of directors and Yuanta FHC's strategic business development, the Board members shall hold not only said abilities but also the abilities related to the focus of Yuanta FHC's operations and mid-term and long-term stable growth development strategies and continued upgrading of the corporate governance, so as to practice the Board of Directors' functions to make decisions and supervise.

All of Yuanta FHC's existing key management team members and chief functional officers should attend the Board of Directors meetings and related meetings. They shall be familiar with the operation of the Board of Directors meetings and related meetings, and may also improve their expertise and decision-making ability step by step through the exchange of experiences and interaction, in connection with the development and preparation of Yuanta FHC's strategies, supervision and execution of internal control and compliance, and oversight of and response to risk management. Meanwhile, Yuanta FHC continues to improve the succeeding directors' expertise and literacy in response to the learning mechanism and channels of various continuing education courses for directors. Additionally, Yuanta FHC appoints professionals and senior managers to serve as directors in its subsidiaries to participate in the supervision and management of the subsidiaries' development planning, internal control, compliance, and risk control, ensuring that their abilities to serve as directors of Yuanta FHC are well founded. Yuanta FHC's current President, along with most of its chief functional officers and related management, have held positions, including director, in Yuanta FHC's subsidiaries. Actually, they are already familiar with the operations of the Board of Directors, decision-making, and various companies' internal controls, risk controls, compliance and corporate strategic planning. Such policy to combine personal expertise through practical engagement may help upgrade the horizon of decision-making and the ability to supervise and, therefore, can form the best talent pool for the successor planning by the Board of Directors of Yuanta FHC. Yuanta FHC will conduct the performance appraisal on the directors and those appointed as directors of various subsidiaries on a yearly basis. Meanwhile, Yuanta FHC will also conduct performance appraisal on its senior management as the reference for future selection of the director successors.

Generally, Yuanta FHC's director succession plan not only recruits competent professionals from outside Yuanta FHC but also prepares successors by training Yuanta FHC's and its subsidiaries' directors and senior management, in order to balance "profession" and "transfer of experience", thereby establishing a fair foundation for Yuanta FHC's sustainability.

Yuanta FHC re-elected the Board of Directors on June 10, 2022. Based on Yuanta FHC's development orientation and mid-term and long-term strategic goals, President Chien Weng of Yuanta FHC and Independent Director Sharon S. Yang of Yuanta Life were elected as new directors, who should be considered as the qualified successors based on the professional qualifications that meet Yuanta FHC's diversity policy and targets.

In 2022, Yuanta FHC recruited many professionals to serve as directors and

independent directors of its subsidiaries, including Mr. Pin Cheng Chen (former Vice Chairman of KGI Futures) as the director of its subsidiaries including Yuanta Securities and Yuanta Futures, Mr. Chi Chun Liu (Director of NTU Center for the study of Banking and Finance), Mr. Chin Ting Pan (former Chairman of FamilyMart), Mr. Chung Chuan Wu (former Deputy Director General of Insurance Bureau, FSC), Mr. An Pin Chen (former Director of NCTU FinTech Center), Ms. Ya Li Sun (Director of the National Institute of Cyber Security) and Mr. Biing Shen Kuo (former Director of First Financial Holding) as the independent directors of the subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life and Yuanta futures. Meanwhile, Ms. Jui Han Hu (former Director of News Department, Unique Satellite TV) was retained as the Chairman of Yuanta Securities Investment Consulting. The external professionals' involvement in the board of directors of Yuanta FHC's subsidiaries not only broadens its vision for decision-making, but also strengthens supervisory capabilities and corporate governance. It also significantly improves the effectiveness of the Board of Directors.

The current Chairman of Yuanta FHC, Tony Shen; the President of Yuanta FHC, Chien Weng; the President of Yuanta Bank, Tsai Yu Chang; the Chairman of Yuanta Securities, Hsiu Wei Chen (Vincent); the Chairman of Yuanta Futures, Tien Fu Lin; the Chairman of Yuanta Securities Finance, Shao Sing Gong; and the Chairman of Yuanta Venture Capital, Arthur Chen, all previously held senior management positions within the Yuanta Group. All of these reflect Yuanta FHC's performance of the "profession" and "transfer of experience" under the successor plan.

2. Successor cultivation planning for the key management, and the operation of such planning

According to Article 53-1 of the "Yuanta FHC Corporate Governance Best-Practice Principles," "Yuanta FHC shall establish the succession planning for the management and have the Board of Directors evaluate the development and execution of such planning periodically, in order to ensure the corporate sustainability." Yuanta FHC's key management include President, General Auditor, chief functional officers, chief executive officers and department heads, 95% of whom held the position after job transfer and internal promotion. Yuanta FHC values the training of successors. 92.47% of the supervisors of departments or above in Yuanta Group and its subsidiaries were promoted internally.

Yuanta FHC selects the key management's successors based on the expertise and experience, work performance, development potential, compatibility with the enterprise's core value and individual development willingness of the key talents. For the time being, 1 to 3 successor candidates would be nominated for each key manager. Meanwhile, the successor candidates need to undergo the cross-company or cross-functional job training and attend the courses on compliance, finance, strategic management and corporate governance. They will also be assigned to attend Yuanta FHC's important meetings, such as performance review meetings, periodically, and act as a key manager's functionary substitute. In conclusion, said diversified development model might help each successor candidate have the in-depth knowledge about the Group's overall development strategies, policy-making

logic, cross-company communication and negotiation mechanism, and execution of policies, in order to train them about the logic and sophistication which the management shall have in thinking and execution.

The talent training and successor cultivation have been included as an important indicator for Yuanta FHC's performance appraisal on the management at all levels. Yuanta FHC conducts mid-term and final performance appraisals to measure the development results and maturity of the successor each year, adequately adjust the training and job transfer development plans for next year, and report the status of successor cultivation to the Nominating Committee and Board of Director for review each year.

For the appointment of management, Yuanta FHC will review the successor candidates' qualifications in accordance with the Yuanta FHC Regulations Governing Appointment and Management of Managers and job descriptions, the chairman will be asked to approve and recommend the successor. After the Audit committee/ Nominating committee has reviewed and approved the nomination, the Audit committee/ Nominating committee will submit the nomination to the board of directors for review and decision.

In 2024, the Auditor-General of Yuanta Bank, Sung Shan Chao, succeeded to the position of Auditor-General of Yuanta FHC. The Chief International Operations Officer of Yuanta FHC, Wei Cherng Hwang (Bobby), concurrently served as the Chief Strategy Officer of Yuanta FHC, while the Vice President of Yuanta Bank, Wei Ning Chang, succeeded to the position of Vice Chief Accounting Officer of Yuanta FHC as part of Yuanta FHC's important management succession plan.

### III. Status of Corporate Governance

#### (I) Operation of the Board of Directors

1. The board held 12(A) meetings during 2024; the attendance of directors is summarized as follows :

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman	Ting Chien Shen (Tony)	12	0	100	
Director	Wei Chen Ma (Michael)	12	0	100	
Director	Representative of Tsun Chueh Investment Co., Ltd. : Chung Yuan Chen	12	0	100	
Director	Representative of Tsun Chueh Investment Co., Ltd. : Daniel Y.M. Song	12	0	100	
Director	Representative of Modern Investment : Chien Weng	12	0	100	
Independent Director	Ming Ling Hsueh	12	0	100	
Independent Director	Kuang Si Shiu	12	0	100	
Independent Director	Hsing Yi Chow	12	0	100	
Independent Director	Sharon S. Yang	12	0	100	

Other items to be stated :

- I. Where the operation of the Board of Directors meets any of the following circumstances, the minutes concerned shall clearly state the meeting date, term, contents of motions, opinions of all independent directors, and Yuanta FHC's resolution of said opinions :
  - (I) For resolution(s) passed pursuant to Article 14 -3 of the Securities and Exchange Act : Not applicable, as Yuanta FHC has established the Audit Committee and Article 14 -5 of the Act shall apply.
  - (II) Any other resolution(s) passed but with independent directors voicing opposing or qualified opinions on the record or in writing : None.
- II. In instances where a director recused himself/herself due to a conflict of interest, the minutes shall clearly state the director's name, contents of the motion and resolution thereof, reason for not voting and actual voting counts :
  - (I) 23rd meeting of the 9th Board of Directors on January 31, 2024
    1. For performance appraisal on the group performance bonus for Yuanta FHC's Chairman of Board in 2023.  
Resolution : Except for Chairman Ting Chien Shen (Tony), who recused himself from the discussion and voting on the motion due to a conflict of interest, the remaining directors present unanimously agreed to approve the motion. (Independent Director Kuang Si Shiu acted as the chairperson at the time of voting.)
    2. For performance appraisal on the group performance bonus for Yuanta FHC's Managers in 2023.  
Resolution : Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.
  - (II) 24th meeting of the 9th Board of Directors on March 14, 2024

1. Matters related to the 2024 annual general meeting convened by Yuanta FHC.

Resolution : Director Wei Chen Ma(Michael), who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

2. Motion for allocation of remuneration to directors 2023.

Resolution : Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. Except for Directors Wei Chen Ma(Michael), Chung Yuan Chen, Y.M. Song, and Chien Weng, who recused themselves from the discussion and voting on the motion due to conflicts of interest, the remaining directors present unanimously agreed to approve the motion. The motion will also be presented at this year's annual shareholders' meeting.

3. Motion for allocation of remuneration to employees 2023.

Resolution : Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. Except for Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously addition to. The motion will also be reported to the annual general meeting this year.

4. Joint sale of Chengde Building by the subsidiaries, Yuanta Securities and Yuanta Bank.

Supplementary notes :

(1) Chairman Ting Chien Shen (Tony), Director Wei Chen Ma (Michael) (whose relative by blood within the 2nd degree of kinship, Victor Ma, holds the position of director at Yuanta Securities), and Independent Director Hsing Yi Chow, who recused themselves from discussions regarding matters involving Yuanta Securities. Independent Director Ming Ling Hsueh acted as the chairperson preliminarily.

(2) Director Wei Chen Ma (Michael), Director Chung Yuan Chen, Director Daniel Y.M. Song, Director Chien Weng, Independent Director Ming Ling Hsueh and Independent Director Kuang Si Shiu recused themselves with respect to the part involving Yuanta Bank.

Resolution : Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. The motion was ratified as it was upon separate discussion and voting.

(III) 25th meeting of the 9th Board of Directors on March 27, 2024

Yuanta FHC purchased the 2024 Annual General Meeting souvenirs from the stakeholder, Taiwan FamilyMart Co., Ltd.

Resolution : Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. Except for Director Chien Weng, who recused himself from the discussion and voting on the matter due to a conflict of interest, the remaining directors present unanimously agreed to approve the motion after the "text was revised."

(IV) 28th meeting of the 9th Board of Directors on June 26, 2024

1. For the amendments to certain provisions of the "Yuanta Financial Holding Co., Ltd.'s Regulations Governing Shareholdings by Senior Management."

Resolution : Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

2. For evaluation and determination of Yuanta FHC's remuneration to managers.

Resolution : Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

3. For allocation of remuneration to employees 2023.

Resolution : Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

4. For allocation of remuneration to Yuanta FHC's directors (exclusive of independent directors) in 2023.

Resolution : Except for Directors Wei Chen Ma (Michael), Chung Yuan Chen, Daniel Y.M. Song, and Chien Weng, who recused themselves from the discussion and voting due to conflicts of interest, the remaining directors present unanimously agreed to approve the motion.

5. For allocation of remuneration to the directors and supervisors of invested enterprises appointed by Yuanta FHC in 2023.

Resolution : Except for Director Wei Chen Ma (Michael), whose relative by blood within the 2nd degree of kinship, Victor Ma, holds the position of director at Yuanta Securities, and who recused himself from the discussion and voting on the motion due to a conflict of interest, the remaining directors present agreed to pass the motion unanimously.

6. Discussion of the remuneration for the independent directors of Yuanta FHC and the establishment of "Regulations Governing the Remuneration to the Independent Directors of Yuanta Financial Holding Co., Ltd. and Subsidiaries."

Resolution : Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. Except for Independent Director Ming Ling Hsueh, Independent Director Kuang Si Shiu, Independent Director Hsing Yi Chow and Independent Director Sharon S. Yang recused themselves from the discussion and voting on the motion due to conflicts of interest, the remaining directors present unanimously agreed to approve the motion.

- (V) 29th meeting of the 9th Board of Directors on July 26, 2024

Yuanta FHC's plan to participate in the subscription for the subsidiary, Yuanshan Life Insurance Co., Ltd., in 2024 to increase the capital in cash.

Resolution : Except for Directors Wei Chen Ma (Michael), Director Daniel Y.M. Song, and Independent Director Sharon S. Yang, who recused themselves from the discussion and voting due to conflicts of interest, the remaining directors present unanimously agreed to approve the motion.

- (VI) 33rd meeting of the 9th Board of Directors on November 20, 2024

Yuanta FHC intends to purchase the software licensing for the Group's SAP financial accounting system from Yuanta Securities Co., Ltd., a stakeholder, for the centralized management of the Group's financial accounting system.

Resolution :

1. Chairman Ting Chien Shen (Tony), Director Wei Chen Ma (Michael) (whose relative by blood within the 2nd degree of kinship, Victor Ma, holds the position of director at Yuanta Securities), and Independent Director Hsing Yi Chow recused themselves from the discussion and voting on the motion. Independent Director Ming Ling Hsueh acted as the chairperson at the time of voting.
2. Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. Apart from the interested party, who recused himself, the remaining directors present agreed to pass the motions.

- (VII) 34th meeting of the 9th Board of Directors on December 25, 2024

Presentation of Yuanta FHC's audit plan for year 2025.

Resolution : Except Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

- (VIII) 35th meeting of the 9th Board of Directors on January 20, 2025

1. For performance appraisal on the group performance bonus for Yuanta FHC's Chairman of Board in 2024.

Resolution : Except Chairman Ting Chien Shen (Tony), who recused himself from the

discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously. (Independent Director Kuang Si Shiu acted as the chairperson at the time of voting.)

2. For performance appraisal on the group performance bonus for Yuanta FHC's Managers in 024.

Resolution : Except Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

- III. The TWSE/TPEX-listed company shall disclose the appraisal cycle and period, scope of appraisal, method and contents of appraisal about the Board of Directors' self (or peer) performance appraisal, and specify in the following Table.

Appraisal cycle (Note 1)	Once per year
Appraisal period (Note 2)	January 1, 2024 ~ December 31, 2024
Scope of appraisal (Note 3)	<p>Yuanta FHC takes into account Yuanta FHC's condition and needs when determining the scope of performance appraisal on the Board of Directors, which shall at least consist of the following 6 major elements :</p> <ol style="list-style-type: none"> <li>1. Degree of participation in Yuanta FHC's operation;</li> <li>2. Upgrading the quality of the Board of Directors' decision making;</li> <li>3. Formation and structure of the Board of Directors;</li> <li>4. Election and continuing education of directors;</li> <li>5. Internal control;</li> <li>6. Participation in ESG.</li> </ol> <p>The performance appraisal (self or peer) on the Board of Directors members shall at least consist of the following six elements :</p> <ol style="list-style-type: none"> <li>1. Alignment with Yuanta FHC's goals and mission;</li> <li>2. Awareness toward directors' responsibilities and duties;</li> <li>3. Degree of participation in Yuanta FHC's operation;</li> <li>4. Management of internal relations and communication;</li> <li>5. Expertise and continuing education of directors;</li> <li>6. Internal control.</li> </ol> <p>The performance appraisal on the Audit Committee shall at least consist of the following five elements :</p> <ol style="list-style-type: none"> <li>1. Degree of participation in Yuanta FHC's operation;</li> <li>2. Awareness toward Audit Committee's responsibilities and duties;</li> <li>3. Upgrading the quality of the Audit Committee's decision making;</li> <li>4. Formation and election of Audit Committee members;</li> <li>5. Internal control.</li> </ol> <p>The performance appraisal on the Remuneration Committee shall at least consist of the following five elements :</p> <ol style="list-style-type: none"> <li>1. Degree of participation in Yuanta FHC's operation;</li> <li>2. Awareness toward Remuneration Committee's responsibilities and duties;</li> <li>3. Upgrading the quality of the Remuneration Committee's decision making;</li> <li>4. Formation and election of Remuneration Committee members;</li> <li>5. Internal control.</li> </ol> <p>The performance appraisal on the Sustainable Development Committee shall at least consist of the following five elements :</p> <ol style="list-style-type: none"> <li>1. Degree of participation in Yuanta FHC's operation;</li> <li>2. Awareness toward Sustainable Development Committee's responsibilities and duties;</li> <li>3. Upgrading the quality of the Sustainable Development Committee's decision making;</li> </ol>

	<p>4. Formation and election of the Sustainable Development Committee members; 5. Internal control.</p> <p>The performance appraisal on the Nominating Committee shall at least consist of the following six elements :</p> <p>1. Degree of participation in Yuanta FHC's operation; 2. Awareness toward the Nominating Committee's responsibilities and duties; 3. Nomination review and decision making; 4. Upgrading the quality of the Nominating Committee's decision making; 5. Formation and election of the Nominating Committee members; 6. Internal control.</p> <p>The performance appraisal on the Risk Management Committee shall at least consist of the following five elements :</p> <p>1. Degree of participation in Yuanta FHC's operation; 2. Awareness toward Risk Management Committee's responsibilities and duties; 3. Upgrading the quality of the Risk Management Committee's decision making; 4. Formation and election of the Risk Management Committee members; 5. Internal control.</p>
Method of appraisal (Note 4)	<p>Yuanta FHC conducts a self-assessment in the form of a questionnaire. The execution unit responsible for the performance appraisal collects the information about the Board of Directors and functional committee activities, and complete Schedule 1 hereto, "Board of Directors Self-Assessment Questionnaire"; Schedule 2 hereto, "Board Members (Self or Peer) Assessment Questionnaire"; Schedule 3 hereto, "Audit Committee Self-Assessment Questionnaire"; Schedule 4 hereto, "Remuneration Committee Self-Assessment Questionnaire"; Schedule 5 hereto "Sustainable Development Commission Self-Assessment Questionnaire"; Schedule 6 hereto, "Nominating Committee Self-Assessment Questionnaire" and Schedule 7 hereto, "Risk Management Committee Self-Assessment Questionnaire," respectively. Then, the questionnaires are collected uniformly, and the unit records the assessment report based on the scores per the assessment indicators, and submits the assessment results to the Nominating Committee and then to the Board of Directors for discussion.</p>
Contents of appraisal (Note 5)	<p>The Board of Directors' and functional committees' 2024 self-assessment results were handled in accordance with "Regulations Governing Performance Appraisal on Board of Directors and Functional Committees of Yuanta FHC." The relevant assessment results were also reported at the 11th Nominating Committee Meeting of the 9th Board of Directors on December 25, 2024 and the 34th meeting of the 9th Board of Directors on December 25, 2024 for discussion and approval.</p> <p>1. Board of Directors</p> <p>The "Board of Directors Self-Assessment Questionnaire" :</p> <p>Consisting of 6 elements and 48 assessment items, as self-assessed by nine(9) directors (including independent directors).</p> <p><b><u>Statistic results</u></b></p> <p>(1) Degree of participation in Yuanta FHC's operation (12 questions in total) : Positive comments given by all directors and independent directors.</p> <p>(2) Upgrading the quality of the Board of Directors' decision making (12 questions in total) : Positive comments given by all directors and independent directors.</p> <p>(3) Formation and structure of the Board of Directors (7 questions in total) : Positive comments given by all directors and independent directors.</p> <p>(4) Election and continuing education of directors (7 questions in total) : Positive comments given to the questions, other than Q36 which was not applicable as no new directors were elected in the current year, by all directors and independent directors.</p> <p>(5) Internal control (7 questions in total) : Positive comments given by all directors and independent directors.</p>



- (6) Degree of participation in ESG (3 questions in total) :  
Positive comments given by all directors and independent directors.  
**The entire assessment results** show that all of the nine(9) directors (including independent directors) gave positive comments on all of the elements.
2. Board members  
The “Board Members (Self or Peer) Assessment Questionnaire” :  
Consisting of 6 elements and 27 assessment items, as self-assessed by nine(9) directors (including independent directors).  
**Statistic results**
- (1) Alignment with Yuanta FHC’s goals and mission (4 questions in total) :  
Positive comments given by all directors and independent directors.
- (2) Awareness toward directors’ responsibilities and duties (6 questions in total) :  
Positive comments given to the questions, other than Q7 which was not applicable as no new directors were elected in the current year, by all directors and independent directors.
- (3) Degree of participation in Yuanta FHC’s operation (8 questions in total) :  
Positive comments given by all directors and independent directors.
- (4) Management of internal relations and communication (3 questions in total) :  
Positive comments given by all directors and independent directors.
- (5) Expertise and continuing education of directors (3 questions in total) :  
Positive comments given by all directors and independent directors.
- (6) Internal control (3 questions in total) :  
Positive comments given by all directors and independent directors.  
**The entire assessment results** show that all of the nine(9) directors (including independent directors) gave positive comments on all of the elements.
3. Audit Committee  
The “Audit Committee Performance Self-Assessment Questionnaire” :  
Consisting of 5 elements and 34 assessment items, as self-assessed by four(4) members.  
**Statistic results**
- (1) Degree of participation in Yuanta FHC’s operation (9 questions in total) :  
Positive comments given by all members.
- (2) Awareness toward Audit Committee’s responsibilities and duties (5 questions in total) : Positive comments given by all members.
- (3) Upgrading the quality of the Audit Committee’s decision making (8 questions in total) : Positive comments given by all members.
- (4) Formation and election of Audit Committee (5 questions in total) : Positive comments given by all members.
- (5) Internal control (7 questions in total) : Positive comments given by all members.  
**The entire assessment results** show that all of the four(4) members gave the positive comments on all of the elements.
4. Remuneration Committee  
The “Remuneration Committee Performance Self-Assessment Questionnaire” :  
Consisting of 5 elements and 26 assessment items, as self-assessed by four(4) members.  
**Statistic results**
- (1) Degree of participation in Yuanta FHC’s operation (5 questions in total) :  
Positive comments given by all members.
- (2) Awareness toward Remuneration Committee’s responsibilities and duties (7 questions in total) : Positive comments given by all members.
- (3) Upgrading the quality of the Remuneration Committee’s decision making (8 questions in total) : Positive comments given by all members.

- (4) Formation and election of Remuneration Committee (4 questions in total) :  
Positive comments given by all members.
- (5) Internal control (2 questions in total) : Positive comments given by all members.

**The entire assessment results** show that all of the four(4) members gave the positive comments on all of the elements.

5. Sustainable Development Committee

The “Sustainable Development Committee Performance Self-Assessment Questionnaire” :

Consisting of 5 elements and 30 assessment items, as self-assessed by five(5) members.

**Statistic results**

- (1) Degree of participation in Yuanta FHC’s operation (9 questions in total) :  
Positive comments given by all members.
- (2) Sustainable Development Committee’s responsibilities and duties (3 questions in total) : Positive comments given by all members.
- (3) Sustainable Development Committee’s responsibilities and duties (10 questions in total) : Positive comments given by all members.
- (4) Formation and election of Sustainable Development Committee (4 questions in total) : Positive comments given by all members.
- (5) Internal control (4 questions in total) :  
Positive comments given by all members.

**The entire assessment results** show that all of the five(5) members gave the positive comments on all of the elements.

6. Nominating Committee

The “Nominating Committee Performance Self-Assessment Questionnaire” :

Consisting of 6 elements and 33 assessment items, as self-assessed by five(5) members.

**Statistic results**

- (1) Degree of participation in Yuanta FHC’s operation (6 questions in total) :  
Positive comments given by all members.
- (2) Awareness toward Nominating Committee’s responsibilities and duties (6 questions in total) : Positive comments given by all members.
- (3) Nomination review and decision-making (6 questions in total) : Positive comments given to the questions, other than Q13-17 which was not applicable as no election was held in the current year, by all directors and independent directors.
- (4) Upgrading the quality of the Nominating Committee’s decision making (8 questions in total) : Positive comments given by all members.
- (5) Formation and election of Nominating Committee (3 questions in total) :  
Positive comments given by all members.
- (6) Internal control (4 questions in total) : Positive comments given by all members.

**The entire assessment results** show that all of the five(5) members gave the positive comments on all of the elements.

7. Risk Management Committee

The “Risk Management Committee Performance Self-Assessment Questionnaire” :

Consisting of 5 elements and 26 assessment items, as self-assessed by three(3) members.

**Statistic results**

- (1) Degree of participation in Yuanta FHC’s operation (6 questions in total) :  
Positive comments given by all members.

- (2) Awareness toward Risk Management Committee’s responsibilities and duties (5 questions in total) : Positive comments given by all members.
- (3) Upgrading the quality of the Risk management’s decision making (8 questions in total) : Positive comments given by all members.
- (4) Formation and election of Risk Management Committee (4 questions in total) : Positive comments given by all members.
- (5) Internal control (3 questions in total) : Positive comments given by all members.

**The entire assessment results** show that all of the three(3) members gave the positive comments on all of the elements.

**Summarized results of the annual assessment :**

According to the performance assessment results, all directors (including independent directors) gave positive comments on the efficiency and operation of the Board of Directors and functional committees. The Board of Directors and functional committee members have assessed the elements including “Degree of participation in Yuanta FHC’s operation,” “Formation and structure of the Board of Directors,” “Formation of committees and election of committee members,” “Awareness toward directors’ responsibilities and duties,” “Improvement of meeting decision-making quality,” “Expertise and continuing education of directors,” “Internal control,” “Assessment and supervision of risk management mechanism,” “Supervision of legal compliance and best-practice principles” and “Participation in ESG” and all considered that the Board and committees operated satisfactorily and practiced their functions thoroughly.

Note 1 : To specify the cycle of appraisal on the Board of Directors, e.g. once per year.

Note 2 : To specify the period for which the appraisal on the Board of Directors will persist, e.g. the performance appraisal on the Board of Directors persisting from January 1, 2024 to December 31, 2024.

Note 3 : The scope of appraisal covers the performance appraisal on the Board of Directors, individual Board members, and functional committees.

Note 4 : The method of appraisal includes Board of Directors self-assessment, Board members’ self-assessment, peer assessment, external professional organization’s assessment, and performance appraisal by experts or in any other adequate manners.

Note 5 : The contents of appraisal shall consist of, at least, the following elements, subject to the scope of appraisal :

- (1) Performance appraisal on Board of Directors : To cover, at least, degree of participation in Yuanta FHC’s operation, Quality of the Board of Directors’ decision making, formation and structure of the Board of Directors, election and continuing education of directors, and internal control, et al..
- (2) Performance appraisal on individual Board member : To cover, at least, alignment with Yuanta FHC’s goals and mission, awareness toward directors’ responsibilities and duties, degree of participation in Yuanta FHC’s operation, management of internal relations and communication, expertise and continuing education of directors, and internal control, et al..
- (3) Performance appraisal on functional committees : degree of participation in Yuanta FHC’s operation, awareness toward functional committees’ responsibilities and duties, quality of the functional decision making, formation of the functional committees and election of members, and internal control, et al..

IV. Measures undertaken during the current year and in the most recent year in order to strengthen the functions of the Board of Directors (such as the establishment of an audit committee and improvement of information transparency, etc.) and assessment on their implementation :

- (I) In the spirit of ethical management and upholding the enterprise culture, Yuanta FHC follows corporate governance, compliance, and risk control mechanisms. It manages the business stably in the changing financial environment to provide stakeholders with comprehensive, high-quality services. In order to explicitly declare and continually demonstrate Yuanta FHC’s commitment

to upgrading and improving its corporate governance, corporate social responsibility, and ethical management practices, Yuanta FHC has appointed the Taiwan Corporate Governance Association, a third independent organization, to conduct periodic in-depth assessments of its corporate governance system. It reviews the completeness of the related system, the fulfillment of the same, and the validity of the feedback mechanism to provide reference information that helps Yuanta FHC establish the future corporate governance system development plan. Yuanta FHC passed the Taiwan Corporate Governance Association's "CG6014 (2023) Corporate Governance Framework Assessment Certificate with Distinguished Honor" in 2024. This certification is effective from December 27, 2024 to December 26, 2026.

- (II) In order to implement the concept of corporate sustainable development and become an "international sustainable benchmark enterprise," Yuanta FHC has combined the United Nations Sustainable Development Goals (SDGs) with the international sustainable framework and incorporated environmental, social and corporate governance guidelines into its corporate culture and operating strategy. In 2018, Yuanta FHC established the Sustainable Management Committee under the Board of Directors (renamed the Sustainable Development Committee in 2023). The Committee members consist of the Chairman and four independent directors, and the Chairman is elected by the members from among themselves to act as the Committee convener. The "Integrity Management Office" and "Corporate Sustainability Office" (independent directors attend the meetings convened by various offices and provide guidance) are established under the Committee to take charge of the implementation of routine matters and the Group's "Sustainable Development Strategic Roadmap." Said two offices regularly report to the Sustainable Development Committee and the Board of Directors on the work plan and implementation results, in order to fulfill the Board of Directors' responsibility for supervision.
- (III) In order to improve Yuanta FHC's candidate nomination system, Yuanta FHC has established a Nominating Committee since 2019 to select directors with practical management experience and establish the standard operating procedures for nomination. So far, Yuanta FHC has completed the re-election of the Board of Directors for two terms. Further, since 2022, the review of senior managers' qualifications has been included in the duties of the Nominating Committee to strengthen the Board of Directors' function of supervising talent cultivation, and also in response to the succession plan for directors and senior managers for the effective implementation of Yuanta FHC's "profession" and "transfer of experience" under the successor plan. On April 24, 2024, the 9th Nominating Committee meeting of the 9th Board of Directors and the 26th meeting of the 9th Board of Directors passed a resolution to include a motion that directors of different genders account for one-third of the director seats in the diversity policy goal. Yuanta FHC plans to increase the number of female directors during the election of directors in 2025, in order to achieve the goal of having one-third of the director seats occupied by women.
- (IV) In order to improve and strengthen the risk management mechanism of Yuanta FHC, the Board of Directors passed a resolution on March 15, 2023 to transform the Risk Management Committee into a functional committee under the supervision of the Board of Directors, and had Yuanta FHC's directors with risk management backgrounds participate in supervision and direction of the risk management policies to enhance the functions of the Board of Directors.
- (V) In July 2024, Yuanta FHC entrusted the "Taiwan Corporate Governance Association" to conduct the performance evaluation of the Board of Directors from August 1, 2023, to July 31, 2024. The Association appointed three experts to form the Board of Directors' performance evaluation team and to conduct the external performance evaluation of the Board of Directors based on various data provided by Yuanta FHC, the results of the online questionnaire completed by the Board members, public information, and the results of interviews with relevant members. The Association and experts had no business transactions with Yuanta FHC and, therefore, acted independently. The appraisal report was provided on October 29, 2024. Yuanta FHC reported the appraisal results at 34th meeting of the 9th Board of Directors on December 25, 2024, and continued to plan, establish and improve the Board of Directors' functions based on the appraisal

results.

(VI) Yuanta FHC's Regulations Governing Procedure for Board of Directors Meetings expressly provide that each director's annual attendance ratio is advised to attain 80% or more, and the annual attendance ratio is included into the performance appraisal on directors as one of the indicators. A total of 12 Board of Directors meetings were convened in 2024. The directors' average attendance ratio attained 100%.

(VII) According to the Sustainable Development Action Plan Initiative for TWSE/TPEX Listed Companies (2023), announced by the FSC at the 34th meeting of the 9th Board of Directors, Yuanta FHC passed a resolution on December 25, 2024, to designate the responsible person of the Corporate Sustainability Office as the Chief Sustainability Officer. The Chief Sustainability Officer will lead the Corporate Sustainability Office to continue coordinating the promotion of sustainable strategies, facilitate cross-department cooperation, and supervise the effectiveness of sustainable project implementation.

In order to practice the corporate governance, strengthen the support to help directors exercise powers and facilitate the Board of Directors to practice its functions, the corporate governance officer should be served by the Chief Secretary of the Board of Directors, primarily responsible for providing directors (including independent directors) with the information required by them to perform their duties, help the directors with compliance affairs, and process the affairs related to directors' meetings and shareholders' meetings pursuant to laws to protect shareholders' equity and enhance the Board of Directors' functions. According to Article 24 of the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers," Yuanta FHC's Chief Corporate Governance Officer has completed the continuing education for 12 hours in 2024.

Name	Title	Course name	Organizing agency	Continuing professional education hours (hrs)	Total hours annually
Lawrence Lee	Chief Corporate Governance Officer	Seminar on strengthening sustainable governance with enhanced resilience	Taiwan Corporate Governance Association	2	14
		Practices on AML and CFT and Prevention of Insider Trading Promotion	Institute of Financial Law and Crime Prevention	3	
		Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	Taiwan Securities Association	3	
		Information security threat trend and crisis management	Taiwan Securities Association	3	
		Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	Taiwan Securities Association	3	

Note 1 : The name and representative of the institutional shareholder of any director who is a corporation, if any, shall be disclosed.

Note 2 : Yuanta FHC's directors (including independent directors) of the 9th term were elected on June 10, 2022.

Note 3 : (1) Where a specific director may be relieved from duties before the end of the fiscal year, specify the date of discharge in the "Remark" section. Actual attendance rate (%) was calculated based on the number of board meetings held during each director's term and the number of meetings actually attended by that director.

(2) Where a reelection may be held for filling the vacancies of directors before the end of the fiscal year, list both the new and the discharged directors, and specify if they are the former directors, or newly elected, re-elected and the date of the reelection in the "Remark" section. Actual attendance rate (%) was calculated on the basis of the number of board meetings held during each director's term and the number of meetings actually attended by that director.

- Attendance of independent directors at various Board of Directors meetings in the most recent year (2024)

◎ : In person; ☆ : By proxy; \* : Absent; - : Not yet take office/Not attending upon dismissal

2024	1	2	3	4	5	6	7	8	9	10	11	12
Ming Ling Hsueh	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Kuang Si Shiu	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Hsing Yi Chow	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎
Sharon S. Yang	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎	◎

## (II) Functions, Annual Key Work and Operations of the Audit Committee

- Yuanta FHC's Audit Committee consists of 4 independent directors. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight of the quality and integrity of Yuanta FHC's implementation of accounting, auditing, financial reporting processes and financial control. Member professional qualifications and experience refer to page 17 for the “(IV) Disclosure of information about professional qualifications and independence of directors and independent directors.”
- The number of persons, term of office and authority of Yuanta FHC’s audit committee shall be subject to Article 3, Article 4, Article 5 and Article 6 of the Articles of Association for Yuanta FHC’s Audit Committee. The relevant regulations are disclosed in the “Major Internal Policies” in the section of “Sustainability” on Yuanta FHC’s website.
- The Audit Committee held 13 (A) meetings in the most recent year (2024). The attendance of independent directors is summarized as follows :

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) [B/A] (Note 3)	Remarks
Independent Director	Ming Ling Hsueh	13	0	100	
Independent Director	Kuang Si Shiu	13	0	100	
Independent Director	Hsing Yi Chow	13	0	100	
Independent Director	Sharon S. Yang	13	0	100	

Other items to be stated :

- Where the operation of the Audit Committee meets any of the following circumstances, the minutes concerned shall clearly state the meeting date, term, contents of motions, any independent director’s opinions expressing objections or reservations or important suggestions, Audit Committee’s resolution and Yuanta FHC’s resolution of Audit Committee’s opinions :

- The circumstances referred to in Article 14 -5 of the Securities and Exchange Act;

- 22nd meeting of the 9th Audit Committee on January 23, 2024

For the assessment on independence of Yuanta FHC’s independent auditors, audit quality indicators, and appointment of and remuneration to the independent auditors in 2024.

Resolution made by the Audit Committee : approved by all present members unanimously.  
Yuanta FHC's action against the Audit Committee's opinion :  
Approved by all present directors unanimously at the 23rd meeting of the 9th Board of Directors on January 31, 2024.

2. 23rd meeting of the 9th Audit Committee on February 27, 2024

Joint sale of Chengde Building by the subsidiaries, Yuanta Securities and Yuanta Bank.

Audit Committee's Resolution : The motion was ratified upon separate discussion and voting.

Yuanta FHC's action against the Audit Committee's opinion :

Upon the 24th meeting of the 9th Board of Directors convened on March 14, 2024, Yuanta FHC has a total of nine(9) directors, and a total of nine(9) directors attended the meeting. The motion was ratified as it was upon separate discussion and voting.

3. 24th meeting of the 9th Audit Committee on March 14, 2024

(1) Motion for Yuanta FHC's consolidated financial statements 2023.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 24th meeting of the 9th Board of Directors on March 14 2024.

(2) Yuanta FHC's 2023 earnings appropriation.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 24th meeting of the 9th Board of Directors on March 14, 2024, and presented to the annual general meeting for recognition this year.

(3) For Yuanta FHC's issuance of new shares upon capital increase from earnings 2023.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 24th meeting of the 9th Board of Directors on March 14, 2024, and reported to the annual general meeting for discussion this year.

4. 25th meeting of the 9th Audit Committee on March 19, 2024

Approved of Yuanta FHC's 2023 Statement on Internal Control System.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 25th meeting of the 9th Board of Directors on March 27 2024.

5. 26th meeting of the 9th Audit Committee on April 16, 2024

Changes in Yuanta FHC's Auditor-General.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 26th meeting of the 9th Board of Directors on April 24 2024.

6. 27th meeting of the 9th Audit Committee on May 21, 2024

Motion for Yuanta FHC's consolidated financial statements Q1 of 2024.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 27th meeting of the 9th Board of Directors on May 22, 2024.

7. 29th meeting of the 9th Audit Committee on July 16, 2024
- (1) Yuanta FHC's plan to participate in the subscription for the subsidiary, Yuanshan Life Insurance Co., Ltd., in 2024 to increase the capital in cash.  
 Audit Committee's Resolution : Except Independent Director Sharon S. Yang, who recused herself from discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion :  
 Upon the 29th meeting of the 9th Board of Directors convened on July 26, 2024, Director Wei Chen Ma (Michael), Director Daniel Y.M. Song, and Independent Director Sharon S. Yang, the stakeholders, recused themselves from discussion and voting on the motion; the remaining directors present agreed to pass the motion unanimously.
- (2) For Yuanta FHC's issuance of new shares upon a capital increase from earnings in 2023, as well as the determination of the record dates for the distribution of stock dividends and the issuance of new shares upon the capital increase, etc.  
 Resolution made by the Audit Committee : approved by all present members unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion :  
 Approved by all present directors unanimously at the 29th meeting of the 9th Board of Directors on July 26, 2024.
8. 30th meeting of the 9th Audit Committee on August 20, 2024  
 Motion for Yuanta FHC's consolidated financial statements Q2 of 2024.  
 Resolution made by the Audit Committee : approved by all present members unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion :  
 Approved by all present directors unanimously at the 30th meeting of the 9th Board of Directors on August 23, 2024.
9. 33rd meeting of the 9th Audit Committee on November 19, 2024
- (1) Motion for Yuanta FHC's consolidated financial statements Q3 of 2024.  
 Resolution made by the Audit Committee : approved by all present members unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion :  
 Approved by all present directors unanimously at the 33rd meeting of the 9th Board of Directors on November 20, 2024.
- (2) Yuanta FHC intends to purchase the software licensing for the Group's SAP financial accounting system from Yuanta Securities Co., Ltd. for the centralized management of the Group's financial accounting system.  
 Audit Committee's Resolution : Except Independent Director Hsing Yi Chow, who recused herself from discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion :  
 Yuanta FHC had a total of 9 directors. The 33rd meeting of the 9th of Board of Directors was attended a total of 9 directors on November 20, 2024. Except Director Ting Chien Shen (Tony), Director Wei Chen Ma (Michael) and Independent Director Hsing Yi Chow, who recused themselves from the discussion and voting on the motion as the stakeholders, the remaining directors present agreed to pass the motion unanimously.
10. 34th meeting of the 9th Audit Committee on December 17, 2024
- (1) The motion for the related planning of Yuanta FHC for incorporation of sustainable information management into the internal control system.  
 Resolution made by the Audit Committee : approved by all present members unanimously.  
 Yuanta FHC's action against the Audit Committee's opinion : Approved by all present directors unanimously at the 34th meeting of the 9th Board of Directors on



December 25, 2024.

(2) Presentation of Yuanta FHC's audit plan for year 2025.

For Yuanta FHC's plan to participate in the subscription for 30,000,000 shares of Yuanta Futures Co., Ltd. in 2024, based on the original shareholding ratio and in the capacity of a specific person, the preliminary price range is NT\$65 to NT\$85 per share (based on the final issuance price), and the maximum subscription amount is NT\$2,295 million.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 34th meeting of the 9th Board of Directors on December 25, 2024.

(3) Presentation of Yuanta FHC's audit plan for year 2025.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion : At the 34th meeting of the 9th Board of Directors on December 25, 2024, except Director Chien Weng, who recused himself from the discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously.

11. 35th meeting of the 9th Audit Committee on January 16, 2025

For the assessment on independence of Yuanta FHC's independent auditors, audit quality indicators, and appointment of and remuneration to the independent auditors in 2025.

Resolution made by the Audit Committee : approved by all present members unanimously.

Yuanta FHC's action against the Audit Committee's opinion :

Approved by all present directors unanimously at the 35th meeting of the 9th Board of Directors on January 20, 2025.

(II) Aside from said circumstances, resolution(s) not passed by the audit committee but receiving the consent of two thirds of the Board of Directors : None.

II. In instances where an independent director recused himself/herself due to a conflict of interest, the minutes shall clearly state the director's name, contents of the motion and resolution thereof, reason for not voting and actual voting counts :

(I) 23rd meeting of the 9th Audit Committee on February 27, 2024

Joint sale of Chengde Building by the subsidiaries, Yuanta Securities and Yuanta Bank.

Supplementary notes :

The motion was discussed and voted on separately as follows :

1. Independent Director Ming Ling Hsueh and Director Kuang Si Shiu recused themselves from the part involving Yuanta Bank. Independent Director Hsing Yi Chow acted as the chairperson preliminarily.

2. Independent Director Hsing Yi Chow recused himself from the part involving Yuanta Securities.

Resolution : The motion was passed upon separate voting, and reported to the Board of Directors for resolution.

(II) 29th meeting of the 9th Audit Committee on July 16, 2024

Yuanta FHC's plan to participate in the subscription for the subsidiary, Yuanshan Life Insurance Co., Ltd., in 2024 to increase the capital in cash.

Resolution : Except Independent Director Sharon S. Yang, who recused herself from discussion and voting on the motion as the stakeholder, the remaining directors present agreed to pass the motion unanimously. The motion was also submitted to the Board of Directors for resolution.

(III) 33rd meeting of the 9th Audit Committee on November 19, 2024

Yuanta FHC intends to purchase the software licensing for the Group's SAP financial accounting system from Yuanta Securities Co., Ltd., a stakeholder, for the centralized management of the

Group's financial accounting system.

Resolution : Except Independent Director Hsing Yi Chow, who recused himself discussion and voting on the motion as the stakeholder, the remaining members present agreed to pass the motion unanimously, and the motion was submitted to the Board of Directors for resolution.

III. Communication between independent directors and internal auditing officers as well as CPAs on company finances and business situation (such as items discussed, means of communication and results, etc.) :

(I) In order to upgrade the efficiency and effect of operations and strengthen the interaction with the internal auditing unit and accounting unit, Yuanta FHC's Audit Committee adopted the "Communication Procedures for Audit Committee and Auditing Dept." and "Communication Procedures for Audit Committee and Independent Auditors" to supervise the auditing unit's performance and exercise of its duties and functions. All communications between the Audit Committee and internal auditors/external auditors followed said Regulations, which thus far have resulted in very good consequence. At the same time, internal auditors and external auditors will be evaluated separately at the end of each year for their overall performance, and the results are reported to the Board of Directors.

1. Status of communication between independent directors and CPAs :

- (1) Yuanta FHC's Audit Committee members consist of the whole independent directors. In order to upgrade the efficiency and effect of operations and strengthen the interaction with independent auditors, Audit Committee adopted the "Communication Procedures for Audit Committee and Independent Auditors" to supervise the adequate expression in Yuanta FHC's financial statements, as well as the independence and performance of the independent auditors.
- (2) The issues to be communicated periodically under the "Communication Procedures for Audit Committee and Independent Auditors" shall be communicated when the independent auditors are planning the audit, in the process of the audit, and prior to completion of the audit report. Yuanta FHC discloses the communication and results on its website. Besides, under any circumstances requiring communication, the communication may take place from time to time to maintain the fair communication between the independent auditors and Audit Committee.
- (3) The 2024 communication meeting between Audit Committee and independent auditors provided the explanation about finance and income upon audit (review) per quarter. Meanwhile, the important issues are summarized as follows :
  - A. Discussion on the progress of legal actions involving Yuanta Securities' overseas subsidiaries, and the relevant accounting treatment.
  - B. Inquiry about the reasonableness of the method and parameter for valuation of the unlisted stocks.
  - C. Inquiry about the minimum tax system of the world's enterprises and its impact on the Group.
  - D. The firm's quality control procedure.
  - E. Information about the Audit Quality Indicator.

2. Status of communication between independent directors and internal audit officers :

- (1) Yuanta FHC has the Internal Auditing Dept. subordinated to the Board of Directors, which is responsible for the internal auditing affairs, and supervision, integration and performance appraisal by the subsidiaries on the affairs within the scope of their job duties, and reporting of the implementation status of the audit affairs of Yuanta FHC and its subsidiaries to Audit Committee and Board of Directors on a monthly basis.
- (2) Yuanta FHC's Internal Auditing Dept. continues to follow up the inspection comments or deficiencies mentioned in the internal auditing unit's and internal units' self-inspection report, and the improvements required in the Statement on Internal Control System, until they are corrected completely, and submit the report on deficiencies found in important inspections and follow up on improvement of the internally audited deficiencies to Audit Committee on a semi-annual basis.

- (3) Yuanta FHC's Internal Auditing Dept. reports the internal auditing system and self-inspection on internal control system to Audit Committee from time to time, and submits the amendments to annual audit plans, laws & regulations of the Internal Auditing Dept. ("Regulations Governing Implementation of Internal Audit" and "Directions Governing Performance Appraisal on Subsidiaries' Internal Audit Operations" etc.) and Statement on Internal Control System to Audit Committee for review.
- (4) The Audit Committee holds a communication meeting with internal auditors each year. The Auditor-General shall compile the internal audit-related matters in Yuanta FHC and its subsidiaries. The meeting is intended to communicate the issues of concern of the Audit Committee.
- (5) When Yuanta FHC or any of its subsidiaries reports any contingency, Yuanta FHC's Internal Auditing Dept. will notify all directors via email or message at the same time, and then report it to the Audit Committee to help the Audit Committee control the information at the very beginning.

(II) Yuanta FHC discloses the summary about the communication between independent directors and chief internal audit officers and CPAs in the "Other Committees/ Audit Committee" in the section of "Investor relations" > "Corporate Governance" on Yuanta FHC's website. (Website : <https://www.yuanta.com/EN/IR/Governance/Committees>).

Summary of the communication meetings between the Audit Committee and internal audit managers in 2022.

Date	Method of communication	Counterpart	Points of communication	Communication results
2024.01.23	Audit Committee	Auditor-General	1. Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in December 2023. 2. Status of the corrections made based on the inspection opinions provided by Financial Examination Bureau, Financial Supervisory Commission	1. Acknowledged, and transferred to the Board of Directors. 2. Acknowledged, and transferred to the Board of Directors.
2024.02.27	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in January 2024.	Acknowledged, and transferred to the Board of Directors.
2024.03.19	Audit Committee	Auditor-General	1. Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in February 2024. 2. 2023 Statement on Internal Control System.	1. Acknowledged, and transferred to the Board of Directors. 2. Approved, and reported to the Board of Directors for resolution.
2024.04.16	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in March 2024.	Acknowledged, and transferred to the Board of Directors.
2024.05.21	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in April 2024.	Acknowledged, and transferred to the Board of Directors.
2024.06.18	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in May 2024.	Acknowledged, and transferred to the Board of Directors.
2024.07.16	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in June 2024.	Acknowledged, and transferred to the Board of Directors.
2024.08.20	Audit Committee	Auditor-General	1. Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in July 2024. 2. Status of the corrections made	1. Acknowledged, and transferred to the Board of Directors. 2. Acknowledged, and transferred

			based on the inspection opinions provided by Financial Examination Bureau, Financial Supervisory Commission.	to the Board of Directors.
2024.09.18	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in August 2024.	Acknowledged, and transferred to the Board of Directors.
2024.10.15	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in September 2024.	Acknowledged, and transferred to the Board of Directors.
2024.11.19	Audit Committee	Auditor-General	1. Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in October 2024. 2. Yuanta FHC's appraisal report on the subsidiaries' internal audits.	1. Acknowledged, and transferred to the Board of Directors. 2. Acknowledged, and transferred to the Board of Directors.
2024.12.17	Audit Committee	Auditor-General	1. Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in November 2024. 2. Yuanta FHC's 2025 audit plan is presented for review.	1. Acknowledged, and transferred to the Board of Directors. 2. Approved, and reported to the Board of Directors for resolution.
2025.01.16	Audit Committee	Auditor-General	Summary report on the audit affairs of Yuanta FHC and its direct subsidiaries in December 2024.	Acknowledged, and transferred to the Board of Directors.

#### IV. Operation and functions of the audit committee :

- (I) Yuanta FHC's Audit Committee shall be responsible for "improve Yuanta FHC's internal mechanism and assist the Board of Directors in enhancing corporate governance performance". The members consist of independent directors. The Committee is considered as the most important functional committee for the operation of Yuanta FHC's Board of Directors. The Audit Committee will establish the "Annual plan for events and agenda" based on Yuanta FHC's mid-term and long-term development strategies each year, as the core of the execution of annual strategic objectives by Yuanta FHC's Board of Directors. The annual work focuses include review of Yuanta FHC's annual business and strategic planning, corporate governance-related issues, financial reports and internal audit affairs. The Audit Committee members consist of all independent directors, and the Committee is the most important functional committee in the operation of Yuanta FHC's Board of Directors. The Audit Committee and Board of Directors will execute the same and review the results of execution each year.
- (II) The Audit Committee functions primarily in order to supervise the adequate expression in Yuanta FHC's financial statements, appointment (dismissal), independence and performance of external auditors, effective implementation of Yuanta FHC's internal control and compliance with related laws and rules.
- (III) The responsibilities and duties of the Audit Committee are as follows :
  1. Adoption of or amendments to the internal control system.
  2. Appraisal on effectiveness of the internal control system.
  3. Adoption of or amendments to handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
  4. A matter bearing on the personal interest of a director.
  5. A material asset or derivatives transaction.
  6. A material monetary loan, endorsement, or provision of guarantee.

7. Offering, issuance, or private placement of equity-type securities.
8. Appointment or dismissal of the independent auditor CPA, or remuneration to the independent auditor.
9. The appointment or discharge of a financial, accounting, or internal auditing officer.
10. Financial reports of Q2 to be signed or affixed with a seal by the Chairman, managers and chief accountant, and also audited and certified by a CPA.
11. Any other material matter so required by Yuanta FHC or the competent authority.

The Audit Committee holds regular monthly meetings. Within the scope of its powers, managers of relevant departments may be invited; internal auditors, accountants, legal advisers or other personnel to attend the meetings and provide relevant and necessary information. However, they should leave the meeting during discussions and voting.

(IV) The Audit Committee has convened 13 meetings in total in 2024, which primarily reviewed the following motions and annual key work :

1. “2023 Consolidated financial Statements,” “2023 Statement on Internal Control System” and “Changes in Auditor-General.”
2. “2025 Audit Plan,” “Assessment on Independence of External Auditors and Audit Quality Indicators, and Appointment of and Remuneration to the External Auditors,” “Consolidated Financial Statements of Q1,” “Consolidated Financial Statements of Q2,” “Consolidated Financial Statements of Q3,” “Distribution of Earnings,” “Issuance of New Shares Upon Capital Increase out of Earnings,” “Plan to participate in the subscription for the subsidiary, Yuanshan Life Insurance Co., Ltd., in 2024 to increase the capital in cash,” “Issuance of New shares Upon Capital Increase out of Earnings and Determination of Record Date for Distribution of Stock Dividends and Record Date for Issuance of New Shares Upon Capital Increase” and “Plan to participate in the subscription for 30,000,000 shares of Yuanta Futures Co., Ltd. in 2024, based on the original shareholding ratio and in the capacity of a specific person, the price range is NT\$65 to NT\$85 per share (based on the final issuance price) preliminarily, and the maximum subscription amount is NT\$2,295 million.”
3. Amendments to the “Regulations Governing the Administration of Funds,” “Rules of Transaction with Interested Parties,” “Articles of Incorporation,” “Audit Committee Charter,” “Regulations Governing Equity Investments,” “Regulations Governing the Administration of Investment Enterprises,” “Measures for the Implementation of the Whistleblowing System,” and “Organization Regulations.”
4. Approved the motions for “Joint sale of Chengde Building by the subsidiaries, Yuanta Securities and Yuanta Bank,” “Yuanta FHC’s plan to purchase the software licensing for the Group’s SAP financial accounting system from Yuanta Securities Co., Ltd., a stakeholder, for the centralized management of the Group’s financial accounting system,” and “Yuanta FHC’s plan to purchase the software licensing for the Group’s SAP financial accounting system from Yuanta Securities Co., Ltd., a stakeholder.”
5. Approved the motions for “2023 mid- and long-term business strategy implementation status and review report” and established the “related planning for incorporation of sustainable information management into the internal control system.”

(V) The information about Audit Committee is disclosed in the “Other Committees/ Audit Committee” in the section of “Investor relations” > “Corporate Governance” on Yuanta FHC’s official website. (Website : <https://www.yuanta.com/EN/IR/Governance/Committees>).

Note 1 : Yuanta FHC’s independent directors were elected on June 29, 2007, and the audit committee was set up on the same day.

Note 2 : Yuanta FHC’s independent directors of the 9th term were elected on June 10, 2022.

Note 3 : (1) Where a specific independent director may be relieved from duties before the end of the fiscal year, specify the date of discharge in the “Remark” section. Actual attendance rate (%) was calculated based on the number of board meetings held during each director’s term and the number of meetings actually attended by that director.

(2) Where a reelection may be held for filling the vacancies of independent directors before the end of the fiscal year, list out both the new and the discharged independent directors, and specify if they are the former independent directors, or newly elected, re-elected and the date of the reelection in the “Remark” section. Actual attendance rate (%)

was calculated based on the number of board meetings held during each director's term and the number of meetings actually attended by that director.

**(III) Items disclosed in accordance with the Corporate Governance Best-Practice Principles for Financial Holding Companies**

On the home page of Yuanta FHC's website, the "Sustainability" section discloses information related to the operations of corporate governance at Yuanta FHC. ([https :  
//www.yuanta.com/EN/ESG/Governance](https://www.yuanta.com/EN/ESG/Governance))

**(IV) Status of corporate governance, departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and reasons for such departures**

Scope of Assessment	Status (Note 1)		Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	
<p>1. Equity structure and shareholders' rights of financial holding company</p> <p>(1) Whether the financial holding company has defined some internal operating procedure to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure?</p> <p>(2) Whether Yuanta FHC controls the name lists of the financial holding Company's major shareholders and their ultimate owners?</p> <p>(3) Whether the financial holding company establishes and implements some risk control</p>	<p>✓</p>	<p>1.</p> <p>(1) Yuanta FHC has "Contact Us" and "Contact Window" in the "Service Section" of the "Investor Relations" section on its website. The contact information is fully disclosed. Any suggestions, questions, or disputes and litigation matters from shareholders shall be directed to the appropriate personnel, who will handle such matters in a proper and objective manner in accordance with Yuanta FHC's internal procedures.</p> <p>(2) According to Article 11 of the "Regulations Governing Approvals of the Same Person's or Same Related Parties' Applications to Own More Than a Certain Percentage of the Issued Voting Shares of a Financial Holding Company", Yuanta FHC will, on a monthly basis, disclose the information about any change in the major shareholders' equity on MOPS, and check the consistency with the roster of shareholders whenever the transfer registration is suspended, in order to control the information about major shareholdings. Meanwhile, Yuanta FHC sets up the "Shareholder Structure" section under the "Investor Information" of the "Investor Relations" on Yuanta FHC's website that provides relevant forms for download.</p> <p>(3)</p> <p>A. Yuanta FHC has established a "Risk Management Department" being responsible for launching,</p>	<p>There was no departure in this respect.</p>

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
and firewall mechanisms between Yuanta FHC and its affiliates?			<p>supervising and implementing risk management measures. Each subsidiary has an independent risk management unit in place, depending on their business scale and risk attributes, to monitor the various risks involved.</p> <p>B. Yuanta FHC has complied with Articles 44 and 45 of the Financial Holding Company Act, regarding credit and non-credit transactions with related parties.</p> <p>C. Yuanta FHC has established the “Regulations Governing Operations Related to Financial Transactions with Affiliated Companies,” “Rules Governing Transactions with Related Parties,” “SOP for the General Power of Attorney Regarding the Non-Credit Transactions Between Yuanta FHC and Stakeholders Defined in Article 45 of the Financial Holding Company Act,” “Rules Governing the Transactions Between Yuanta FHC and Self-Disciplined Counterparts” and “Regulations Governing Confidentiality and Prevention of Conflict of Interest With Respect to Information Provided by or Database Established by Subsidiaries” for the fulfillment of risk control and firewall mechanism.</p> <p>D. Yuanta FHC has adopted the “Rules Governing Financial and Business Matters Between Yuanta Financial Holding Co., Ltd. and its Related Parties,” to manage the financial and business contacts or transactions between Yuanta FHC and related parties, and to prevent non-arm’s-length transactions and improper benefit transfers. According to the resolution passed at the 13th meeting of the 9th Board of Directors</p>	



Scope of Assessment	Status (Note 1)		Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	
<p>(4) Whether Yuanta FHC's internal rules are adopted and disclosed on Yuanta FHC's official website, which prohibit the insiders, such as Yuanta FHC's directors or employees, from seeking profit based on the information unavailable on the market, and how such rules are practiced?</p>		<p>on March 29, 2023, the applicable subjects of the Regulations were expanded from affiliated companies to all related parties. Additionally, it was required that important transactions with related parties be reported to the Board of Directors for resolution and submitted to a shareholders' meeting for approval, or reported to the shareholders' meeting.</p> <p>(4) Article 15 of Yuanta FHC's "Procedures for Integrity Management and Guidelines for Conduct" expressly provides that insider trading is strictly prohibited, which is also disclosed on Yuanta FHC's official website : Investor Relations&gt;Corporate Governance&gt; "Committees/Sustainable Development Committee."</p> <p>Website : <a href="https://www.yuanta.com/Res/Doc/Policies/CG/Procedures_for_Integrity_Management_and_Guidelines_for_Conduct_EN.pdf">https://www.yuanta.com/Res/Doc/Policies/CG/Procedures_for_Integrity_Management_and_Guidelines_for_Conduct_EN.pdf</a></p> <p>According to Yuanta FHC's "Integrity Management Guidelines," education, training and promotion shall be conducted regularly for directors, managers and employees. In 2024, in addition to providing all directors of Yuanta FHC with "Integrity Management and Law Compliance Promotion" materials, Yuanta FHC also held a total of two directors' refresher courses related to integrity management were organized for directors and supervisors of the Group. The topics and training hours included "Money Laundering Prevention and Countering of Terrorism Financing Practices and Promotion of Prevention of Insider Trading" attended by a total of 58 directors and supervisors on April 18, for a total of 174 hours, and the "Financial Consumer Protection Act</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			and Fair Dealing Policy” (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”) attended by a total of 52 directors and supervisors on May 16, for a total of 156 hours. In order to ensure that all employees and managers possess the correct knowledge and judgment regarding relevant laws and integrity conduct, the Group organizes the “Integrity Management and Law Compliance” program regularly each year. This program covers issues including customer data protection, financial consumer data protection, transactions with stakeholders, insider trading requirements, disclosure of M&A information, financial personnel integrity, ethics and legal liability, compliance resources, and the whistleblowing system. Said personnel are required to attend the program and pass the test. A total of 12,900 trainees have participated in the program and passed the test and the training lasted for 12,507 hours in total in 2024.	
2. Composition and responsibilities of board of directors (1) Has the financial holding company established the diversity policy about the members of the Board of Directors and discloses the specific management targets and fulfillment of such policy at Yuanta FHC’s website?	✓		2. (1) Yuanta FHC has established the “Procedure for Election of Directors”, in which Article 3 expressly defines that the overall composition of the Board of Directors shall be taken into consideration in the selection of the directors. In order to strengthen the functions of the Board of Directors and its management mechanism, Yuanta FHC formulates an appropriate diversity policy based on its business operation, business type, and development needs, including but not limited to, the following two general standards : A. Basic requirements and values : Gender, age, nationality, and culture, et al.	There was no departure in this respect.

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>B. Professional knowledge and skills : A professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.</p> <p>As stated in the subparagraph 2 of the preceding paragraph, each Board member of Yuanta FHC shall have the necessary knowledge, skills, and experience required to perform their duties. The professional knowledge and skills that must be present in the Board as a whole are stated as follows :</p> <p>A. Ability to make judgments about operations.</p> <p>B. Accounting and financial analysis ability.</p> <p>C. Business management ability (including ability to manage subsidiaries).</p> <p>D. Crisis management ability.</p> <p>E. Knowledge of the industry.</p> <p>F. An international market perspective.</p> <p>G. Leadership ability.</p> <p>H. Decision-making ability.</p> <p>I. Risk management knowledge and ability.</p> <p>According to said diversity policy, the diversity targets set by Yuanta FHC's existing Board of Directors and implementation status thereof are summarized as follows :</p> <p>A. The elected independent directors shall account for more than 40% of the elected directors : Yuanta FHC has four independent directors, accounting for 44%.</p> <p>B. Yuanta FHC has aimed to have one-third of the Board of Directors composed of members of different genders since the 10th term of the Board of Directors (2025). When the directors of the 9th Board of Directors were</p>	

Scope of Assessment	Status (Note 1)		Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	
			<p>re-elected in 2022, one(1) female independent director, Ms. Sharon S. Yang, was elected. When the directors of the 10th Board of Directors are re-elected in 2025, Yuanta FHC will aim to ensure that female directors account for one-third of the Board seats.</p> <p>C. Appoint the directors satisfying the natural-person professional qualifications, in accordance with 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.”Nine(9) directors of the 9th Board of Directors (including four independent directors) were elected in 2022, with five natural person professional directors (including four independent directors). Four seats of natural person professional directors shall be elected in accordance with said Regulations.</p> <p>The information about diversified policies on the Board of Directors is disclosed in the “Board of Directors” in the section “Investor relations” &gt; “Corporate Governance” on Yuanta FHC’s website. (Website : <a href="https://www.yuanta.com/EN/IR/Governance/Board">https://www.yuanta.com/EN/IR/Governance/Board</a>).</p> <p>(2) Yuanta FHC’s Board of Directors approved the establishment of the “Sustainable Development Committee” (formerly known as the “Sustainability Committee”) on November 28, 2018; the “Nominating Committee” on January 23, 2019; and the “Risk Management Committee” on March 15, 2023.</p> <p>(3) According to Article 46 of Yuanta FHC’s Corporate</p>
(2) Is the financial holding company, in addition to establishing the remuneration committee and audit committee, pursuant to laws, willing to voluntarily establish any other functional committees?			
(3) Does the Board of Directors of Yuanta FHC			

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<p>evaluate the external auditors' independence and competence in reference to AQIs periodically (at least once per year) and disclose the evaluation procedure honestly?</p> <p>(4) Have the regulations or procedures governing appraisal on performance of the Board of Directors established by the financial holding company is approved by the Board of</p>			<p>Governance Best-Practice Principles, Yuanta FHC shall assess the independence and competence of the external auditors regularly (at least once per year), in reference to the AQI. Accordingly, Yuanta FHC has acquired the AQI of an external auditor, which consists of five general standards including professional, quality control, independence, supervision and ability to innovate, and 13 indicators, as the reference for assessment on the independence and competence of external auditors. Meanwhile, Yuanta FHC assessed the independence, professionalism and audit quality of the external auditors. The assessment result was found to satisfy Yuanta FHC's independence and competency assessment criteria. Said assessment report, together with the "Statement of Independent Audit" issued by the external auditor, were submitted to the Audit Committee and Board of Directors. Then, the motion for appointment of the external auditor was approved per resolution made by the Board of Directors.</p> <p>In 2025, Yuanta FHC assessed that Pao Ju Kuo, Chien Hung Chou and Yu Chen Hu, CPAs of PricewaterhouseCoopers Certified Public Accountants met Yuanta FHC's independence and competency assessment criteria, and acquired the Statement of Independent Audit, which was approved at the 35th meeting held by the Audit Committee of the 9th term on January 16, 2025 and the 35th meeting of the Board of Directors of the 9th term on January 20, 2025.</p> <p>(4) Yuanta FHC has enacted the "Regulations Governing Performance Appraisal on the Board of Directors and Functional Committee." The amendments to the same have been resolved and approved at the 33rd meeting of the Board</p>	<p>(4) A. No difference from the Corporate Governance Best Practice Principles</p>

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<p>Directors :</p> <p>A. Is the self-assessment conducted at least once per year and the performance appraisal result disclosed at Yuanta FHC's website as the reference for remuneration to individual directors and nomination, and is the assessment result disclosed on Yuanta FHC's website? (Note 2)</p>			<p>of Directors of 9th term on November 20, 2024.</p> <p>A. The Board of Directors and functional committees conduct the performance appraisal on the Board of Directors and functional committees pursuant to the appraisal procedure and indicators referred to in Article 6 and Article 8, and record the assessment report based on the scores per the assessment indicators referred to in Article 8, and submit the report to the Nominating Committee and then to the Board of Directors for discussion and improvement.</p> <p>The self-assessment results on the performance of the Board of Directors, the functional committee, and the Board members (self or peer) for 2024 have been discussed and approved at the 11th Nominating Committee meeting of the 9th Board of Directors on December 25, 2024, and the 34th meeting of the 9th Board of Directors on December 25, 2024. The directors, including independent directors, commented positively on the efficiency and operation of the Board of Directors and its functional committees based on the assessment results. The Board of Directors and functional committee members have assessed the elements including "Degree of participation in Yuanta FHC's operation," "Formation and structure of the Board of Directors," "Formation of committees and election of committee members," "Awareness toward directors' responsibilities and duties," "Improvement of meeting decision-making quality," "Expertise and continuing education of directors," "Internal control," "Assessment and supervision of risk management"</p>	Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
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<p>B. Is it expressly stated that the external appraisal should be conducted at least once per three years and within the time limit defined in the relevant regulations, and the implementation and appraisal results should be disclosed at Yuanta FHC's website?</p>			<p>mechanism," "Supervision of legal compliance and best-practice principles" and "Participation in ESG" and all considered that the Board and committees operated satisfactorily and practiced their functions thoroughly.</p> <p>B. Paragraph 2, Article 3 of Yuanta FHC's Regulations Governing Performance Appraisal on the Board of Directors and Functional Committees : The assessment on the performance of Yuanta FHC's Board of Directors shall be contracted to an external professional and independent organization, or external experts/scholars for once per three years.</p> <p>In July 2024, Yuanta FHC entrusted the "Taiwan Corporate Governance Association" to conduct the performance evaluation of the Board of Directors from August 1, 2023, to July 31, 2024. The Association appointed three experts to form the Board of Directors' performance evaluation team and to conduct the external performance evaluation of the Board of Directors based on various data provided by Yuanta FHC, the results of the online questionnaire completed by the Board members, public information, and the results of interviews with relevant members.For the online questionnaire of the Board of Directors, the five major aspects of the Board's operation are particularly focused on : The composition and division of work of the Board, its direction and supervision, authorization and risk management, communication and cooperation, and self-discipline and improvement. A total of 30 questions were sent to all board members. The individual directors were asked to answer questions related to various</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
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			<p>aspects mentioned in the anonymous questionnaire to assess their understanding of the different topics.</p> <p>The Association and experts had no business transactions with Yuanta FHC and, therefore, acted independently. The appraisal report was provided on October 29, 2024. Yuanta FHC reported the appraisal results at the 34th meeting of the 9th Board of Directors on December 25, 2024, and continued to plan, establish, and improve the functions of the Board of Directors based on the appraisal results.</p> <p>The evaluation summary and suggestions of the Taiwan Corporate Governance Association on Yuanta FHC are as follows :</p> <p>(A) <b>Evaluation summary</b> : The Board of Directors was elected in 2022. The new Board of Directors still consists of nine(9) seats, including four(4) independent directors, one of whom is female. The members of the Board of Directors have diversified professional backgrounds and extensive practical experience, which meet the operational development needs and strategic goals of Yuanta FHC. Five functional committees were established under the jurisdiction of the Board of Directors. The members actively participated in the committees. Yuanta FHC's functional committees are reviewed annually for their duties and composition, to demonstrate Yuanta FHC's determination to keep pace with the times and cooperate with operational developments. Yuanta FHC values the training of successors. The Nominating Committee regularly supervises the</p>	



Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
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			<p>training and succession planning of senior managers. Approximately 95% of the key management personnel at Yuanta FHC are promoted through internal job rotations and performance evaluations. The successors are included in the management performance evaluation as an important indicator. Before the new Auditor-General assumed office, Yuanta FHC arranged an interview with the Independent Directors. The Independent Directors participated in the annual performance evaluation of the Auditor-General, Chief Risk Officer, and Corporate Governance Officer, either in writing or through oral consultation each year, to fully implement the functions of the Audit Committee in supervising the financial reporting and internal control system.</p> <p>In order to implement corporate governance and improve the performance of the Board of Directors, Yuanta FHC has entrusted the Association to conduct an external evaluation for the third time this year. In this evaluation, all board members responded to the online questionnaire. Overall, they agreed with the five major aspects of the questionnaire, with a score of 6.97 (out of 7), which indicates that Yuanta FHC values corporate governance, and is committed to improving the performance of the Board of Directors.</p> <p>(B)Recommendations :</p> <p>1. One female director has been elected to the existing Board of Directors. It is recommended</p>	

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		<p>that Yuanta FHC, per the diversity goal passed the Board of Directors meeting in April 2024, increase the number of female directors to one-third of the total number of directors in the Board of Directors (2025) to meet business development needs and enhance the gender diversity of the Board.</p> <p>2. Yuanta FHC has established the Sustainable Development Committee, and the Chairman is appointed as the Committee convener. The Integrity Management Office and the Corporate Sustainability Office are also established and subordinated to the Sustainable Development Committee. Suggest that Yuanta FHC should, in accordance with the Sustainable Development Action Plan Initiative for TWSE/TPEX Listed Companies (2023) announced by the FSC, consider appointing a Chief Sustainability Officer to assist in and coordinate the promotion of sustainable strategies, facilitate cross-department cooperation, and supervise the effectiveness of sustainable project implementation.</p> <p>(C)Corrective action :</p> <p>1. On April 24, 2024, the 26th meeting of the 9th Board of Directors of Yuanta FHC passed a resolution to include the motion for directors of different genders to account for one-third of the director seats in the diversity policy goal. Yuanta FHC plans to increase the number of female directors during the reelection of directors in 2025</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
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(5) Has the financial holding company disclosed the connection between the performance			<p>in order to achieve the goal of having one-third of the director seats occupied by women.</p> <p>2. At the 34th meeting of the 9th Board of Directors, Yuanta FHC passed a resolution on December 25, 2024, to name the responsible person of the Corporate Sustainability Office as the Chief Sustainability Officer. The Chief Sustainability Officer will lead the Corporate Sustainability Office in coordinating the promotion of sustainable strategies and cross-department cooperation, as well as supervising the effectiveness of implementing sustainable projects.</p> <p>The information about the regulations or procedures governing appraisal on performance of the Board of Directors and Functional Committees is disclosed in the “Major Internal Policies” in the section of “Corporate Social Responsibility” on Yuanta FHC’s official website at Website : <a href="https://www.yuanta.com/EN/IR/Governance/Internal-Policies">https://www.yuanta.com/EN/IR/Governance/Internal-Policies</a></p> <p>The information about the self-appraisal result on performance of the Board of Directors (functional committee) and the board members (self or peer) is disclosed in the “Board of Directors” in the section of “Investor relations” &gt; “Corporate Governance” on Yuanta FHC’s official website at Website : <a href="https://www.yuanta.com/EN/IR/Governance/Board">https://www.yuanta.com/EN/IR/Governance/Board</a></p>	
			(5) Except for independent directors, Yuanta FHC shall allocate remuneration to directors in accordance with the Articles of	

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appraisal on and remuneration to directors and managers?			<p>Incorporation. The allocation of remuneration to directors shall be subject to the overall operating performance for the year, and follow the typical pay levels adopted by peer companies and consider the reasonableness of the correlation with future risk exposure. The actual allocation shall be based on Yuanta FHC's Regulations Governing Remuneration to Directors and take into account the self-appraisal result on the Board of Directors members, hours of directors' attendance at meetings and continuing education, and negative qualifications, and calculated on a pro-rata basis subject to the session of the Board of Directors, the number of directors seats (exclusive of independent directors) and the number of days which the directors hold the position in the year when the earnings to be allocated as remuneration to directors were sought. The remuneration shall be allocated per resolution of the Remuneration Committee and Board of Directors.</p> <p>The Board of Directors is authorized to resolve the remuneration to Yuanta FHC's independent directors based on the typical pay levels adopted by peer companies. The remuneration is paid at fixed amount on a monthly basis, excluded from Yuanta FHC's allocation of remuneration to directors.</p> <p>Based on Yuanta FHC's strategic objectives and sustainable development goals, Yuanta FHC's managers set "Policy Requirements," "Voluntary Reporting," and "Indicators" for personal annual work targets as the basis for performance appraisal.</p> <p>The President of Yuanta FHC "self-report" (50% of the weight) on the annual operating goals should evaluate the</p>	

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			<p>annual operating goals (including sustainable development goals) and the effectiveness of the implementation of the business plan, such as operating revenue, net profit after tax, ROE, investment business management, CSR (Corporate Social Responsibility) and ESG (Environment, Social and Governance) projects and other important operating data. The department head's department-specific focus tasks in the "self-report" (weighted at 50%) should evaluate the linkage and achievement of each department's business with its mid-term and long-term business strategies (including sustainable development goals) and annual operating goals should be evaluated, such as effectiveness of professional mission planning and implementation, effectiveness of CSR and ESG projects and assignment implementation effectiveness.</p> <p>In accordance with Yuanta FHC's Performance Management Regulations, Yuanta FHC must conduct the mid-term and final performance appraisals each year to rate the performance, subject to the physical result per target, based on the operating objectives and performance appraisal indicators for the managers. Upon weighted summing up of all objectives, the results shall be reported to help the Chairman conduct the performance appraisal on the managers. According to Yuanta FHC's Regulations Governing Bonus, the Remuneration Committee and Board of Directors are authorized to resolve any other remuneration to the managers based on their personal performance, company operation performance, and reasonableness of the correlation with future risk exposure and the typical pay levels adopted by peer companies.</p>	

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(6) Has the financial holding Company disclosed the information about independent communication between independent directors and related units (or executive officers) and CPAs (e.g. means, items discussed and results of communication on Yuanta FHC's financial report and business overview, et al.) on Yuanta FHC's website?			(6) Yuanta FHC has established the "Communication Procedures between the Audit Committee and the Certified Public Accountants", which stipulates that the certified public accountants should meet with the Audit Committee individually on a regular basis or when necessary. Yuanta FHC has disclosed the exclusive communication means, discussed items, resolutions and related information among Independent Directors, Internal Audit Officers and CPAs, on its own official website, and can be found in "Committees>Audit Committee" under the section of "Investor Relations" section>Corporate Governance." Website : <a href="https://www.yuanta.com/EN/IR/Governance/Committees">https://www.yuanta.com/EN/IR/Governance/Committees</a>	
3. Whether Yuanta FHC assigns the adequate number of competent corporate governance officers, and appoints the chief corporate governance officer responsible for the corporate governance affairs (including but not limited to, providing directors with the information needed to perform their duties, helping directors with compliance, organization of the Board of Directors meetings and shareholders' meetings, and preparation of board meeting and shareholders' meeting minutes, etc.), and disclosed the scope of authority, annual business focus and status of continuing education on Yuanta FHC's website and in the annual report?	✓		Yuanta FHC has delegated the unit and personnel dedicated to (concurrently in charge of) corporate governance : (1) Yuanta FHC's Secretariat Office is responsible for handling the affairs related to meetings held by the Board of Directors, Audit Committee and other functional committees, and designating the personnel dedicated to communicating, providing the relevant information required by directors for carrying out business, arranging and planning directors' continuing education plans, and helping independent directors and the general directors complete their annual continuing education programs. (2) Yuanta FHC's Administration Department would be responsible for the convention of shareholders' meetings and registration of incorporation and changes . (3) In order to practice corporate governance, strengthen support for helping directors exercise their powers, and facilitate the Board of Directors in carrying out its functions, Yuanta	There was no departure in this respect.

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			<p>FHC’s Board of Directors meeting on November 28, 2018, resolved that a corporate governance officer should be appointed, to be served by the Chief Secretary of the Board of Directors, in accordance with the competent authority’s policy planning regarding the new corporate governance roadmap. Then, on March 6, 2019, Yuanta FHC adjusted the position as the “Chief Corporate Governance Officer,” who shall have the professional qualifications for serving as the management dedicated to legal affairs, finance, shareholder services, parliamentary management, and corporate governance affairs in financial institutions and public companies for more than three years. The chief corporate governance officer of Yuanta FHC is primarily responsible for providing directors (including independent directors) with the information required by them to perform their duties, help the directors with compliance affairs, and process the affairs related to directors’ meetings and shareholders’ meetings pursuant to laws to protect shareholders’ equity and enhance the Board of Directors’ functions.</p> <p>(4) Yuanta FHC’s chief corporate governance officers processed the affairs related to board meetings and shareholders’ meetings, and also helped the Board of Directors solidify the various commissions’ mechanism pursuant to laws, and provide the directors with information required by them to perform their duties in 2024. The annual business was executed in the following manners :</p> <p>A. Process the affairs related to 2024 shareholders’ meetings :</p> <p>(A)Coordinate various units to process the</p>	

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			<p>parliamentary operations about shareholders' meetings according to the Articles of Incorporation and Article 57-2 of the Corporate Governance Best Practice Principles for Yuanta FHC.</p> <p>(B) Assist in organization of the Annual General Meeting.</p> <p>(C) Help perfect the operations related to shareholders' meetings and boost the parliamentary procedures successfully.</p> <p>(D) Help shareholders understand Yuanta FHC's corporate governance practices, and update data on webpages, to ensure the shareholders' equity.</p> <p>B. Supervise the research, amendment and adjustment of Yuanta FHC's Board of Directors important regulations, including amendments to Yuanta FHC's articles of incorporation, Rules and Procedures of Board Meetings, Audit Committee Charter, Nominating Committee Charter, Risk Management Committee Charter, Regulations Governing Directors' Continuing Education, Corporate Governance Guidelines, and Board and Functional Committees Evaluation Procedures, etc.</p> <p>C. Supervise the organization of the 10th (2023) corporate governance evaluation, in which Yuanta FHC ranked in the top 5% among TWSE listed companies, and 10% in the category of finance and insurance.</p> <p>D. Assist in the CG6014 (2023) corporate governance evaluation, and win the Distinguished Honor.</p> <p>E. Yuanta FHC conducts the external performance evaluation on the Board of Directors and functional</p>	



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			<p>committees once every three years, and establishes improvement action plans based on the evaluation suggestions.</p> <p>F. Conduct the performance self-evaluation on the Board of Directors and functional committees this year.</p> <p>G. Process the parliamentary operations related to the Board of Directors and functional committees to strengthen the parliamentary procedure compliance and avoidance of conflict of interest.</p> <p>H. Provide the relevant information required by directors for performance of job duties, and remind directors of the related laws and regulations to be followed when performing job duties or at the time of/after resolution made by the Board of Directors; follow up the processing and progress of the suggestions or opinions raised by directors.</p> <p>I. Help the execution of the Board of Directors' letter of undertaking for compliance with ethical management and the confidentiality statement on financial statements, and strictly supervise the AML and prevention of insider trading.</p> <p>J. Handle the directors' continuing education and help directors practice diversified continuing education mechanism.</p> <p>K. Educate directors on changes in laws and regulations, and assist directors in compliance with laws and related reporting matters.</p> <p>L. Help the directors comply with the requirements that "the directors shall not trade Yuanta FHC's stocks within the book closure period, namely 30 days prior to publication</p>	

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			<p>of the annual financial report and 15 days prior to publication of the quarterly financial report,” and publish the dates of the Board of Directors meetings for the annual financial reports and quarterly reports.</p> <p>(5) Yuanta FHC’s Board of Directors Chief Secretary, Lawrence Lee, has held the position as Chief Corporate Governance Officer since November 28, 2018, and completed the continuing professional education for 12 hours in 2024. (See page 57)</p> <p>(6) The information about the chief corporate governance officers is disclosed in the “Board of Directors” &gt; “Chief Corporate Governance Officer” in the section of “Investor relations” &gt; “Corporate Governance” on Yuanta FHC’s website at Website : <a href="https://www.yuanta.com/EN/IR/Governance/Board">https://www.yuanta.com/EN/IR/Governance/Board</a></p>	
4. Whether the financial holding company establishes communication channels with stakeholders (including but not limited to, shareholders, employees, and customers, and suppliers, et al.), and sets up a section for stakeholders at the official website of Yuanta FHC with the proper response to the concerns of the stakeholders on issues related to corporate social responsibility?	✓		<p>Yuanta FHC establishes the well-founded spokesperson system pursuant to the “Uniform Spokesman Procedure”, and appoints the spokesperson and deputy spokesperson to release any public information, policy or other related information to the public on behalf of Yuanta FHC officially.</p> <p>Yuanta FHC and all of its subsidiaries use their best efforts to provide adequate information to stakeholders such as customers, correspondent banks, vendors, employees, and shareholders, and has established the “CSR” &gt; in the section of “Stakeholders Engagement” on its website to disclose the identification of major concerns about stakeholders, channels of communication with the stakeholders and investigation on certain concerns. Meanwhile, Yuanta FHC attaches great importance to the rights and interests of stakeholders and to maintain fair channels of communication with them via mailbox or phone. Yuanta FHC’s Legal Affairs</p>	There was no departure in this respect.

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			<p>Department assists with and handles possible legal disputes. Where the opinion fed back by any stakeholder is considered material, the responsible unit must report the same to the Audit Committee and Board of Directors under Yuanta FHC's internal control system. Website : <a href="https://www.yuanta.com/EN/ESG/Stakeholder-Engagement">https://www.yuanta.com/EN/ESG/Stakeholder-Engagement</a></p> <p>Yuanta FHC's website also sets up the "Investor Relations" section where the information about the Group's operating performance, credit rating and other financial information are available. Website : <a href="https://www.yuanta.com/EN/IR">https://www.yuanta.com/EN/IR</a></p> <p>Meanwhile, the exclusive email address, department, and phone number are listed in the "Stakeholders Engagement" section to maintain effective communication with stakeholders and investors. Website : <a href="https://www.yuanta.com/EN/IR/Service/Contact-Us">https://www.yuanta.com/EN/IR/Service/Contact-Us</a></p> <p>In order to establish the ethical and transparent enterprise culture, promote the sound management and encourage whistle-blowing against misconduct in Yuanta FHC, Yuanta FHC set up the "Reporting Mechanism" in the section of "Investor relations" &gt; "Corporate Governance" on Yuanta FHC's official website to disclose the requirements about the reporting mechanism, reporting hotline and email box. Website : <a href="https://www.yuanta.com/EN/IR/Governance/Reporting-Mechanism">https://www.yuanta.com/EN/IR/Governance/Reporting-Mechanism</a></p>	
<p>5. Information Disclosure</p> <p>(1) Establishment of a corporate website to disclose information concerning financial affairs and corporate governance?</p>	✓		<p>5.</p> <p>(1) On n Yuanta FHC's website, the "About Us" section discloses the corporate strategy, organizational structure, and other related information. The "Sustainability" section discloses information related to the operations of corporate governance by Yuanta FHC. The "Group" section discloses</p>	There was no departure in this respect.

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			<p>the business conducted by each of the Group's subsidiaries. The "Investor Relations" section discloses financial information and announcements related to shareholders and public information. The "Corporate Governance" in the section of "Investor relations" discloses the functions, members, operations and related regulations of the Board of Directors and other committees (e.g. Audit Committee, Remuneration Committee, Sustainable Development Committee, Nominating Committee and Risk Management Committee), the risk management policies and organizational framework, information security management framework, important cyber security incident management and personal data protection policies, intellectual property management plans (and practices and results thereof), internal audit system, summary of the whistleblowing system, and information to be reported and disclosed under Article 46 of the Financial Holding Company Act. Meanwhile, according to the "TWSE Rules Governing Information Filing by Companies with TWSE Listed Securities and Offshore Fund Institutions with TWSE Listed Offshore Exchange-Traded Funds" and "TWSE Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities," Yuanfa FHC discloses the public information about Yuanfa FHC's and its subsidiaries' finance, business and corporate governance on the MOPS, and also in the important message section on the home page of Yuanfa FHC's website.</p>	
(2) Other information disclosure channels (e.g. English website, assignment of specific personnel to collect and disclose corporate			<p>(2)</p> <p>A. Yuanfa FHC has set up the official website in Chinese and English, established the spokesperson and deputy</p>	

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information, implementation of a spokesperson system, and the broadcasting of investor conferences via Yuanta FHC website)?			<p>spokesperson system, and delegated the dedicated unit to update and disclose Yuanta FHC's information.</p> <p>B. Yuanta FHC is invited to attend investor conferences periodically to disclose Yuanta FHC's overview of operation and information, and interact with domestic/foreign investors closely. Meanwhile, the related information, in Chinese and English, is posted on the "Investor Relations" section and the Market Observation Post System (MOPS) on the official website. Website : <a href="https://www.yuanta.com/EN/IR">https : //www.yuanta.com/EN/IR</a></p> <p>C. With respect to the ESG (Environmental, Social, and Governance) issues concerned by investors increasingly in the recent years, Yuanta FHC has set up the "Sustainability" section in Chinese and English on the official website and disclosed the related non-financial performance and practices in detail. Website : <a href="https://www.yuanta.com/EN/ESG">https : //www.yuanta.com/EN/ESG</a></p>	
(3) Whether Yuanta FHC announces and reports the annual financial report within the time limit prescribed by the Financial Holding Company Act and Securities and Exchange Act at the end of each fiscal year, and the financial report for Q1, Q2, and Q3 and monthly operation overview before the prescribed time limit?			(3) Yuanta FHC Company has announced and reported the quarterly/annual financial reports and monthly operation overview for 2024 within the prescribed time limit. The financial reports for Q1, Q2, and Q3 of 2024 and the annual financial report were already announced and reported on May 22, 2024, August 23, 2024, November 20, 2024, and March 14, 2025.	
(4) Whether Yuanta FHC establishes any cyber security risk management structure, cyber security policy and concrete management program, invests the resources of cyber security management, and discloses the same on Yuanta FHC's website?			(4) A. Information security risk management structure : In order to improve Yuanta FHC's strength in making decisions regarding information security issues, enhance information security supervision, and consolidate information security policies to established coordination	

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			<p>and resource allocation, in December 2020, Yuanta FHC appointed a Chief Information Security Officer (CISO) and established an independent and dedicated information security unit responsible for regulating, planning, supervising, and promoting the implementation of information security operations. This unit also reports the information security practices of the previous year to the Board of Directors annually to strengthen information security control.</p> <p>In order to coordinate information security management, Yuanta FHC establishes the cross-department “Information Security Team,” to convene regular information security meetings and an annual management review meeting to view the information security policies, the status of information security management implementation, and related matters, with the aim of enhancing information security management.</p> <p>B. Concrete management program :</p> <p>(A)Yuanta FHC has implemented the ISO 27001 Information Security Management System (ISMS). Meanwhile, it continues to review the system annually and conducts the re-examination once every three years. Yuanta FHC’s certificate is effective from December 2023 to December 2026.</p> <p>(B) In order to strengthen the protection capabilities of the network and information systems, we will establish a multi-layered defense architecture and install various systems, including a network firewall, web application firewall, intrusion detection system, spam filtering, mail APT, internet behavior</p>	

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			<p>management, anti-virus system, anti-phishing website monitoring, forged APP monitoring mechanisms, Endpoint Detection and Response (EDR), and Network Detection and Response (NDR), to ensure the security of the information systems.</p> <p>(C) In order to ensure the stability and safety of information systems, as well as the completeness and effectiveness of existing control measures, Yuanta FHC periodically conducts vulnerability scanning, penetration testing, DDoS drills, social engineering drills, and computer system information security assessments through an independent third party.</p> <p>(D) In order to comprehending the emerging information security data and trends, Yuanta FHC joins the Financial Information Sharing and Analysis Center (F-ISAC) and participates in the Financial Security Operation Center (F-SOC) for cross-border defense and sharing of information security incidents, aiming to effectively enhance the overall information security defense. Meanwhile, implementing SIEM to ensure the effectiveness of the information security protection monitoring.</p> <p>The related information is disclosed on Yuanta FHC's website "Investors Relations" &gt; "Corporate Governance" &gt; "Information Security." Website : <a href="https://www.yuanta.com/EN/IR/Governance/Information-Security">https://www.yuanta.com/EN/IR/Governance/Information-Security</a></p>	

Scope of Assessment	Status (Note 1)		Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	
6. Other important information enabling a better understanding of Yuanta FHC's corporate governance (including but not limited to employee rights and interests, employee care, investor relations, supplier relations, stakeholders' rights, continuing education of directors and supervisors, implementation of risk management policies and risk measurement criteria, implementation of customer policy, purchase of liability insurance by Yuanta FHC for directors, and donations to political parties, interested parties and public welfare groups)?	✓	<p>6.</p> <p>(1) Employee rights and interests : Yuanta FHC's human resources management mechanisms all comply with labor laws and regulations and internal control requirements, safeguarded employees' legitimate rights and interests. Yuanta FHC convenes the labor-management meeting regularly to urge the representatives of labor and the management to state their opinions on various motions and communicate with each other sufficiently on the motions, based on the principle of mutual trust and respect, in order to gather the common consensus and promote harmonious labor-management relations.</p> <p>(2) Employee care : Yuanta FHC cares about the physical and mental health of its employees and undertakes education and training, group insurance, employee shareholding trusts, and health checkups, and employee assistance programs (EAPs), etc.. Meanwhile, it encourages employees to cultivate diversified hobbies, participate in various social clubs, and get used to having fun when working. Yuanta FHC also strives to realize employees' potential, and trains and rewards excellent talents so as to enhance employees' on-the-job competitiveness and market value and create a diversified and friendly working environment by encouraging a positive attitude toward corporate sustainability.</p> <p>(3) Investor relations and stakeholders interests : In its "Corporate Governance Guidelines," Yuanta FHC has defined the contents of investor relations and stakeholders' interests. These principles are implemented in Yuanta</p>	There was no departure in this respect.



Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Summary			
	Yes	No		
			<p>FHC’s day-to-day business and focus on the following aspects :</p> <p>A. Yuanta FHC maintains open channels of communication with investors, and respects and protects their legal rights.</p> <p>B. Taking advantage of the convenience of the Internet, Yuanta FHC has established a website, which carries information on financial affairs and corporate governance for the reference of shareholders and stakeholders. Yuanta FHC also sets up the English version of the official website to provide the information in Chinese and English languages at the same time and make the real-time information about Yuanta FHC available to foreign investors, including corporate governance practices, sustainable development, financial information, credit rating, activities, public notice, etc..</p> <p>(4) Supplier relations :</p> <p>A. Yuanta FHC values the control over procurement risk and practices responsible procurement, asks the suppliers to include supplier’s sustainable procurement clauses and ethical management clauses into the contract executed with Yuanta FHC, and also expressly states various labor conditions, occupational safety and health, environmental protection and labor human rights laws and regulations to be performed and followed by the suppliers. The contract shall also include the clauses providing that a supplier who violates laws may have their contract terminated directly, in order to jointly practice sustainable development.</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>B. In order to include the concept about sustainability into the procurement department and to affect up-stream suppliers' practices, Yuanta FHC has continued to pass the third party's certification since 2021, and practiced the sustainability concept in the subsidiaries' procurement procedures comprehensively via the systematic management in order to work with the suppliers to implement the ESG practices.</p> <p>C. Yuanta FHC is committed to promoting corporate sustainable development. It practices the same proactively and also asks its suppliers to join the sustainability campaign. In 2024, 3 supplier conferences were held, attended by a total of 100 main suppliers to share their practices on supply chain management and concepts about sustainable procurement, and also commend Level A suppliers for their remarkable performance in sustainability practices.</p> <p>(5) Stakeholders' rights and interests :</p> <p>A. Yuanta FHC values the stakeholders' opinions, and uses the best effort to communicate with the stakeholders via various channels to verify and identity the issues concerned by them. Yuanta FHC analyzes how stakeholders' concern about environmental, social and corporate governance issues and the impact posed to the principal business by the senior management's review on various issues, in order to prepare the matrix chart for major topics.</p> <p>B. Yuanta FHC needs to take specific responsibility toward the stakeholders. In the "Sustainability" &gt; "Stakeholder Engagement" section on the website site, Yuanta FHC</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Summary			
	Yes	No		
			<p>also set up the communication channels exclusive for various stakeholder types, hoping to verify the stakeholders' needs and expectation toward Yuanta FHC in various manners and via the communication channels.</p> <p>(6) Continuing education of directors : See Pages 189 ~ 191.</p> <p>To implement the continuing education mechanism for directors, in 2024, Yuanta FHC has organized the internal training courses for directors including the four seminars, namely the "Money Laundering Prevention and Countering of Terrorism Financing Practices and Promotion of Prevention of Insider Trading" on April 18, "Financial Consumer Protection Act and Fair Dealing Policy (including the Friendly Finance and Convention on the Rights of Persons with Disabilities)" on May 16, "Information Security Threat Trend and Crisis Management" on September 5, "Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)" on October 17, and also helped arrange external continuing education courses and forums to be attended by directors to continue improving the competence of Yuanta FHC's Board of Directors and practice corporate sustainable development.</p> <p>(7) Implementation of risk management policy and risk measurement criteria :</p> <p>Risk management policies and procedures clearly specify risk management scope, organization framework and operations thereof :</p> <p>A. Yuanta FHC has had the Board of Directors approve the risk management policy and related procedures to provide guidance with regard to management of risks.</p> <p>B. The risk management policy refers to Yuanta FHC's</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Summary			
	Yes	No		
			<p>prime guidelines governing risk management, which specifies that Yuanta FHC confronts four major risks, including “financial risk,” “business risk,” “compliance &amp; legal risk” and “climate change risk.” The “financial risk” includes market risk, credit risk, market liquidity risk, funding liquidity risk, asset-liability matching risk, large risk exposure, insurance risk, and operational risk. The “business risk” includes information security risk, human resource risk, emerging risk, integrity risk, reputation risk and strategic risk. The “compliance &amp; legal risk” includes compliance risk, legal risk, and ML/TF risk. The “climate change risk” includes investment and financing climate change risk and self-operation climate change risk. Each defined risk has its written mechanism.</p> <p>C. Subsidiaries shall establish the “risk management systems” that meet their business portfolio, business scale and capital scale, according to Yuanta FHC’s risk management policy, to measure and manage various risks they’re dealing with effectively.</p> <p>D. Yuanta FHC’s risk management structure consists of the Board of Directors, Risk Management Committee, senior management, and other units related to risk management. Yuanta FHC has disclosed the “Risk Management Policy” in the “Sustainability” &gt; “Corporate Governance” &gt; “Internal Rules and Regulations” on its official website, expressly defining Yuanta FHC’s risk management scope, the framework and job duties of the risk management organization, risk management procedures, and risk reporting and</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>disclosure.</p> <p>E. Yuanta FHC regularly reports to the board of directors on the operation of the risk management, including :</p> <p>(A) Risk Management Department reports the execution of risk management measures, including Yuanta FHC and its subsidiaries to the Board of Directors on a monthly basis.</p> <p>(B) The Risk Management Committee convenes a meeting per quarter. The resolutions made at the meeting would be minuted and reported to Board of Directors.</p> <p>(C) The Risk Management Department submitted the 2024 risk management mechanism assessment report (including identification methods, measurement criteria, and monitoring and reporting procedures) at the 10th meeting of the 9th Risk Management Committee on December 17, 2024. The Chairman of the Risk Management Committee reported Yuanta FHC's 2024 risk management mechanism assessment result at the 34th meeting of the 9th Board of Directors on December 25, 2024.</p> <p>(D) The Risk Management Department submitted the 2025 business risk assessment report at the 10th meeting of the 9th Risk Management Committee on December 17, 2024. The Chairman of the Risk Management Committee reported Yuanta FHC's 2025 business risk assessment result at the 34th meeting of the 9th Board of Directors on December 25, 2024.</p> <p>(E) The operations of the Risk Management Committee</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>are disclosed in the “Sustainability” &gt; “Corporate Governance” &gt; “Committees” &gt; “Risk Management” on its official website.</p> <p>(8) Implementation of customer policy : Yuanta FHC protects customer privacy based on “Confidentiality Measures on Customer Information for Yuanta FHC and Its Subsidiaries”, “Personal Data Protection Policy of Yuanta FHC” and “Personal Data Management Rules of Yuanta FHC”. Yuanta FHC uses customer information in accordance with the foregoing measures and within the scope of the law so as to fulfill its obligations in maintaining the confidentiality of customer information and protect customer privacy.</p> <p>(9) Purchase of liability insurance by Yuanta FHC for directors/supervisors and managers : Yuanta FHC continues to purchase liability insurance for its directors (including independent directors), supervisors, and managers in order to disperse Yuanta FHC’s business risk and help establish a well-founded corporate governance mechanism.</p> <p>(10) Donations to political parties, interested parties, and non-profit organizations : A. Handled in accordance with Yuanta FHC’s guidelines governing public donations. Public donations mean those donations which comply with the following laws and regulations : (A) Donations to political parties, political groups and political candidates in accordance with Political Donations Act</p>	

Scope of Assessment	Status (Note 1)			Departures from the Corporate Governance Best-Practice Principles for Financial Holding Companies and Reasons
	Yes	No	Summary	
			<p>(B) Donations to the public welfare groups and syndicates defined in the General Provisions of the Civil Code, or any other educational, cultural, public welfare or charity agencies or groups which are registered with the competent authorities or incorporated validly in accordance with other relevant laws and regulations.</p> <p>B. Where the donated subject is a related party, the donations shall be reported to the Board of Directors for resolution, regardless of the amount of the donations, and material information shall be announced in accordance with Paragraph 1.43 of Article 4 of the "Taiwan Stock Exchange Corporation's (TWSE) Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities".</p>	
<p>7. Please specify the status of the correction based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies.</p> <p>(1) In the Taiwan Stock Exchange's 11th (2024) Corporate Governance Evaluation, Yuanta FHC was ranked in the top 5% of Taiwan Stock Exchange listed companies and ranked between 11% and 20% in the finance and insurance categories of Taiwan Stock Exchange and Taipei Exchange listed companies.</p> <p>(2) For the 2025 (12th) corporate governance evaluation, Yuanta FHC will prioritize the following indicators and measures :</p> <p>A. Indicator 1.5 : Yuanta FHC will formulate specific measures to enhance corporate value, submit them to the Board of Directors, and disclose the relevant information on the MOPS "Enhance Corporate Value Plan" section.</p> <p>B. Indicator 2.6 : When Yuanta FHC plans the re-election of the 10th Board of Directors in 2025, the number of female directors will be increased to one-third of the total number of directors.</p> <p>C. Indicator 4.32 : Yuanta FHC will disclose the contents and implementation of its personal data protection policy.</p>				

Note 1 : Regardless of "Yes" or "No", the status shall be stated in the "Summary" section.

Note 2 : Describe the deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof.

**(V) Describe the composition, duties and operations of the remuneration committee :**

1. Information about members, duties and operations of Remuneration Committee

(1) Information about Remuneration Committee Members

Position Title	Qualification Name	Professional Qualifications and Experience	Compliance of Independence	Number of positions as a Remuneration Committee Member in other public listed companies
Independent Director (Convener)	Kuang Si Shiu	Please refer to Page 17 for the “(IV) Disclosure of information about professional qualifications and independence of directors and independent directors.”		2
Independent Director	Ming Ling Hsueh			4
Independent Director	Hsing Yi Chow			3
Independent Director	Sharon S. Yang			2

(2) Duties of Remuneration Committee

Yuanta FHC’s Remuneration Committee shall perform the following duties honestly with due diligence, and submit their motions to the Board of Directors for discussion :

- A. Determine and periodically review the performance appraisal on Yuanta FHC’s directors and managers, and remuneration policy, system, standard and structure;
- B. Periodically evaluate and determine Yuanta FHC’s remuneration to directors and managers.

(3) Information concerning the remuneration committee

- A. Yuanta FHC establishes the “Annual plan for events and agenda” of Remuneration Committee and deliverables to be met by Yuanta FHC’s operation in accordance with the “Regulations on the Establishment of Remuneration Committees by TWSE/TPEX Listed Companies and their Exercise of Powers”.
- B. Yuanta FHC’s remuneration committee consists of 4 members.
- C. Term of office to be held by 9th-term members : June 10, 2022-June 9, 2025. In the most recent year (2024), the Remuneration Committee has held six(6) meetings (A). The attendance of the Committee members is summarized as follows :

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Kuang Si Shiu	6	0	100	
Member	Ming Ling Hsueh	6	0	100	
Member	Hsing Yi Chow	6	0	100	
Member	Sharon S. Yang	6	0	100	

Other items to be stated :

- I. If the Board of Directors does not adopt or amend the remuneration committee’s suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and Yuanta FHC’s



handling of the remuneration committee's opinions (if the remuneration approved by the Board of Directors is superior than that suggested by the remuneration committee, please specify the deviation and reason) : None.

II. For resolution(s) made by the remuneration committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and Yuanta FHC's handling of the said opinions : None.

D. The motions discussed by Yuanta FHC's Remuneration Committee in the most recent year (2024) and resolutions thereof, and Yuanta FHC's handling of the members' opinion are stated as following :

Remuneration Committee	Motion	Resolution
10th meeting of 9th term January 16, 2024	1. Group performance bonus for the Chairman of Board 2. Group performance bonus for managers	Remuneration Committee : The related motions have been approved by all present members unanimously, and submitted to the Board of Directors for reporting or resolution.  Board of Directors : Agreed by all present directors unanimously.
11th meeting of 9th term March 11, 2024	1. Allocation of remuneration to employees 2. Allocation of remuneration to directors	
12th meeting of 9th term April 24, 2024	1. Performance appraisal on directors and supervisors of the immediate companies and investees 2. Appointment of managers	
13th meeting of 9th term June 18, 2024	1. Evaluate and determine the remuneration to managers regularly 2. Determine and review the performance appraisal on managers, and remuneration policy, system, standard and structure 3. Promotion and raise of managers 4. Payment of remuneration to directors (exclusive of independent directors) 5. Payment of remuneration to directors and supervisors of investees appointed 6. Allocation of employee remuneration to managers 7. Establishment of the Regulations Governing the Remuneration to the Independent Directors <sup>(Note)</sup> 8. Amendments to Yuanta FHC's Regulations Governing Shareholdings by Senior Management	
14th meeting of 9th term October 15, 2024	Amendments to the Regulations Governing Allocation of Remuneration	
15th meeting of the 9th term November 19, 2024	Amendments to the Regulations Governing Performance Appraisal on Board of Directors and Functional Committees	

Note : As the independent directors all had conflicts of interest, the case could not be resolved and was therefore submitted to the Board for resolution.

## 2. Information about members and operations of Sustainable Development Committee

### (1) Functions of Sustainable Development Committee members :

The Committee is subordinated to the Board of Directors to take charge of the following operations :

- Assisting in integrating the values of integrity management and corporate sustainable development into Yuanta FHC's operational strategy;
- Cooperating with laws and regulations to establish measures to ensure integrity management and fulfill corporate sustainable development;
- Supervising and implementing Yuanta FHC's policies of integrity

- management and corporate sustainable development, and reviewing the effectiveness of their execution;
- D. Other matters related to the formulation and monitoring of the implementation of policies on integrity management and corporate sustainable development.
- (2) Information about members' professional qualifications and experience, and operations of Sustainable Development Committee :
- A. According to Article 2 of the Sustainable Development Committee Charter, the Committee must consist of three (3) to seven (7) members, who shall be directors of the Board of Yuanta FHC, and at least half of whom shall be independent directors. One(1) member shall be elected from among allmembers to act as the convener and chairperson of the meeting.
- B. Term of office to be held by 9th-term members : from June 10, 2022 to June 9, 2025. The term of office to be held by the Committee member shall be identical with that held by the director, unless otherwise provided by laws, or Yuanta FHC's articles of incorporation or charters.
- C. The Sustainable Development Committee of the current term consists of five(5) members (including four(4) independent directors). Member Ting Chien Shen (Tony), who is the convener of the Committee, has more than 40 years' experience in the financial management practices of Yuanta Group. He has been the Chairman of Yuanta FHC since June 2019 and has been leading the Group to achieve many innovative highs in profits while deepening and implementing Yuanta FHC's sustainable development (ESG). In recent years, Yuanta FHC has continued to receive numerous awards and recognitions from both domestic and international evaluations. Member Ming Ling Hsueh is now serving as the Executive Director of the Taiwan Corporate Governance Association. She used to be the President of PwC Taiwan and specializes in business administration, corporate governance, and the interpretation and application of financial information. Member Kuang Si Shiu served as the Chairman/President of Mega Financial Holdings for nearly a decade and has extensive experience in financial corporate governance, management, and practices of financial companies. Independent Director Hsing Yi Chow is currently the Emeritus Professor of the NCCU Department of Finance. He was formerly the President of the National Chengchi University (NCCU), supervisor of TPEx and supervisor of Securities and Futures Investors Protection Center, with expertise in risk management, corporate governance and finance. Ms. Sharon S. Yang is currently the Director of the Institute of Finance at National Chengchi University. Her research areas include sustainable finance, ESG investment, financial institution risk management, pension fund management, and investment. Said members all have professional knowledge and ability in corporate sustainability.
- D. In the most recent year (2024), the Sustainable Development Committee has held five(5) meetings (A). The professional qualifications, experience,

attendance of the committee members, and execution results of important motions are summarized as follows :

Title	Name	Professional Qualifications and Experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Ting Chien Shen (Tony)	Please refer to Page 17 for the “(IV) Disclosure of information about professional qualifications and independence of directors and independent directors.”	5	0	100	
Member	Ming Ling Hsueh		5	0	100	
Member	Kuang Si Shiu		5	0	100	
Member	Hsing Yi Chow		5	0	100	
Member	Sharon S. Yang		5	0	100	
Other items to be stated :						
I. If the Board of Directors does not adopt or amend the Sustainable Development Committee’s suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and Yuanta FHC’s handling of the Sustainable Development Committee’s opinions : None.						
II. For resolution(s) made by the Sustainable Development Committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and Yuanta FHC’s handling of the said opinions : None.						
III. Other important motions and results of execution thereof :						
(I) 8th Sustainability Development Committee Meeting of the 9th Board of Directors on March 19, 2024						
1. Report on the “execution result for 2H of 2023” of Yuanta FHC’s Integrity Management Office.						
2. Report on the “execution result for 2H of 2023” of Yuanta FHC’s Corporate Sustainability Office.						
3. Report on the “implementation of the whistleblowing system for 2H of 2023” of Yuanta FHC.						
4. Report on the “fulfillment of integrity management for 2023” of Yuanta FHC.						
5. Report on the “fulfillment of sustainable development for 2023” of Yuanta FHC.						
6. Report on the “performance results and progress for 2H of 2023” of Yuanta Group’s green products.”						
(II) 9th Sustainability Development Committee Meeting of the 9th Board of Directors on June 18, 2024						
1. Report on the “2023 Communications on Issues of Concern to Stakeholders and Materiality Assessment Procedure” of Yuanta FHC.						
2. Report on “Yuanta FHC 2023 Sustainability Report.”						
3. Report on the “2023 Greenhouse Gas Information Inventory and Verification Work” of Yuanta FHC.						
4. Amendments to the “Yuanta Financial Holding Co., Ltd. Sustainable Finance Guidelines.”						
5. Establishment of the “Yuanta Financial Holding Co., Ltd. Occupational Safety and Health Policy.”						
(III) 10th Sustainability Development Committee Meeting of the 9th Board of Directors on August 20, 2024						
1. Report on the “execution result for 1H of 2024” of Yuanta FHC’s Integrity Corporate Management Office.						
2. Report on the “execution result for 1H of 2024” of Yuanta FHC’s Corporate Sustainability Office.						

3. Report on the “performance results and progress for 1H of 2024” of Yuanta Group’s sustainable financial products.
  4. Report on the progress of the “Greenhouse Gas Information Inventory and Verification Work” of Yuanta FHC in Q3 of 2024.
  5. Report on the “implementation of the whistleblowing system for 1H of 2024” of Yuanta FHC.
- (IV) 11th Sustainability Development Committee Meeting once 9th Board of Directors on November 19, 2024
1. Preparation of Yuanta FHC Sustainable Development Committee’s “2025 Action Plan” and “2025 Meeting Schedule.”
  2. Report on the “2025 work plan” of Yuanta FHC’s Integrity Corporate Management Office.
  3. Report on the “2025 work plan” of Yuanta FHC’s Corporate Sustainability Office.
  4. “IFRS Sustainability Disclosure Principles” implementation plan of Yuanta FHC, and the implementation status thereof.
  5. Report on the progress of the “Greenhouse Gas Information Inventory and Verification Work” of Yuanta FHC from January to September 2024.
- (V) 12th Sustainability Development Committee Meeting once 9th Board of Directors on December 25, 2024
1. Amendments to the “Sustainable Development Best-Practice Principles of Yuanta Financial Holding Co., Ltd.”
  2. Amendments to the “Sustainable Development Policy and Management Rules of Yuanta Financial Holding Co., Ltd.”
  3. Amendments to the “Directions for Preparation and Verification of Sustainability Report of Yuanta Financial Holding Co., Ltd.”
  4. To name the responsible person of the “Corporate Sustainability Office” of Yuanta FHC as the Chief Sustainability Officer.

Note : (1) Where a specific member may be relieved from duties before the end of the fiscal year specify the date of discharge in the “Remark” section. Actual attendance rate (%) was calculated based on the number of meetings of the Sustainable Development Committee held during each member’s term and the number of meetings actually attended by that member.

(2) Where a re-election may be held for filling the vacancies of members before the end of the fiscal year, list both the new and the discharged members, and specify if they are the former members, or newly elected, re-elected and the date of the re-election in the “Remark” section. Actual attendance rate (%) was calculated based on the number of meetings of the Sustainable Development Committee held during each director’s term and the number of meetings actually attended by that member.

### 3. Information about members and operations of Nominating Committee

#### (1) Functions of Nominating Committee members :

The Committee is subordinated to the Board of Directors to take charge of the following operations :

- A. Establishing the criteria governing such diversified backgrounds as professional knowledge, technology, experience and gender, and independence, required from the Board of Directors members, and searching, reviewing and nominating the candidates for director.
- B. Review the candidates for the senior management.
- C. Constructing and developing the structural framework of the Board of Directors and various committees.
- D. Establish and periodically review the directors’ continuing education and directors’ and senior managers’ succession plans.
- E. Research and amend Yuanta FHC’s Corporate Governance Best-Practice Principles, Procedure for Election of Directors and Regulations Governing

Directors' Continuing Education.

- F. Serving as the execution unit engaged in performance appraisal on the Board of Directors and various functional committees.
  - G. Other deliverables to be satisfied by the Committee per resolutions by the Board of Directors.
- (2) Information about Nominating Committee members' professional qualifications and experience, and operations :
- A. Yuanta FHC's Nominating Committee consists of five members. According to Article 4 and 8 of the Articles of Association for the Nominating Committee, the Committee must consist of no fewer than three(3) directors elected by the directors, and a majority of the members must be independent directors. An independent director shall also be elected to act as the convener and meeting chairperson.
  - B. Term of office to be held by 9th-term members : from June 10, 2022 to June 9, 2025. The term of office to be held by the Committee member shall be identical with that held by the director, unless otherwise provided by laws, or Yuanta FHC's articles of incorporation or charters.
  - C. The Nominating Committee of the current term consists of five(5) members (including three(3) independent directors). Member Hsing Yi Chow is the former President of NCCU, former Dean of NCCU College of Commerce, and former Chair and Professor of NCCU Department (Graduate Institute) of Finance. He holds the expertise in investment, risk management, international finance, entrepreneurial financial management and corporate governance. He is one of the core staff of the research project entitled "How to Improve the Training of International Financial Management Talents in Finance, Securities and Insurance," and conducts in-depth research on Taiwan's securities industry and capital market, as a member holding the expertise related to Nominating Committee. Member Kuang Si Shiu served as the Chairman/President of Mega Financial Holdings for about one decade, who has plentiful experience in management and practices, and is specialized in the Nominating Committee affairs. Member Ming Ling Hsueh is now serving as the Executive Director of the Taiwan Corporate Governance Association. She has served as the president of PwC Taiwan, adjunct professor of College of Technology Management, National Tsing Hua University and adjunct professor of National Taiwan University of Science and Technology School of Management once, and also won the Excellence in Teaching Award for Adjunct Professor awarded by National Taiwan University of Science and Technology School of Management (2020) and Excellence in Teaching Award awarded by College of Technology Management, National Tsing Hua University (2004), who has ample experience in corporate governance and business management practices and is specialized in the Nominating Committee affairs.
  - D. In the most recent year (2024), the Nominating Committee has held three(3) meetings (A) The attendance of the Committee members is summarized as

follows :

Title	Name	Professional Qualifications and Experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Hsing Yi Chow	Please refer to Page 17 for the “(IV) Disclosure of information about professional qualifications and independence of directors and independent directors.”	3	0	100	
Member	Ming Ling Hsueh		3	0	100	
Member	Wei Chen Ma (Michael)		3	0	100	
Member	Ting Chien Shen (Tony)		3	0	100	
Member	Kuang Si Shiu		3	0	100	
Other items to be stated :						
I. If the Board of Directors does not adopt or amend the Nominating Committee’s suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and Yuanta FHC’s handling of the Nominating Committee’s opinions : None.						
II. For resolution(s) made by the Nominating Committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents of motion, opinions of all members and Yuanta FHC’s handling of said opinions : None.						
III. Other important motions and results of execution thereof :						
(I) 9th Nominating Committee of the 9th Board of Directors on April 24, 2024.						
1. Amendments to the “Yuanta Financial Holding Co., Ltd. Corporate Governance Best-Practice Principles.”						
2. Amendments to the “Yuanta Financial Holding Co., Ltd. Articles of Association for Nominating Committee.”						
3. Amendments to the diversity policy and targets for Yuanta FHC’s Board of Directors.						
4. Review the candidates for the senior management.						
(II) 10th Nominating Committee of the 9th Board of Directors on August 23, 2024.						
1. The result of the qualification review of the independent directors during their tenure.						
2. Review the directors’ continuing education program in 2024.						
(III) 11th Nominating Committee of the 9th Board of Directors on December 25, 2024.						
1. Periodically review the senior managers’ succession plans.						
2. Amendments to the “Yuanta Financial Holding Co., Ltd. Corporate Governance Best-Practice Principles.”						
3. Amendments to the “Yuanta Financial Holding Co., Ltd. Regulations Governing Directors’ Continuing Education.”						
4. Review the directors’ continuing education implementation status in 2024 and prepare the directors’ continuing education plan in 2025.						
5. Motion for the results of Yuanta FHC’s performance appraisal on the Board of Directors and Functional Committees in 2024.						
6. Recheck results and recommendation of organizational framework of the Board of Directors and various functional committees of Yuanta FHC.						
7. Periodically review the directors’ succession plans.						
8. Prepare the “2025 Nominating Committee Calendar & Agenda Planning.”						

Note : (1) Where a specific member may be relieved from duties before the end of the fiscal year specify the date of discharge in the “Remark” section. Actual attendance rate (%) was calculated based on the number of meetings of the Nominating Committee held during each member’s term and the number of meetings actually attended by that member.

(2) Where a reelection may be held for filling the vacancies of members before the end of the fiscal year, list both the new and the discharged members, and specify if they are the former members, or newly elected, re-elected and the date of the reelection in the “Remark” section. Actual attendance rate (%) was calculated based on the number of meetings of the Nominating Committee held during each member’s term and the number of meetings actually attended by that member.

4. Information about members, duties and operations of Risk Management Committee

(1) Responsibilities of Risk Management Committee members :

The Committee is subordinated to the Board of Directors to take charge of the following operations :

- A. Review of the risk management policy and system.
- B. Review of annual risk limits and monitoring indicator thresholds.
- C. Review of the report on the implementation status of risk management.
- D. Supervision of Yuanta FHC's existing or potential risk management.
- E. Assistance to the Board of Directors in supervising the implementation of risk management decisions.
- F. Other risk management work to be performed or reported per resolutions by the Board of Directors.

(2) Information about Risk Management Committee members' professional qualifications and experience, and operations :

- A. According to Article 2 of the Organization Regulations of Risk Management Committee, the Committee must consist of at least three(3) members, who shall be directors of Yuanta FHC, and at least half of whom shall be independent directors. One(1) independent directors shall be elected from among all members to serve as the convener and chairperson of the meeting.
- B. Term of office to be held by 9th-term members : from March 15, 2023 to June 9, 2025. The term of office to be held by the Committee member shall be identical with that held by the director, unless otherwise provided by laws, or Yuanta FHC's articles of incorporation or charters.
- C. The Risk Management Committee of the current term consists of three(3) members (including two(2) independent directors). Ms. Sharon S. Yang is currently the Director of the Institute of Finance at National Chengchi University. She has served as a part-time professor in the Department of Risk Management and Insurance at National Chengchi University, as a member of the Risk Management Trust Fund of the Chinese Futures Association, and as a Director of the Asia Pacific Risk Management and Insurance Association. Her research expertise covers risk management, financial supervision, ESG investment, and pension systems and investments. She has served as the principal investigator of risk management-related projects during the teaching period, including the "Pension Fund Investment and Hedge Strategy : Analysis of the Volatility Index, Model Construction and VIX Derivatives Evaluation," "Research on the Consistency of Risk Management and Market Evaluation of the Insurance Industry," "Risk Measurement and Reasonable Premiums of the Typhoon Disaster Insurance System of Different Regions" and "Research on the Innovation of Financial Products for the Discount of Social Security Insurance Policy for Elderly People and the Investment and Hedge Benefits" contracted by the National Science and Technology Council, and "Formulation of the ESG Disclosure Related Guidelines for the Taiwan-

based Trust Enterprises and the ESG Investment and Risk Management Operating Procedure for Taiwan-based Trust Enterprises” contracted by the Securities Investment Trust & Consulting Association of the R.O.C. Mr. Ting Chien Shen (Tony), who was the convener of the Risk Management Committee before the reorganization, has been the Chairman of Yuanta FHC since June 2019. He has also instructed the directors of the subsidiaries to hold regular meetings to discuss risk management policies and suggestions for improvement. He has abundant experience in risk management. Member Hsing Yi Chow is currently the Emeritus Professor of the NCCU Department of Finance. He was formerly the President of National Chengchi University (NCCU), Vice Chairman of the Asian Finance Association, and Director of the International Cooperation and Development Fund. He has expertise in investment, risk management, international finance, and entrepreneurial financial management. During the teaching period, he was entrusted to conduct several risk management-related projects as a co-investigator of the “Research on Transferring Disaster Risk Through New Financial Instruments Including Catastrophe Equity Puts, Catastrophe Swaps, Insurance Futures of Derivatives, and GCCI Catastrophe Options” contracted by the FSC, and the principal investigator of the “Treatment Measures to Deal With Systemic Risks or Lack of Liquidity in the Futures Market” contracted by TAIFEX. The refereed book chapters, “Case Study on the Lessons of Risk Control in Exchange Contracts” published by the National Chengchi University, is also available. Said members all have professional knowledge and ability in risk management.

- D. In the most recent year (2024), the Risk Management Committee has held five(5) meetings (A). The professional qualifications, experience, attendance of the committee members, and execution results of important motions are summarized as follows :

Title	Name	Professional Qualifications and Experience	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Noe)	Remarks
Convener	Sharon S. Yang	Please refer to Page 17 for the “(IV) Disclosure of information about professional qualifications and independence of directors and independent directors.”	5	0	100	
Member	Ting Chien Shen (Tony)		5	0	100	
Member	Hsing Yi Chow		5	0	100	
Other items to be stated :						
I. If the Board of Directors does not adopt or amend the Risk Management Committee’s suggestions, please specify the meeting date, term, contents of motion, resolution of the Board of Directors, and Yuanta FHC’s handling of the Risk Management Committee’s opinions : None.						
II. For resolution(s) made by the Risk Management Committee with the committee members voicing opposing or qualified opinions on the record or in writing, please state the meeting date, term, contents						



of motion, opinions of all members and Yuanta FHC's handling of said opinions : None.

III. Other important motions and results of execution thereof :

- (I) 6th Risk Management Committee Meeting of the 9th Board of Directors on March 19, 2024
  - 1. Yuanta FHC's financial risk management and risk analysis report for Q4 of 2023.
  - 2. Yuanta FHC's business risk monitoring report for Q4 of 2023.
- (II) 7th Risk Management Committee Meeting of the 9th Board of Directors on May 21, 2024
  - 1. Yuanta FHC's financial risk management and risk analysis report for Q1 of 2024.
  - 2. Yuanta FHC's business risk monitoring report for Q1 of 2024.
  - 3. Amendments to the "Yuanta Financial Holding Co., Ltd. Organization Regulations of Risk Management Committee."
- (III) 8th Risk Management Committee Meeting of the 9th Board of Directors on August 20, 2024
  - 1. Yuanta FHC's financial risk management and risk analysis report for Q2 of 2024.
  - 2. Yuanta FHC's business risk monitoring report for Q2 of 2024.
- (IV) 9th Risk Management Committee Meeting of the 9th Board of Directors on November 19, 2024
  - 1. Yuanta FHC's financial risk management and risk analysis report for Q3 of 2024.
  - 2. Yuanta FHC's business risk monitoring report for Q3 of 2024.
- (V) 10th Risk Management Committee Meeting of the 9th Board of Directors on December 17, 2024
  - 1. Yuanta FHC's Risk Management Committee "2025 Action Plan" and "2025 Meeting Schedule."
  - 2. 2025 Business Risk Assessment and Management Report.
  - 3. 2024 Risk Management Mechanism Assessment Report.
  - 4. Establishment of Yuanta FHC's 2025 market risk limits.
  - 5. Establishment of 2025 business risk monitoring indicators and threshold values.

Note : (1) Where a specific member may be relieved from duties before the end of the fiscal year specify the date of discharge in the "Remark" section. Actual attendance rate (%) was calculated based on the number of meetings of the Risk Management Committee held during each member's term and the number of meetings actually attended by that member.

(2) Where a re-election may be held for filling the vacancies of members before the end of the fiscal year, list both the new and the discharged members, and specify if they are the former members, or newly elected, re-elected and the date of the re-election in the "Remark" section. Actual attendance rate (%) was calculated based on the number of meetings of the Risk Management Committee held during each member's term and the number of meetings actually attended by that member.

**(VI) Corporate sustainability practices, and deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and reasons thereof**

Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies” and reasons thereof
	Yes	No	
1. Whether Yuanta FHC establishes the governance framework dedicated to promoting the sustainability and delegates the full-time (part-time) functional units dedicated to promoting the corporate sustainability; has the Board of Directors authorized the senior management to deal with it; and how the Board of Directors supervise it?	✓	1. (1) In order to practice Yuanta FHC’s corporate sustainable development philosophy, promote corporate governance, strengthen the Board of Directors’ control over ethical management and fulfill the corporate sustainable development proactively, Yuanta FHC resolved at the meeting of the Board of Directors on November 28, 2018 to establish the “Sustainability Committee” subordinated to the Board of Directors. The Committee was renamed to “Sustainable Development Committee” at the 39th meeting of the 8th Board of Directors on March 15, 2022. The Committee must consist of 3-7 members, who must be served by Yuanta FHC’s directors, and at least a majority of the members must be served by independent directors. Yuanta FHC’s “Nominating Committee” will review their qualifications and potential conflicts of interest. Then the members are appointed, also with the approval of the Board of Directors, one of whom shall be elected as the convener. The current (9th) Sustainable Development Committee consists of the Chairman of Yuanta FHC and four(4) independent directors. The Chairman also serves as the convener of the Committee, and independent directors account for 80% of its members. The Committee shall meet at least twice per year and may convene a meeting at	There was no departure in this respect.

Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles” for TWSE/TPEX Listed Companies” and reasons thereof
	Yes	No	
			<p>any time if necessary. In order to practice ethical management and promote corporate sustainable development, Yuanta FHC has established the “Integrity Management Office” and “Corporate Sustainability Office” subordinated to the Sustainable Development Committee.</p> <p>(2) The Sustainable Development Committee held 5 meetings in 2024, and reported the implementation results of sustainable development and future work plans to the Board of Directors. The Board of Directors regularly listens to the proposed strategies reported by the management team on a quarterly basis. The Board of Directors shall review the progress of the strategies, assess the possibility of success of the strategies, and urge the management to make adjustments if necessary. The motions include the implementation status of the promotion of sustainable development and execution of ethical management; implementation results of the Corporate Sustainability Office and Integrity Management Office in 1H of the year; implementation results and progress of the Group’s sustainable financial product in 1H of the year; the communications on issues of concern to stakeholders; Yuanta FHC’s 2023 Sustainability Report; establishment of the “Yuanta Financial Holding Co., Ltd. Occupational Safety and Health Policy”; amendments to the “Yuanta FHC Sustainable Finance Guidelines”; amendments to the “Sustainable Development Best-Practice Principles of Yuanta Financial Holding Co., Ltd.”;</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>amendments to the "Sustainable Development Policy and Management Rules of Yuanfa Financial Holding Co., Ltd."; amendments to the "Directions for Preparation and Verification of Sustainability Report of Yuanfa Financial Holding Co., Ltd."; and naming of the responsible person of the "Corporate Sustainability Office" of Yuanfa FHC as the Chief Sustainability Officer, and the operation and implementation of the Committee is published on of Yuanfa FHC's website and in of Yuanfa FHC's annual report.</p> <p>(3) Yuanfa FHC's medium and long-term business strategy includes two aspects : business model and sustainable development. The board of directors regularly listens to the report of the management team every year, reviews the implementation of the current year, and conducts strategic review and proposes optimization based on the impact of the current year's environment. practice.</p> <p>The information about supervision of sustainable development is disclosed in the "Investor relations," "Corporate Governance" and "Other Committees"&gt;"Sustainable Development Committee" on Yuanfa FHC's official website. Website : <a href="https://www.yuanta.com/EN/IR/Governance/Committees">https://www.yuanta.com/EN/IR/Governance/Committees</a></p> <p>(4) In 2011, Yuanfa FHC established the "Corporate Social Responsibility Promotion Center," which was renamed the "Corporate Sustainability Office"</p>

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	Summary	
			<p>in 2022, and also six(6) major functional teams, subject to the nature of the mission, comprising "Corporate Governance," "Sustainable Finance," "Customer Care," "Employee Care," "Environmental Sustainability" and "Social Participation" consisting of the members served by the staff across subsidiaries and departments. In response to the competent authority's ESG policy and practical operating needs, the job title of the responsible person in the Corporate Sustainability Office was designated as "Chief Sustainability Officer" at the 34th meeting of the 9th Board of Directors on December 25, 2024 to facilitate the robust sustainable development of Yuanta FHC. A total of four meetings were convened by the Corporate Sustainability Office to follow up and check on the progress of various projects in 2024. The Committee reports the work plans and execution results to the Sustainable Development Committee on a semi-annual basis to strengthen the Board of Directors' management of sustainable development. Meanwhile, it will amend related policies on a rolling basis to ensure their validity.</p>	
2. Whether Yuanta FHC conducts the risk assessment on the environment, society and corporate governance issues related to Yuanta FHC's operation and adopts related risk management policies or strategies, and disclose the same on Yuanta FHC's website?	✓		<p>2.</p> <p>(1) Yuanta FHC identifies the sustainability issues of concern for stakeholders. It also conducts annual assessments and analyzes of major issues in accordance with the principle of materiality, and sets short-term, medium-term, and long-term goals for the Group's sustainable development. Meanwhile, it reports the assessment results of</p>	There was no departure in this respect.

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>major topics and potential internal and external risks to the finance-related businesses to the Board of Directors.</p> <p>(2) Yuanta FHC values the stakeholders' opinions, and uses the best effort to communicate with the stakeholders via various channels to verify and identify the issues concerned by them. Yuanta FHC analyzes how stakeholders' concern about environmental, social and corporate governance issues and the impact posed to the core business operations by the internal senior management's review on various issues, in order to prioritize the positive and negative impacts posed by the sustainability issues. The issues which pose any positive/negative impact reaching more than 60% will be identified as major ones. Yuanta FHC identified a total of 12 major topics in 2024, and provided impact statements for these topics, formulated corresponding policies, and established assessment mechanisms to meet the expectations of stakeholders.</p> <p>(3) The "Risk Management Policy" of Yuanta FHC has been formulated as Yuanta FHC's highest guiding principle regarding risk management. Adequate risk management systems shall be defined based on the policy, the attributes of various risks, and the effects imposed by the risks on Yuanta FHC's operating stability and capital safety. Yuanta FHC's risk management policy covers the main business risks throughout Yuanta FHC, including financial risk, business risk, legal</p>

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	Summary	
			and compliance risk and climate change risk. Meanwhile, Yuanfa FHC has established the "Sustainable Finance Guidelines," "Industry Environment and Social Risk Management Rules" and "Environment, Energy, and Climate Change Management Policy." Yuanfa FHC conducts an annual risk assessment on environmental, social, and corporate governance issues related to its operations based on material principles, and reports the findings to the Risk Management Committee and the Board of Directors. Yuanfa FHC's relevant regulations are disclosed on Yuanfa FHC's website "Investors Relations" > "Corporate Governance" > "Major Internal Regulations." Website : <a href="https://www.yuanfa.com/EN/IR/Governance/Internal-Policies">https://www.yuanfa.com/EN/IR/Governance/Internal-Policies</a>	
3. Environmental issues (1) Has Yuanfa FHC established environmental policies suitable for Yuanfa FHC's industrial characteristics?	✓		3. (1) The Group has set forth the "Environment & Energy and Climate Change Management Policy." In order to improve the environmental sustainability management, the "Environmental Sustainability Group" of the Corporate Sustainability Office continues to promote various policies to mitigate the environmental impact and use the best effort to build the enterprise's green culture, hoping to mitigate the impact posed by the operating process to the environment, by managing the internal energy consumption and GHG emission, continuing to improve the energy utilization efficiency, and proactively procuring the renewable energy.	There was no departure in this respect.

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>A. The management departments of Yuanta FHC and its subsidiaries have formed the "Environmental Sustainability Group" since 2011 to establish the environmental management system, implement various environment and energy ISO management systems voluntarily, and conduct GHG inspection, promote energy conservation and carbon reduction proactively, manage energy/resources, water resources and waste with care, and also practice the green procurement and sustainable supply chain management.</p> <p>B. The "Environment Policy" established by Yuanta FHC in 2016 was approved by the Board of Directors, and consolidated as the "Energy and Climate Change Management Policy" in 2022, and changed to the "Environment &amp; Energy and Climate Change Management Policy." With the standard and systematic management, Yuanta FHC exerted the power of integration, set the short-term, mid-term and long-term goals under various environmental sustainability indicators, and executed and followed up the same, in order to continue mitigating the impact posed by the environment in the process of operation in line with the international pathway to net-zero emissions.</p> <p>C. Yuanta FHC establishes the environmental management system exclusively applicable to</p>



Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	Summary	
			the financial business based on ISO 14001 environment management standard systems, and passes the third-party certification each year. Meanwhile, Yuanta FHC also delivers the ISO 14064-1 Greenhouse Gas Investigation System and ISO 14046 Water Footprint Investigation System into its eight(8) subsidiaries extensively. In terms of the 327 business locations throughout Taiwan, the coverage rate of such inspection should attain 100%. All of the buildings owned by the Group have implemented the ISO 50001 energy management system, respectively, and also passed the third-party certification. (The certificate is valid from May 28, 2024 to May 27, 2027)	
(2) Does Yuanta FHC endeavor to upgrade the efficient use of available energy, and use environmentally friendly materials?			<p>(2) Yuanta FHC is actively implementing carbon reduction measures, managing energy/resource, water resource and waste with care, and also fulfilling green procurement and supply chain management. The specific management practices are stated as follows :</p> <p>A. Environmental policies were drafted or amended per Yuanta FHC's operating policies, assessment result considered in terms of important environment or the management review resolution.</p> <p>B. Fulfill the "Corporate Sustainability," and establish the Energy and Climate Transformation Management Policy in response to such issues including shortage of</p>	

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>international energy and climate transformation, and include corporate sustainability into Yuantia FHC's management and operations.</p> <p>C. Yuantia FHC set internal management rules for indoor air conditioning temperature in office that follow Taipei City Government's Self-Government Regulations Governing Energy Saving and Carbon Reduction of Industrial and Commercial Business.</p> <p>D. Review the result about consumption of such energy as water and electricity, on a year basis, in order to realize water conservation, energy conservation, and carbon and greenhouse gas reduction.</p> <p>E. Draft the environmental objective and action plans, set the manners in which various departments should set the objectives, and establish the plan to achieve the environmental objectives.</p> <p>F. Smoking is completely prohibited inside our offices. Smokers must use designated outdoor places. In order to meet regulations we regularly carry out disinfection, rodent and insect control.</p> <p>G. The headquarters building's management committee functions as a dedicated environmental management unit to maintain the environment.</p> <p>(A) Global warming results in increasing frequencies of extreme weather events and</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>thereby creates a threat to the infrastructure of the financial market. Yuanta FHC not only pays close attention to the effect caused by changes of climate to operating activities, but also applies multiple tangible safety prevention measures to protect against risks of such changes of climate, including maintenance of fire insurance and additional insurance against Yuanta FHC's own assets and electronic insurance against information equipment, installation of watertight gates, and periodic maintenance of fire protection, monitoring and back-up supporting equipment, in order to control contingent climate risk and reduce the loss of Yuanta FHC's operation and equipment.</p> <p>(B) Yuanta FHC is a financial service business, instead of a manufacturer who is used to discharging massive quantities of greenhouse gas. The primary sources of Yuanta FHC's emission of greenhouse gas refer to power, water and fuel of transportation means. Yuanta FHC has conducted an investigation into the emission of greenhouse gases by said energies, and has had the emission of greenhouse gases certified by some external organization since 2015.</p> <p>(C) Yuanta FHC promotes environmental</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>protection and fulfills the energy saving/carbon reduction measures as its strategies to manage greenhouse gas :</p> <p>a. Promote recycling and adopt green procurement.</p> <p>b. Permanently encourage staff to move by stairs instead of elevators if the length of distance is no more than two floors to save power and encourage the partaking of exercise. Elevators are categorized into those exclusive for floors of odd and even numbers separately, so that the energy used by the elevators to stop and open/close the doors may be saved.</p> <p>c. Require that the room temperature at the office premises shall be set as no less than 26°C.</p> <p>d. The areas of sun exposure shall be equipped with window shades to reduce radiant heat.</p> <p>e. Promote that the plugs of OA equipment shall be pulled out, if the equipment will remain inactive permanently, and staff shall turn off the lights immediately before leaving the office.</p> <p>f. Set the PCs in the manner that the screensavers will be activated automatically once the PCs are inactive.</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>g. Reduce water yield of faucets comprehensively, and persuade colleagues to confirm that the faucet is turned off tightly after use.</p> <p>h. Promote videoconferencing to save the staff from consuming the energy used in commuting.</p> <p>i. Plan to replace traditional lighting with LED to save power.</p> <p>j. The communication of official letters, internal and external, has been replaced by an online approval system to save consumption of paper and carbon powder.</p> <p>H. Yuanta FHC's measures to raise resource utilization efficiency and its use of renewable materials are explained below :</p> <p>(A) We recycle and reuse energy-intensive articles. This includes advocating as well as promoting the recycling and reuse of paper products, the use of recycled paper and resource recycling as well as reporting on execution status.</p> <p>(B) We properly dispose of waste. This includes advocating and promoting waste sorting and reduction, waste water treatment and reporting on the outcome.</p> <p>(C) Yuanta FHC adopts low-consumption and green OA appliances and devices and procures the products with eco-friendly, energy-conservation and water-</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>conservation logos as the first priority. The office renovation work is primarily required to satisfy the criteria for green construction materials.</p> <p>(D) Major conferences and receptions for guests do not provide cups or plastic bottles for drinking. Yuanta FHC has adopted reusable glass bottles for drinking and implemented waste reduction. It also encourages employees to bring their own cutlery and disposable cups in response to the policy for "Prohibition of Disposable and Melamine Tableware."</p> <p>(E) Yuanta FHC has been honored by Environmental Protection Administration, Executive Yuan, as the excellent green procurement benchmarking entity for thirteen consecutive years.</p> <p>(F) Yuanta FHC has been honored as the excellent green procurement benchmarking entity. (Honored by Ministry of Environment, Executive Yuan for thirteen consecutive years and by the Department of Environmental Protection, Taipei City Government for fourteen consecutive years).</p>
(3) Whether Yuanta FHC assesses the potential risk and opportunity posed by climate changes to the enterprise, now and in the future, and takes responsive measures related to these issues?			<p>(3)</p> <p>A. Yuanta FHC practices its commitments for the "Sustainable Finance Pioneers Alliance" and responds to the Green and Transformation Finance Action Plan 3.0, regularly reviews the</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			<p>climate-related issues subject to the Group's business characteristics and includes the same into the business strategies, in order to improve the climate change risk management mechanism, increase the climate-related opportunities and ability to address any risk.</p> <p>B. Yuanta FHC published the "Climate-Related Financial Disclosures Report 2023" in 2024 to disclose the annual performance and results across four major aspects, including governance, strategy, risk management, and indicators &amp; goals, as well as to establish countermeasures aimed at mitigating and adjusting the risks associated with Yuanta FHC's internal responsive strategies. Meanwhile, Yuanta FHC also encourages customers to transform themselves towards the low-carbon industry and utilize their capital to help the global green economic development, demonstrating Yuanta FHC's determination to boost sustainable development.</p> <p>The risk management and sales units of Yuanta FHC and its subsidiaries will identify and assess climate-related risks and opportunities based on their company size, business characteristics, and business strategies. They will evaluate the significance of factors such as impact, time period, territory, value chain location, and financial effects associated with various risks and opportunities, and will also develop responsive strategies and mitigation measures</p>

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	Summary	
			<p>accordingly. The detailed information is disclosed in Yuanta FHC Sustainability Report Chapter "Climate Change-Related Risks and Opportunities" and "Climate-Related Financial Disclosures Report." Download the related reports at the official website of Yuanta FHC under "Sustainable Development" &gt; "Download the Report."</p> <p>Website : <a href="https://www.yuanta.com/EN/ESG/ESG-Report">https://www.yuanta.com/EN/ESG/ESG-Report</a> ; Report</p> <p>C. Additionally, in response to the international trend of carbon reduction and the implementation of corporate carbon management, the internal carbon pricing mechanism was formally established in 2024 as a tool for carbon reduction strategies and risk management. Four "internal carbon pricing work group meetings" and two "internal carbon pricing review meetings" were convened, achieving a carbon reduction rate of 12.8% for the Group, exceeding the original target of 4.2%. This is equivalent to a savings of NT\$3.77 million in internal carbon expenses.</p>	
(4) Whether Yuanta FHC gathers the statistics about the annual GHG emission, water consumption and gross weight of waste for the past two years, and adopts policies for energy conservation and carbon reduction, greenhouse gas reduction, reduction of water consumption or management of exhaust gas and other waste goods, including reduction target, promotional policy and status of achievement?			<p>(4) A. The Group is committed to achieving various environmental sustainability goals. In 2022, the Group passed the review of carbon reduction targets set by the SBT method. The target is to reduce the absolute emissions of Category 1 and Category 2 greenhouse gases in 2030 by 42% compared to 2020. The following quantitative</p>	



Scope of Assessment	Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons thereof																				
	Yes	No	Summary																					
	indicators are set :																							
			<table><tr><th></th><th>Short-term Goals</th><th>Mid-term Goals</th><th>Long-term Goals</th></tr><tr><td>Category 1 and Category 2 Carbon Reduction Targets (2020 as the base year)</td><td>1. The carbon emission reduced by 4% per unit of operating revenue in 2021 from the base year. 2. The energy consumption reduced by 3% in 2021 from the base year.</td><td>1. The carbon emission reduced by 6% per unit of operating revenue in 2023 from the base year. 2. The energy consumption reduced by 5% in 2023 from the base year.</td><td>1. The carbon emission reduced by 8% per unit of operating revenue in 2025 from the base year. 2. The energy consumption reduced by 7% in 2025 from the base year.</td></tr><tr><td>Waste Reduction Target (2019 as the base year)</td><td>The quantity per capita reduced by 1% in 2021 from the base year.</td><td>The quantity per capita reduced by 2% in 2023 from the base year.</td><td>The quantity per capita reduced by 3% in 2025 from the base year.</td></tr><tr><td>Water Consumption Reduction (2019 as the base year)</td><td>The water consumption per square meter reduced by 1% in 2021 from the base year.</td><td>The water consumption per square meter reduced by 2.5% in 2023 from the base year.</td><td>The water consumption per square meter reduced by 4% in 2025 from the base year.</td></tr><tr><td>In response to the renewable energy consumption</td><td>1. Two business locations consumed 100% green power in 2021. 2. The proportion</td><td>1. At least four business locations consumed 100% green power in 2023. 2. The green power</td><td>The green power consumption attains 2.7 million kWh cumulatively, i.e. 2% of the total energy consumption.</td></tr></table>		Short-term Goals	Mid-term Goals	Long-term Goals	Category 1 and Category 2 Carbon Reduction Targets (2020 as the base year)	1. The carbon emission reduced by 4% per unit of operating revenue in 2021 from the base year. 2. The energy consumption reduced by 3% in 2021 from the base year.	1. The carbon emission reduced by 6% per unit of operating revenue in 2023 from the base year. 2. The energy consumption reduced by 5% in 2023 from the base year.	1. The carbon emission reduced by 8% per unit of operating revenue in 2025 from the base year. 2. The energy consumption reduced by 7% in 2025 from the base year.	Waste Reduction Target (2019 as the base year)	The quantity per capita reduced by 1% in 2021 from the base year.	The quantity per capita reduced by 2% in 2023 from the base year.	The quantity per capita reduced by 3% in 2025 from the base year.	Water Consumption Reduction (2019 as the base year)	The water consumption per square meter reduced by 1% in 2021 from the base year.	The water consumption per square meter reduced by 2.5% in 2023 from the base year.	The water consumption per square meter reduced by 4% in 2025 from the base year.	In response to the renewable energy consumption	1. Two business locations consumed 100% green power in 2021. 2. The proportion	1. At least four business locations consumed 100% green power in 2023. 2. The green power	The green power consumption attains 2.7 million kWh cumulatively, i.e. 2% of the total energy consumption.	
	Short-term Goals	Mid-term Goals	Long-term Goals																					
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Scope of Assessment	Status		Summary				Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No					
			Short-term Goals	Mid-term Goals	Long-term Goals		
			of green power consumption is increasing by 2% year by year.	consumption aims to attain 1.50 million kWh cumulatively.			
			The historical environmental data are stated as follows :				
				2022	2023	2024	
			Power consumption (kWh)	36,454,150	34,823,076	33,442,945	
			Renewable energy consumption (kWh)	945,924	2,643,358	5,280,786	
				2021	2022	2023	2024
			GHG emission (tons) (Categories 1+2)	22,254.04	19,999.89	18,613.87	17,645.56
				2021	2022	2023	2024
			Gross weight of waste (tons)	661.18	651.70	616.08	636.11
			Water consumption (million liters)	173.09	167.04	165.29	178.89
			B. The Group has physically practiced sustainability in terms of climate transformation, energy-saving and carbon reduction, and green environmental protection. The green power and renewal energy certificate procured by it in the past years generated the green power of 9.91 MWh, corresponding to the CO <sub>2</sub> absorption of 12.7 Daan Forest Parks each year.				

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	Yes	No	
			<p>The Group aims to obtain the green building label for all new self-owned buildings, improve the energy-saving capacity of these buildings, and reduce energy consumption to achieve low-carbon buildings. Yuantai Plaza and Yuantai Plaza have obtained the silver class award of the Green Building Label from the Ministry of the Interior. The Yuenta Life Gold Star Building, which is under construction, has also obtained the silver class award of the Green Building Label.</p> <p>Yuenta FHC officially began transitioning to green power in Q3 of 2021. The entire group began to use green power in 2024, covering Yuenta FHC and its eight(8) subsidiaries. 30% of the branch offices have also used green power. In addition to purchasing renewable energy, the Group has actively installed renewable energy equipment and planned for solar photovoltaic panels in its new self-owned buildings. The new Yuenta Plaza was officially opened in 2024. Seventy-one(71) solar panels were installed on the rooftop, with a capacity of 24.85 kWp, and are actively used to effectively utilize renewable energy.</p> <p>The Group takes carbon-reduction issues very seriously. Since 2016, it has participated in the Carbon Disclosure Project (CDP) rating. Since 2020, it has been rated by the CDP as A for five(5) consecutive years, ranking the leading</p>

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	Yes	No	Summary	
			<p>position for seven(7) consecutive years, as the highest rating in the CDP and also ranking the best among peer companies domestically.</p> <p>In response to the government's pathway to net-zero emissions, Yuanta FHC launched multiple measures and continues to invest in energy-conservation lamps and equipment replacement to practice the energy-conservation and carbon-reduction goal. In 2021, it saved about 461,000 kWh of power and saved about NT\$1,750,000 in expenses. In 2022, it saved about 262,000 kWh of power and saved about NT\$990,000 in expenses. In 2023, it saved 241,400 kWh of power and, therefore, saved expenses by NT\$920,000. In 2024, it saved about 330,600kWh of power and, therefore, saved expenses by NT\$1,390,000. The accumulated carbon-reduction volume satisfied the Group's carbon-reduction goal.</p> <p>In 2022, in order to adapt to the trend for shortage of international energy and climate change, Yuanta FHC consolidated the "Environmental Policy" and "Energy and Climate Change Management Policy" into the "Environment and Energy and Climate Change Management Policy" to respond to the international trend proactively and also to include the climate governance into Yuanta FHC's management and operation.</p>	
<b>4. Social issues</b> <b>(1) Has Yuanta FHC established any related management</b>	✓	4. (1)		There was no departure in this respect.

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	Yes	No	
<p>policies and procedures in accordance with the relevant laws and international human rights conventions?</p>			<p>A. In order to maintain and protect the human rights, Yuanta FHC establishes the "Human Rights Policy" in accordance with the human rights protection spirit and basic principles disclosed in the Universal Declaration of Human Rights, United Nations Global Compact and International Labour Conventions, in order to regulate the protection of human rights in workplaces, supply of healthy and safe workplaces and propagation of human rights policies, and fulfill the responsibility for respecting and protecting human rights. Meanwhile, Yuanta FHC's President signed the "Statement of Human Rights" to undertake inclusion of the human rights protection principles and spirit into the enterprise's value and culture.</p> <p>B. Meanwhile, in order to practice the "Human Rights Policy," Yuanta FHC conducts the risk assessment with respect to the potential human rights risk issues to be dealt with by the employees each year, sets forth and adjusts the following management, mitigation, compensation and correction policies based on the assessment results, and discloses Yuanta FHC's human rights risk assessment control list, in order to control and mitigate the risk and solidify Yuanta FHC's human rights protection policies.</p> <p>C. Yuanta FHC organizes two peaceful workplace training courses each year to promote and</p>

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	Yes	No	
			<p>educate all employees about the concept of human rights. This training includes content on Yuanta FHC's human rights policy, the interests and rights of statutory laborers, diversity, equality and inclusion (DEI) concepts, as well as Yuanta FHC's work rules, prevention of sexual harassment, and grievance channels. The goal is to raise all employees' awareness of human rights protection and work collaboratively to build a peaceful workplace.</p> <p>D. In order to improve the performance and social influence of the Group's social welfare activities, Yuanta FHC establishes the "Directions for Management of Social Public Welfare Activities in reference to the Sustainable Development Goals (SDGs)" and Yuanta FHC's "Sustainable Development Best-Practice Principles."</p> <p>E. Expressly states that cooperation with strategic partners shall be considered as the priority, in order to integrate the human rights protection principles and spirit into the community partners. Strategic partners refer to the civil organizations, charity and public welfare organizations and government agencies that are dedicated to improving human right risk in the community, and the groups that might have to deal with community human right risk, including but not limited to low-income households, individuals in rural or remote areas, forcibly displaced persons, indigenous peoples, and uneducated individuals.</p>

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	Yes	No	Summary	
			F. The Directions require follow-up with various companies each year, and respond to the social issues concerning Yuanta Group's social participation strategies, such as rural education, human trafficking, forced labor, child labor, freedom of association, collective bargaining rights, equal pay for equal work, and discrimination, in response to the human rights protection principles.	
(2) Whether Yuanta FHC adopts and implements reasonable employee benefit policy (including remuneration, vacation and other benefits, etc.), and reflects the operating performance or results to the remuneration to employees adequately, and disclose the same on Yuanta FHC's website?			(2) A. Yuanta FHC offers a competitive remuneration system, and pays remuneration under multiple packages, including basic pay, allowances, bonuses, festival bonus, employee compensation, and shareholding trust. In order to encourage colleagues to work harder and practice their work performance, Yuanta FHC may provide a group performance bonus subject to the operation performance and earnings achieved by Yuanta FHC, and pay other benefits based on personal performance rating and work performance each year. Meanwhile, in order to retain talents and look after employees' lives, Yuanta FHC continues to review the commodity price and plan the pay raise that is competitive in the market. According to the Articles of Incorporation, if Yuanta FHC has profited at the year's final accounting, the remuneration to employees shall be 0.01%-0.5% of the remainder, if any, after the profitless accumulated loss.	

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	Yes	No	
			<p>Since 2015, Yuanta FHC has been selected by "Taiwan HC 100 Index of TWSE" for 10(ten) consecutive years. Apparently, Yuanta FHC's efforts to pay reasonable remuneration and feedback of profit to employees are recognized. In the future, Yuanta FHC will continue to fulfill its corporate social responsibility, value and promote employees' well-being, and facilitate a win-win situation between the labor and management.</p> <p>B. The starting salary offered to Yuanta FHC's new employees is authorized per the professional capabilities of personnel, job responsibilities and functions. The salary will not vary depending on gender. Yuanta FHC uses its best efforts to build a working environment upholding equal pay for equal work, so as to practice the philosophy of gender equality in employment. In 2024 Yuanta FHC's female employees accounted for 63.40%. Among the others, female management accounted for 54.39%.</p> <p>C. For the the employees' days off, the Labor Standards Act, the Act of Gender Equality in Employment, and Regulations of Leave-Taking of Workers, etc., in addition to the Regulations of Leave-Taking of Workers, shall apply. Meanwhile, Yuanta FHC offers paid maternity leave for miscarriage that is more favorable than what is prescribed by law. Specifically, in the case of a miscarriage after a pregnancy lasting more than two months but less than three months,</p>



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			<p>maternity leave of 9 days is available. In the case of a miscarriage after a pregnancy lasting less than two months, a maternity leave of 7 days will be provided, in addition to a pregnancy checkup leave of 10 days. Family care leave will also be available and will be more favorable than that prescribed by law, to be calculated separately rather than being included in personal leave.</p> <p>D. Yuanta FHC provides employee benefit measures, including the bonus for three major festivals, birthday gift money, marriage subsidies, maternity subsidies, hospitalization and medical treatment subsidies, funeral subsidies, emergent relief, employee assistance programs (EAPs), scholarship for workers' children, and social activities, etc.. In order to mitigate the employees' burden to help them build a sweet home, Yuanta FHC offers the preferential loan interest rate, Group Comprehensive Insurance, etc.. in an effort to enable the employees to achieve a perfect balance between their work and life. Further, Yuanta FHC established an employee shareholders' association in August 2003. When employees set aside a certain amount of money each month for stock purchases, Yuanta FHC will match the employees' contributions, encouraging employees to be Yuanta FHC's shareholders.</p> <p>E. In order to take care of the workers' retirement life, Yuanta FHC has set forth the Pension</p>

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			<p>Management Guidelines pursuant to laws and made monthly contribution equivalent to 2% of the total employees' salary as the pension fund saved in the exclusive account maintained with the Bank of Taiwan. Meanwhile, Yuanta FHC established the Pension Fund Supervisory Committee responsible for auditing the contribution, deposit and expenditure of the pension fund and payment of pension in order to protect the workers' interests and rights. Following the Labor Pension Act promulgation on July 1, 2005, Yuanta FHC has made monthly payments, equivalent to 6% of the insured value maintained by the individual employee into the employee's personal labor pension account.</p> <p>F. The related employee benefit measures are disclosed on Yuanta FHC's website "Sustainable Development"&gt; "Caring for Our Employees"&gt; "Compensation and Benefits," Website : <a href="https://www.yuanta.com/EN/ESG/Employees/Benefits">https : //www.yuanta.com/EN/ESG/Employees/Benefits</a></p>	
(3) Whether Yuanta FHC provides the existence of a safe and healthy work environment protection measures, conducts regular health and safety training for employees, and discloses the same on Yuanta FHC's website?			<p>(3)</p> <p>A. In order to provide employees and customers with a safe and healthy working environment, Yuanta FHC continues to promote workplace safety protection and adopts the Occupational Safety and Health Work Rules, Occupational Safety and Health Management Program, Automated Inspection Program, Implementation Directions for Operating Environment Testing, and Regulations Governing Occupational Safety</p>	

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			<p>and Health Training. Yuanfa FHC publishes and enforces these measures in accordance with "Occupational Safety and Health Act" and related sub-laws. Meanwhile, Yuanfa FHC continues to improve its related practices and implements them effectively. In 2024, the Board of Directors approved the establishment of the Group's occupational safety and health policy to improve management performance, create a zero-disaster workplace, and protect the safety and health of employees, suppliers, and contractors.</p> <p>B. Organize the online training courses and disaster prevention drill for the occupational safety and health training and four major programs for occupational safety and health, with respect to new and current employees, pursuant to laws each year. A total of 59 courses were organized in 2024, attended by a total of 22,996 trainees. The total training hours were 25,870 hours.</p> <p>Organize annual training for occupational safety management, fireproof management personnel, first-aid personnel, and disaster and earthquake prevention drills, focusing on occupational safety and health affairs managers, fireproof management personnel, security personnel, and first-aid personnel, in order to mitigate the risks associated with occupational disasters and provide employees with a safe, healthy, and sanitary work environment. There were a total of 647 trainees in 2024. The total training hours</p>

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	Yes	No	
			<p>were 5,128 hours.</p> <p>C. Yuanta FHC and its subsidiaries provide specialized on-site occupational health services. They hire specialty personnel for occupational safety and health management, as well as labor health service nursing personnel and occupational specialists by contract. These services aim to provide employees with medical treatment and healthcare information, along with health consulting and health promotion services in accordance with applicable laws. Additionally, they screen and identify employees' occupational health risks, which are more likely to arise, and plan occupational disease prevention programs based on indicators such as job type, operating environment, age, gender, and health risks each year.</p> <p>D. In order to take care of employees' and customers' health, Yuanta FHC follows occupational safety and health laws and regulations, checks the carbon dioxide concentration and light intensity at the office premises every six months, and also obtains the "Air Quality Self-Management Certification." The related contents are disclosed on Yuanta FHC's website "Sustainable Development" &gt;"Caring for Our Employees"&gt;"Health and Safety." Website : <a href="https://www.yuanta.com/EN/ESG/Employees/Health-and-Safety">https : //www.yuanta.com/EN/ESG/Employees/Health-and-Safety</a></p>

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	Yes	No	
			<p>E. Yuanta FHC and its five subsidiaries (Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust and Yuanta Futures) have passed the certification and renewal by ISO 45001 Occupational Safety and Health Management System, respectively, in 2021. Additionally, the Group continues to maintain a conducive operating environment for employees and protect their personal safety through the cyclical quality management process (Plan-Do-Check-Action) to improve occupational safety and health in the workplace.</p> <p>Said six(6) companies of Yuanta Group all received the renewed certification in 2024. (The certification is valid from April 23, 2024 to April 22, 2027)</p> <p>F. Yuanta FHC did not suffer fire in 2024. The working environment protection measures (such as fire risk identification in unfavorable situations and key disaster reduction measures) and their implementation status are as follows :</p> <p>(A) Formulate an emergency response plan, including regular fire response drills and automatic fire extinguishing system testing with the fire team.</p> <p>(B) Fire extinguishing equipment, emergency escape guide, and disaster prevention information are made available at the workplace.</p> <p>(C) Automatic inspection plans are established for electrical equipment, firefighting</p>

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	Yes	No	Summary	
			<p>facilities, and the operating environment. The potential hazardous factors are actively identified to effectively control the occurrence of risks and prevent possible safety hazards.</p> <p>(D) Emergency personnel are delegated and personnel re-training is conducted in accordance with the regulations.</p> <p>G. Yuanta FHC values workplace safety and traffic safety during commutes, and organizes occupational safety and health education and training courses periodically each year to strengthen colleagues' awareness of occupational safety and health. There were no occupational accidents arising in 2024.</p>	
(4) Has Yuanta FHC established some effective career development training plan for employees?			<p>(4) The career development training plan for Yuanta FHC's employees consists of the following elements :</p> <p>A. Training and development system for diversified talents holding management function and professional function</p> <p>Yuanta FHC's management find and reserve the management and professional talents needed by the financial industry and the Group's development through talent identification, and train talents through orientation training, management and diversified functional courses, assignment of missions, participation in projects, participation in meeting and job rotation. Meanwhile, Yuanta FHC also encourages its</p>	

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	Yes	No	
			<p>employees to access various financial areas of the Group and learn the diversified functions voluntarily to help Yuanta FHC and employees respond to the rapid changes in the finance industry and also hold the knowledge, technology and competency keeping up with the time. The training plan in 2024 was primarily based on Yuanta FHC's business development strategy in order to promote the transformation and diversified competence training programs for the Group's personnel, including financial product training, insurance and product sales training, accounting for 75.73% of the total training fees. The senior, middle and junior management's training accounted for 20.18% of the total training expenses, and 4.09% of the total training expenses for the orientation training.</p> <p>Yuanta FHC encourages employees to participate in workshops and training sessions to enhance their competence or reserve the competence needed in the future. Yuanta FHC will cover the full expenses for courses that are attended upon assignment or approval by Yuanta FHC. Moreover, Yuanta FHC encourages employees to attend international financial proficiency course certification and English proficiency certification by offering incentive bonus. In 2024, Yuanta FHC offered a reward of NT\$1,300 for any employee passing the sustainable development basic</p>

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			<p>competency certification. As of December 31, a total of 372 employees have received the reward.</p> <p>B. Share the digital training platform and promote self-learning</p> <p>Yuanta FHC communicates tactic knowledge and transfer practical experience via its self-made courses available on the digital learning platform, "Yuanta e-Learning." The digital learning courses added on a weekly basis are intended to communicate the global industrial development trend, Sustainability Issues, Case study on enterprises and experience, new knowledge and application of management, and strengths in workplaces, as the important knowledge treasury for the Group's employees to engage in self-learning and develop diversified competencies.</p> <p>Based on the thought about learning curation, in line with the hit subjects in the global financial industry and the Group's business focus, Yuanta FHC releases "Yuanta e-Learning/Learning Weekly" to train employees to maintain their learning motives and habits, urge employees to engage in self-learning "anytime, anywhere, on-demand." to continue enhancing the employees' professional ability and reserve their competitiveness for their future careers.</p>	



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			<p>C. Provide the chance for post transfer in the Group and encourage cross-functional transfer for development</p> <p>Yuanta FHC makes good use of the strength in diversified financial industry of its subsidiaries to arrange the intracompany post transfer subject to the operating need periodically, and encourages employees to apply for internal post transfer, so as to boost the exchange of talents in the Group and encourage employees to develop in a diversified manner, drive the reproduction of inter-company success and spread efficiency.</p> <p>D. Fulfillment of Yuanta FHC's internal knowledge management and experience transmission</p> <p>Meanwhile, in order to enable employee training to meet the Group's enterprise culture and practical management needs and to signify senior employees' professional value and contribution, the Group has engaged in promoting the in-house trainer system based on the plentiful experience of in-house staff permanently, so as to fulfill Yuanta FHC's internal knowledge management and experience transmission. It is also done to help enhance colleagues' professional competency in the area of finance.</p> <p>E. Yuanta Group's employee training program 2024 offered a total of 4,347 courses, attended by a total of 444,689 trainees. The total</p>	

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	Yes	No	Summary	
			training hours were 699,266 hours. The total employee training budget was NT\$73.91 million. Averagely, each employee accepted the training for 58.77 hours and attended the training for 37.38 counts, and was allocated the training budget, NT\$6,213.	
(5) Whether Yuanta FHC complies with the related laws and international practices with respect to customers' health and safety, customers' privacy, marketing and labeling for its products and services, and adopts related consumers or customers protection policy and complaining procedures?			(5) A. Yuanta FHC upholds the ethical and honest enterprise culture and, based on the "Fair Dealing Principles," strengthens the mechanism of communication with customers, perfects the product and service information disclosure, and cares about consumers' interests and rights. The five major subsidiaries (Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust and Yuanta Futures) all establish dedicated units under the Fair Dealing Principles, which report the implementation of related policies to the Board of Directors periodically. Yuanta Securities was recognized by the FSC as an outstanding securities firm under the Fair Dealing Policy in 2021, 2023, and 2024, for three consecutive years (ranked in the top 20% among securities firms in 2021 and in the top 25% among large-scale securities firms in 2023 and 2024). Yuanta Bank was ranked in the top 25% under the Fair Dealing Policy in 2024. Yuanta Life Insurance was ranked in the top 25% under the Fair Dealing Policy in 2024. Yuanta Futures has been recognized as being in the top 25% of outstanding futures commission	

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	Yes	No	
			<p>merchants under the Fair Dealing Policy by the Financial Supervisory Commission for three consecutive years, as of 2024.</p> <p>B. In order to fulfill the responsibility for confidentiality of customers’ personal data, Yuanta FHC adopted the “Personal Data Protection Policy,” “Personal Data Management Measures” and “Confidentiality Measures on Customer Information for Yuanta FHC and its Subsidiaries” in accordance with the “Personal Data Protection Act,” “Financial Holding Company Act” and “Regulations Governing Cross-selling Among Subsidiaries of Financial Holding Companies.” In addition to disclosing the said regulations on Yuanta FHC’s official website, Yuanta FHC also clearly discloses the Group’s personal data protection related management measures, including the application scope under the “Personal Data Protection Policy,” stipulating the principle of minimizing personal data, personal data retention, destruction, access control, protection and customer confidentiality measures. Meanwhile, in response to the “Guidelines for Information Sharing Among Financial Institutions” FAQ updated by the Financial Supervisory Commission, Yuanta FHC reviewed and amended related regulations (e.g. expressly stipulating the domestic subsidiaries’ related procedures for acceptance of customer complaints and dispute settlement in the AML</p>

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	Yes	No	
			<p>and CFT Policy), in order to practice the customer data protection mechanism.</p> <p>C. The five major subsidiaries also established the units in charge of the information security, which shall be responsible for planning, supervising and executing the information security management operations, and reporting the execution of the information security to the Board of Directors to improve the information security regulation and practice the high-standard information security protection, acquire ISO 27001 Information Security Management System (ISMS) or BS 10012 International Personal Data Privacy Protection Certification, and ISO 22301 Business Continuity Management System. Meanwhile, they keep improving the information security operating procedures strictly to manage and protect users' personal data and privacy and provide safe services, and also disclose the Privacy Statement and customer information confidentiality measures on Yuanta FHC's website.</p> <p>D. Yuanta FHC's subsidiaries value the customers' interest and right very much, and sufficiently disclose the information to customers and competent authorities honestly per the competent authorities' requirements whenever any financial instrument and services hit the market, including the terms and conditions of the instrument, characteristics of the instrument, DM, and various documents to be disclosed per the</p>

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	Yes	No	
			<p>competent authorities' requirements. Further, it establishes the internal control system and related guidelines with respect to the product design and sale, and helps customers understand the products rapidly in the form of sales' or service attendants' detailed explanation or answers to questions, financial courses and investment seminars organized by various subsidiaries from time to time, and disclosure of the product details and simplified Q&amp;A on the official website and self-media, in order to upgrade the customers' knowledge about financial instruments.</p> <p>E. Yuanta FHC has established the "Measures for the Implementation of the Whistleblowing System," which adopts non-anonymous and anonymous reports at the same time, and encourages anyone to report any crime, corruption or violation of laws and regulations upon awareness of the same. Upon receipt of any whistleblowing case, the processing unit of Yuanta FHC records the case filing and checks whether the case should be accepted. Once accepted, the case is transferred to the investigating unit of Yuanta FHC. The unit will complete the investigation within three months from the day after the transfer. The investigation results and suggestions are documented. Meanwhile, the investigation results will also be communicated to the processing unit. Yuanta FHC has established an independent mailbox and</p>

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			<p>a hotline for whistleblowing, and disclosed them in the "Investor Relations" &gt; "Corporate Governance" &gt; "Complaint System" section of the website. Website : <a href="https://www.yuanta.com/EN/IR/Governance/Reporting-Mechanism">https : //www.yuanta.com/EN/IR/Governance/Reporting-Mechanism</a></p> <p>Furthermore, Yuanta FHC has established various public channels, including the official website, customer service hotline, webpage, and email. The customers may call the phone number, request the branch or service center in person, in writing, via fax, or email, or file a complaint regarding the consumption dispute with the competent authority or through any other channels. The consulting service is also available to customers at any time to reflect customers' needs. Yuanta FHC also outlines the internal control system, customer complaint processing procedures, and instructions for managing the telephone recording system in order to effectively follow up on and resolve problems, provide customers with the best services, and protect customers' rights.</p>
(6) Whether Yuanta FHC adopts any specific suppliers' management policy demanding that the suppliers should comply with the related regulations governing environmental protection, occupational safety and health or labors' human rights, and how the policy is implemented?			<p>(6) A. According to the "Yuanta FHC Integrity Management Guidelines," "Yuanta FHC Procedures for Integrity Management and Guidelines for Conduct" and "Yuanta FHC's Supplier Sustainable Procurement Guidelines," Yuanta FHC asks the suppliers to verify Yuanta</p>

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	Yes	No	
			<p>FHC's ethical management principles, environmental sustainability strategies and practices, and also to include supplier's sustainable procurement clauses and ethical management clauses into the contract executed with Yuanta FHC, and also expressly states various labor conditions, occupational safety and health, environmental protection and labor human rights laws and regulations to be performed and followed by the suppliers. The contract shall also include the clauses providing that the a supplier who violates laws may have their contract terminated directly, in order to jointly practice sustainable development. In order to establish a more sound "Sustainable Procurement Procedure," Yuanta FHC took the initiative to implement the ISO 20400 Sustainable Procurement Guideline Standards in 2019 and Yuanta FHC passed the third party's certification in 2020 as the first one to practice the concept about sustainability into the procurement department step by step, affect upstream suppliers' practices and practice the commitment for corporate sustainability. Meanwhile, in 2020, the ISO 20400 Sustainable Procurement Guideline Standards were extensively implemented in all of Yuanta FHC's subsidiaries. In 2021, Yuanta FHC and all of the subsidiaries passed the third party's certification. In 2022, various subsidiaries continued to implement the ISO 20400 Sustainable</p>

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			<p>Procurement Guidelines and received the relevant certification. Yuanta FHC practiced the sustainability concept in the subsidiaries' procurement procedures comprehensively via the systematic management of the sustainable procurement procedure, in order to work with the suppliers to practice the sustainability.</p> <p>B. In order to establish a more sound "Sustainable Procurement Procedure," Yuanta FHC took the initiative to implement the ISO 20400 Sustainable Procurement Guideline Standards in 2019 and expanded the scope of application thereof year by year. Yuanta FHC has continued to pass the third party's certification since 2021, and practiced the sustainability concept in the subsidiaries' procurement procedures comprehensively via the systematic management of the sustainable procurement procedure, in order to work with the suppliers to implement the ESG practices.</p> <p>C. Yuanta FHC has strengthened the risk assessment on suppliers and also practiced the suppliers' evaluation, in order to improve the suppliers' management procedure. Among other things, in order to identify the suppliers' sustainability risk, Yuanta FHC distributed the risk self-assessment questionnaire to key suppliers this year. The questionnaire comprehensively covered the three major dimensions, including Environment (E), labor practices and human rights (S) and Corporate</p>



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	Yes	No	
			<p>Governance (G), in order to precisely control the suppliers' performance in sustainability.</p> <p>D. In an effort to make some contribution to environmental sustainability, Yuanta FHC procures green products as the first priority, primarily the three types of environmental protection product which renders less impact to the environment, namely, "the product which acquires the green mark granted by Environmental Protection Administration, Executive Yuan," "the product which meets the requirements about recycling materials, low pollution, recycling and energy-saving" and "the other product with an identical or similar performance which may increase the social interest or reduce the social cost." Yuanta FHC was also honored as an outstanding unit by the Ministry of Environment, Executive Yuan for 13(thirteen) consecutive years and by the Department of Environmental Protection, Taipei City Government for 14(fourteen) consecutive years.</p> <p>E. In order to improve the suppliers' management responsibilities more in line with the occupational safety and health laws and regulations, Yuanta FHC executed the "Supplier's Letter of Undertaking for Safety and Health" in Chinese and English.  Website : <a href="https://www.yuanta.com/Res/Doc/Policies/ES/Letter_of_Undertaking_for_Safety_and_Health_by_S">https://www.yuanta.com/Res/Doc/Policies/ES/Letter_of_Undertaking_for_Safety_and_Health_by_S</a></p>

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	Summary	
5. Whether Yuanta FHC prepares the report disclosing Yuanta FHC's non-financial information, such as the sustainability report, based on the guidelines or directions for preparation of reports applicable internationally? Whether said report has been assured or guaranteed by a third-party certification unit?	✓		<p>supplier.pdf</p> <p>Yuanta FHC releases the non-financial information report periodically each year. In June 2024, Yuanta FHC released the "Yuanta FHC 2023 Sustainability Report" (hereinafter referred to as the Report), and the relevant public notice was posted in the "Sustainability" section on Yuanta FHC's website, in both Chinese and English. It covers the Group's performance in economy, society and environment in 2023 (from January 1, 2023 to December 31, 2023), and management policies and responsive measures against important topics. The Report established the organization's boundaries based on the principles of consolidated statements, encompassing Yuanta FHC, its eight(8) subsidiaries, and Yuanta Foundation. The scope of disclosure focused on the operating activities in Taiwan. The Report was prepared primarily based on the "core" requirements under the GRI, Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, International Integrated Reporting Framework, SDGs, SASB Investment Banking &amp; Brokerage Guidelines, commercial bank guidelines, and TCFD. The financial data were prepared in accordance with International Financial Reporting Standards and the Regulations Governing the Preparation of Financial Reports by Financial Holding Companies. In respect to environment, the ISO 14001, ISO 14046, ISO 14064-1, ISO 14067, ISO 20400, ISO 50001 and PAS 2060 standards were followed. In</p>	There was no departure in this respect.

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons thereof
	Yes	No	
			respect to society, ISO 45001, ISO 22301, ISO 26000 and ISO 27001 standards were followed. The Report was investigated by BSI, Taiwan Branch based on AA1000AS v3 and GRI. Upon investigation, the Report was held satisfying the "core" requirements under 2021 GRI and AA1000 Type II guarantee. Meanwhile, subject to the indicators under the SASB-Investment Banking & Brokerage Guidelines, PwC Taiwan provided limited assurance on the specific SASB key performance information in accordance with the Statement of Taiwan Standards on Assurance Engagements (TWSAE) No. 1, "Other Than Audit & Reviews."
6. If Yuanta FHC has established corporate social responsibility principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the principles and their implementation : There was no departure in this respect.			
7. Other information material to the understanding of the sustainable development : Please view the "Sustainability" section on the home page of Yuanta FHC's website ( <a href="https://www.yuanta.com/EN/ESG">https://www.yuanta.com/EN/ESG</a> ).			

Note 1 : Yuanta FHC conducts the risk assessment on the environment, society and corporate governance issues related to Yuanta FHC's operation based on the material principle and adopts related risk management policies or strategies as following :

Aspect	Major Issue	Risk Assessment	Risk Management Policies	Management Strategies
Corporate Governance	Corporate Governance	Yuanta FHC has implemented "Corporate Governance Best-Practice Principles" along with other legal rules, regulations, and operational practices to establish a good corporate governance system and ensure the stability of its operations.	Corporate Governance Best-Practice Principles	<ul style="list-style-type: none"> <li>Yuanta FHC has commissioned the Taiwan Corporate Governance Association to evaluate and certify its corporate governance system every two years. The external organizations and experts regularly review the completeness of Yuanta FHC's related governance system, the effectiveness of its operation, the implementation of discipline, the relevance and overall quality of disclosure, and the system as a whole, as a reference for Yuanta FHC's continuous improvement and strengthening of its corporate governance system.</li> <li>Yuanta FHC conducts annual performance evaluations (self-evaluations) of the Board of Directors and functional committees. Additionally, performance evaluations of the Board of Directors are conducted by external professional independent institutions or external experts every 3 years.</li> </ul>
	Ethical management	Ethical corporate management is implemented to help maintain market order and protect stakeholders' rights.	<ul style="list-style-type: none"> <li>Integrity Management Guidelines</li> <li>Procedures for Ethical Management and Guidelines for Conduct</li> <li>Measures for the Implementation of the Whistleblowing System</li> <li>Professional Code of Ethics</li> </ul>	<ul style="list-style-type: none"> <li>Periodically analyze and assess Yuanta FHC's operating activities with a higher potential risk over unethical conduct in the scope of business each year, and have the self-assessment unit review the adequacy and effectiveness of the preventive programs.</li> <li>The internal audit unit conducts general business audit items on a regular basis every year.</li> </ul>
	Risk management	Yuanta FHC has established a comprehensive risk management system that enhances operational resilience and protects asset security against the adverse impacts of crisis	<ul style="list-style-type: none"> <li>Risk Management Policies</li> <li>Crisis management policy and procedure guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Audit of the compliance with the "Risk Management and Related Internal Control System" through the "Audit Department" subordinated to the Board of Directors.</li> </ul>

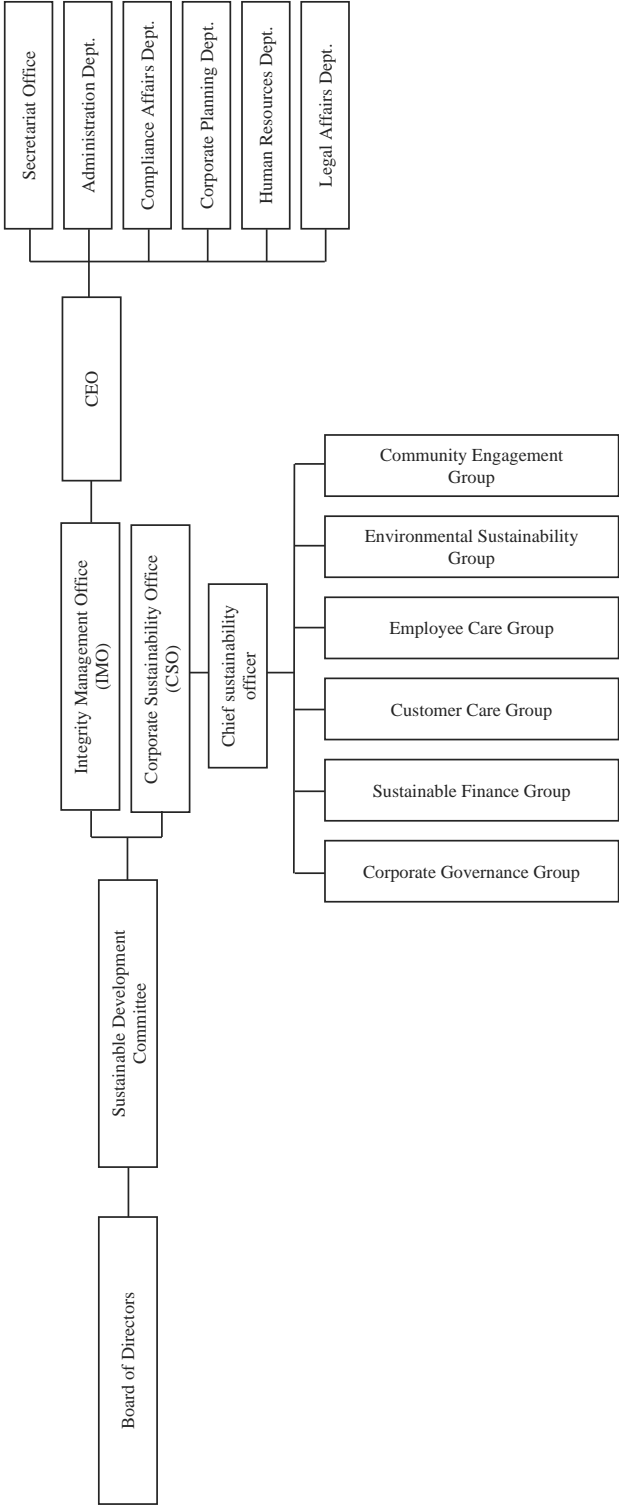
Aspect	Major Issue	Risk Assessment	Risk Management Policies	Management Strategies
		events, helping to achieve positive benefits, such as maintaining a stable financial market.	<ul style="list-style-type: none"> <li>• Risk management regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Assess the risk management mechanism and business risk every year, and report the assessment results to the Risk Management Committee and the Board of Directors.</li> </ul>
	Legal compliance	Comply with relevant laws and regulations to help stabilize the market order and the rights and interests of stakeholders.	<ul style="list-style-type: none"> <li>• Compliance manual</li> <li>• Anti-money laundering and countering of terrorism financing policy</li> <li>• Anti-money laundering and countering of terrorism financing procedure</li> </ul>	The Audit Department subordinated to the Board of Directors conducts the general business audit at least once per year and project business audit at least once per six months for Yuanta FHC.
	Information and trading security	Improve the information security protection network and strengthen the employees' information security awareness to help reduce hacker intrusions and prevent customer privacy disclosures and mitigate other information security risks to protect stakeholders' rights and interests.	Information security policy	The information security team of Yuanta FHC and its subsidiaries convenes team meetings and management review meetings every year to evaluate and improve the results of information security management, audit outcomes, and stakeholder feedback.
	Talent training and development	Additional expenses are spent on employee training courses, and diversified employee training resources are invested. Yuanta FHC also provides good and equal career development opportunities to help employees improve their loyalty and the Group's competitiveness.	Yuanta FHC has established the business strategy centering on "core-building and growth driven" to encourage employees to learn and transfer to other positions. Yuanta FHC has also established the five	Education and training coverage for employees, training of green finance talent, and review on employees' performance evaluation.
Society				

Aspect	Major Issue	Risk Assessment	Risk Management Policies	Management Strategies
			major frameworks, namely the management school, professional school, license school, life school, and sustainability school, and combined physical and online training courses and provided learning resources to promote life-long learning	
	Employee attraction and retention	Yuantia FHC values the issue about attraction and retention of employees, solicitation for outstanding talents from home and abroad, enhancement of the competitiveness of the domestic industry, increase in employment opportunities, and improvement of employment opportunities for disadvantaged groups.	Yuantia FHC has established the diversified talent recruitment channels to provide comprehensive remuneration and welfare system to recruit both domestic and overseas talent	Yuantia FHC provides the group performance bonus subject to the operation performance and earnings achieved by it and also based on personal performance rating and work performance each year, proactively retains high-performance talents and conducts the employees' loyalty surveys on a regular basis.
	Customer rights	Pay attention to customer rights and interests, provide a comprehensive customer communication mechanism, and promptly understand customer needs to help protect those rights and interests.	<ul style="list-style-type: none"> <li>• Personal Data Protection Act</li> <li>• Cyber Security Management Act</li> <li>• Financial Holding Company Act</li> <li>• Regulations Governing Cross-selling Among Subsidiaries of Financial Holding</li> </ul>	The Fair Dealing Policy has been incorporated into the routine core business. The five major subsidiaries have established dedicated units, with presidents serving as the conveners. The units organize meetings regularly and are responsible for the planning, review, and improvement of the implementation of the Fair Dealing Policy and product review. They report the implementation status to the Board of Directors to strengthen the implementation from top to bottom.

Aspect	Major Issue	Risk Assessment	Risk Management Policies	Management Strategies
Environment			Companies	
	Financial product innovation and service	Yuanta FHC will continue to promote financial product innovation and services, improve the reach of its financial services, and reduce paper usage due to the increased rate of digital usage, thereby reducing carbon emissions.	<ul style="list-style-type: none"> <li>Digital Platform Development Process</li> <li>Design specifications and production design specifications files</li> </ul>	Yuanta FHC holds monthly meetings, as well as irregular meetings, with the digital banking department of each subsidiary to engage in discussions with the department staff. The head of the digital banking department of each subsidiary is also requested to explain the contents, progress, schedule and promotion of the mobile platform development and optimization. The digital user growth rate of the head of the digital finance department of each subsidiary is assessed once every six months.
	Sustainable Finance	Encourage business partners to set sustainable goals, promote green energy, support sustainable industries, and engage with enterprises that demonstrate strong ESG performance to foster positive impacts such as social sustainability. Additionally, this approach will enhance Yuanta FHC's performance in generating revenue through low-carbon products and services.	<ul style="list-style-type: none"> <li>Sustainable Finance Guidelines</li> <li>Industry Environment and Social Risk Management Rules</li> <li>Directions for Engagement and Voting</li> </ul>	In order to promote sustainable finance, Yuanta FHC and its subsidiaries have established their own functional groups to oversee coordination and have also reported the results to the Board of Directors. Meanwhile, Yuanta FHC also tracks the performance of its subsidiaries' sustainable finance management on a quarterly basis. Through the president's meetings held every six months, Yuanta FHC and its subsidiaries review the progress of promoting sustainable financing, ESG products and services, ESG consulting, and engagement to implement ESG in operations.
	Inclusive Financing	Continue to promote the inclusive financing to protect the rights of the public and promote social fairness and realize inclusive growth.	Inclusive financial policy	Yuanta FHC will track and manage the performance of its subsidiaries' financial products and services on a quarterly basis. It implements the competent authority's inclusive financial policy through the subsidiaries' quarterly reports on the development of new financial products, the number of participants, the amount, and the response to the 23 measurement indicators and 4 observation indicators of the FSC's inclusive finance.
	Climate Action	Yuanta FHC pays attention to climate action issues, sets carbon reduction goals, and conducts greenhouse gas inventory, energy management, climate finance, and supply chain	<ul style="list-style-type: none"> <li>Environmental policy</li> <li>Energy and climate change management policies</li> </ul>	<ul style="list-style-type: none"> <li>Implement the environment-related ISO standards and obtain the third-party verification.</li> <li>Review the achievement of carbon reduction, energy conservation, renewable energy utilization, water conservation and waste reduction goals annually.</li> </ul>

Aspect	Major Issue	Risk Assessment	Risk Management Policies	Management Strategies
		carbon reduction management actions in order to mitigate warming and leverage financial power to promote the industry's low-carbon transformation.		

Note 2 : The Corporate Sustainability Office is identified as Yuanta FHC's unit dedicated to promoting the sustainable development, which governs six functional teams. The organizational structure is stated as following :





(VI-1) Climate information about TWSE/TPEX listed companies

1. Climate information implementation status

Item	Implementation status
<p>1. Expressly state the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.</p>	<ol style="list-style-type: none"> <li>1. The Board of Directors is the highest governance unit of climate and nature related issues. The "Risk Management Committee" and "Sustainable Development Committee" subordinated to the Board of Directors are responsible for supervising and managing the climate and nature related risks and opportunities, and also promoting the Group's entire climate and nature strategies and policies. The expertise of the independent directors of Yuanta FHC covers corporate governance, financial institution management and business practices, as well as research and teaching in the fields of climate risk, ESG/sustainable investment, sustainable financial products and related financial regulations, in order to supervise the implementation of climate and natural related operations and mechanism establishment with their expertise and long-term experience.</li> <li>2. The "Corporate Sustainability Office" is responsible for managing and executing climate sustainability policies and related programs, researching and preparing adequate strategies and action plans, and regularly reporting the execution results to the Sustainable Development Committee. In order to establish a sound climate governance framework, Yuanta FHC established the TCFD Taskforce which consisted of the Risk Management Dept together with related department, led by Yuanta FHC's Chief Risk Officer. The Taskforce has already assessed and evaluated the analysis and control over related risks and opportunities, and reported to the Risk Management Committee the important information related to climate risk.</li> <li>3. To effectively advance climate governance strategies and policies, the Group has established relevant reward mechanisms to encourage the management team to implement and execute various initiatives. ESG-related indicators have been incorporated into the performance evaluations of the Group's senior management, including the CEO level and department heads, with a weighting of over 5%. The reward mechanism is linked to key operational goals such as energy conservation and carbon reduction measures, renewable energy procurement, and supplier evaluation and management. In addition, performance assessments for members of climate-related departments are also aligned with environmental and climate indicators, reinforcing the implementation of sustainable operations. Through a top-down performance management system, the Group aims to embed the core principles of climate governance throughout the organization.</li> </ol>
<p>2. Expressly state how the identified climate risks and opportunities affect the enterprise's business, strategies and finance (short-term, mid-term and long-term).</p>	<ol style="list-style-type: none"> <li>1. Since 2018, Yuanta FHC has disclosed its climate management results in the Sustainability Report and on its official website, in accordance with the framework established by the TCFD. In 2022, it issued the "Yuanta FHC 2021 TCFD Report" for the first time in order to improve the completeness and transparency of climate-related information disclosure. Then, it won the highest rating, "5+ : Excellence" from the third-party investigation unit, BSI, for two consecutive years. Meanwhile, it took the initiative among peer companies to implement in essence the IFRS S2 General Requirements for Disclosure of Sustainability-related Climate, in order to disclose the annual climate management mechanism and performance. It will also adopt the framework officially when preparing and declaring the 2026 annual report.</li> <li>2. Yuanta FHC conducts an annual analysis of climate risks and opportunities for businesses with varying characteristics. First, it conducts a comprehensive analysis of the climate risk levels and the investment and financing positions of various industries. Second, it prepares a climate risk matrix and identifies industries with a high climate risk. In 2022, it improved the climate risk quantitative model to include</li> </ol>

Item	Implementation status										
	<p>risk factors beyond those affected by market risk, such as credit risk factors, market liquidity risk factors, and other risk factors. In 2023, it continued to set climate risk value monitoring indicators based on the climate risk quantitative model, in order to link the method for measuring the climate risk factors affecting the market liquidity and the Group's market liquidity risk control framework and build a more precise and consistent quantitative model.</p> <p>3. In 2023, eight risks and eight opportunities were identified. According to the financial impact level, time, and value chain position, a matrix was established, and countermeasures and strategies were formulated to improve the Group's ability to adapt to overall climate risks and opportunities. The analysis of the financial impact of climate risks, opportunities, and countermeasures is as follows :</p>										
	<table><tr><th>Duration</th><th>Risk</th><th>Effects</th><th>Responsive measures</th></tr><tr><td rowspan="2">Mid-term and Long-term</td><td rowspan="2">Cost of responding to carbon-reduction policies and regulations</td><td>Investment and financing customers : Stricter regulations or inadequate technological transformation by investment and financing counterparts might lead to an increase in additional carbon-reduction costs, a reduction in customers' profits, a decline in stock prices or an increase in credit risk, and a decrease in the Group's assets or loss of investments as a result.</td><td>Investment and financing customers : 1. In addition to continuously monitoring the trends of international carbon tax and carbon-related laws and regulations, as Taiwan will establish a carbon charge rate and carbon inventory in 2024, and plans to charge a carbon fee in 2025, the Group will strengthen negotiation actions for high-carbon emission financing objects affected by carbon-related policies and regulations, to help mitigate the possible financial impact. 2. By establishing climate change risk monitoring indicators, Yuanta FHC regularly evaluates the degree of impact on the underlying investments subject to climate change risks and develops countermeasures for those with a greater degree of impact.</td></tr><tr><td>Self-operation : In order to achieve the carbon-reduction goal and comply with domestic policies and regulations, the use of renewable energy as a carbon-reduction measure may incur additional costs and thereby result in an increase in the Group's operating costs.</td><td>Self-operation : Continue to focus on and participate in the renewable energy market, and improve the energy efficiency of business locations proactively to reduce the consumption of non-renewable energy.</td></tr></table>	Duration	Risk	Effects	Responsive measures	Mid-term and Long-term	Cost of responding to carbon-reduction policies and regulations	Investment and financing customers : Stricter regulations or inadequate technological transformation by investment and financing counterparts might lead to an increase in additional carbon-reduction costs, a reduction in customers' profits, a decline in stock prices or an increase in credit risk, and a decrease in the Group's assets or loss of investments as a result.	Investment and financing customers : 1. In addition to continuously monitoring the trends of international carbon tax and carbon-related laws and regulations, as Taiwan will establish a carbon charge rate and carbon inventory in 2024, and plans to charge a carbon fee in 2025, the Group will strengthen negotiation actions for high-carbon emission financing objects affected by carbon-related policies and regulations, to help mitigate the possible financial impact. 2. By establishing climate change risk monitoring indicators, Yuanta FHC regularly evaluates the degree of impact on the underlying investments subject to climate change risks and develops countermeasures for those with a greater degree of impact.	Self-operation : In order to achieve the carbon-reduction goal and comply with domestic policies and regulations, the use of renewable energy as a carbon-reduction measure may incur additional costs and thereby result in an increase in the Group's operating costs.	Self-operation : Continue to focus on and participate in the renewable energy market, and improve the energy efficiency of business locations proactively to reduce the consumption of non-renewable energy.
Duration	Risk	Effects	Responsive measures								
Mid-term and Long-term	Cost of responding to carbon-reduction policies and regulations	Investment and financing customers : Stricter regulations or inadequate technological transformation by investment and financing counterparts might lead to an increase in additional carbon-reduction costs, a reduction in customers' profits, a decline in stock prices or an increase in credit risk, and a decrease in the Group's assets or loss of investments as a result.	Investment and financing customers : 1. In addition to continuously monitoring the trends of international carbon tax and carbon-related laws and regulations, as Taiwan will establish a carbon charge rate and carbon inventory in 2024, and plans to charge a carbon fee in 2025, the Group will strengthen negotiation actions for high-carbon emission financing objects affected by carbon-related policies and regulations, to help mitigate the possible financial impact. 2. By establishing climate change risk monitoring indicators, Yuanta FHC regularly evaluates the degree of impact on the underlying investments subject to climate change risks and develops countermeasures for those with a greater degree of impact.								
		Self-operation : In order to achieve the carbon-reduction goal and comply with domestic policies and regulations, the use of renewable energy as a carbon-reduction measure may incur additional costs and thereby result in an increase in the Group's operating costs.	Self-operation : Continue to focus on and participate in the renewable energy market, and improve the energy efficiency of business locations proactively to reduce the consumption of non-renewable energy.								

Item	Implementation status			
	Duration	Risk	Effects	Responsive measures
	Mid-term	Industrial green energy and environmental protection transformation costs	The transformation of investment and financing counterparts may incur additional costs, or the transformation is not completed promptly, and thereby results in the customers' operating revenue decline and reduction in profit, thus lowering stock price, increasing credit risk and reducing the Group's assets.	Continue to focus on the market demand for low-carbon transformation, and assist customers in the low-carbon transformation.
	Mid-term	Investors' withdrawal of investment in high-polluting industries	Institutional investors are focusing more on climate change and environmental issues. Investors have doubts about the safety of assets and even withdraw their fund significantly, thus resulting in a decrease in investable funds for the Group's AUM business.	Implement sustainable financial management into the asset management process, and strengthen the review of high-pollution and high-emission investments to meet investors' expectations.
	Short-term	Impact posed by investment in high-pollution industries on Yuanta FHC's goodwill	The negative news of a highly polluting enterprise invested in by Yuanta FHC adversely affects the Group's goodwill or a decrease in investable funds for AUM businesses.	Strengthen the review, control and engagement of the investment and financing in high-pollution enterprises, and proactively become a sustainable financial institution through independent advocacy or participation in international initiatives, in order to build a positive social image.
	Mid-term	Increase in claims expenditure	Extreme weather causes the personal safety concern or even death to the policyholders, thus	1. When developing new products, Yuanta FHC will evaluate and set pricing based on the relevant statistics. 2. Yuanta FHC will continue to track the impacts posed by climate

Item	Implementation status			
	Duration	Risk	Effects	Responsive measures
		due to extreme weather	resulting in higher medical or life insurance claim expenses, and also an increase in the operating costs of the Group.	risks on insurance products and assess whether to incorporate climate risks into the actuarial calculations and related design planning of insurance products.
	Mid-term	Business interruption of investment and financing counterparties caused by extreme weather	Extreme weather causes property losses or business interruptions of investment and financing counterparties, thereby resulting in reduction in the Group's assets.	Strengthen customer due diligence and know your customer (KYC) procedures on investment and financing counterparties to understand the resilience of business counterparties against extreme weather.
	Mid-term	Loss of business locations and collateral caused by floods	Extreme weather causes floods, resulting in the interruption of subsidiaries' business locations and suppliers or decline in the value of owned real estate, which poses an impact on the Group's income and leads to a reduction in the Group's revenue or assets.	Suppliers, business locations, and self-owned real estate investments take the flooding factor caused by climate change into consideration.
	Long-term	Loss of business locations and collateral caused by sea level rise	Extreme weather causes the sea level rise resulting in the business interruption of subsidiaries' business locations or self-owned real estate price decline, thus posing some impact to the Group's income adversely.	The business locations and self-owned real estate investment take the sea level rise factor caused by climate change into consideration.

Item	Implementation status			
	Duration	Opportunity	Effects	Responsive measures
	Mid-term	Business locations' practices to improve the energy utilization efficiency	Adopt green buildings, renewable energy, energy conservation equipment, and implement energy management system to improve the energy utilization efficiency and cut operating costs relatively.	Implement ISO 50001 energy management system, purchase renewable energy certificate, procure renewable energy (green power supply) directly, strive for green building certificates for own real estate proactively, and adopt energy conservation lighting and water conservation equipment instead.
	Mid-term	Green procurement and supplier management	Adopt the green procurement and supplier management to support enterprises engaged in supplying low carbon and sustainable products, and cut operating costs relatively.	Yuantia FHC has established the "Declaration of Sustainable Procurement," "Integrity Management Guidelines," "Procedures for Integrity Management and Guidelines for Conduct," "Supplier Sustainable Procurement Guidelines" and "Supplier Management Directions." Meanwhile, the contract executed with suppliers shall still include the "Written Undertaking for Ethical Management" and "Supplier's Sustainable Procurement Clauses" to regulate suppliers. The "green procurement clauses" are also set forth in the procurement regulations.
	Short-term	Develop and promote low-carbon products and services	Develop and promote low-carbon products and services to satisfy investors' needs and increase operating revenue.	Launch climate change and sustainability theme-based diversified and innovative financial products, such as ETF, ETN, and sustainability-related warrants, to keep meeting customers' needs for sustainable investment. Meanwhile, promote the existing ESG products through diversified channels, continue to expand the scale of sustainable AUM scale, guide the investment of funds in ESG industries, and support enterprises aiming at sustainable management. Conduct carbon footprint inspections and carbon neutralization for major financial products and services of various subsidiaries, such as APP, credit cards, and online services, in order to provide customers with low-carbon financial products and services to meet customer needs and increase revenue accordingly.
	Mid-term	Reaching a consensus	Make good use of financial product and service platforms,	Encourage customers to respond to the energy conservation and carbon reduction or make green investment via the multiple channels, such as

Item	Implementation status				
	Duration	Opportunity	Effects	Responsive measures	
		with customers on the concepts toward sustainability and green consumption	and reaching a consensus with customers on the concepts toward sustainability and green consumption in a diversified manner to increase the operating revenue.	official website and APP. Engage with institutional investors to encourage them to adopt proactive ESG practices, via meeting, written correspondence or phone conversation, in order to mitigate the impact posed by the invested enterprises to society and the environment.	
Mid-term		Sustainable Investment and Green Credit Extension	Formulate group-level investment and financing policies to guide the inflow of capital into sustainable enterprises and increase operating revenues.	Make the investment and loan decisions in accordance with the "Sustainable Finance Guidelines" and "Industry Environment and Social Risk Management Rules." Various subsidiaries' investment units also adopt related regulations and indicators, subject to their business characteristics, to implement the ESG concept into the investment procedure. For credit extension, Yuanta Bank shall comply with the "Directions for Management of Project Financing under the Equator Principles," in order to ensure compliance with the Equator Principles.	
Mid-term		Sustainability bond market	Issue, underwrite and invest in sustainability bonds to activate the sustainability bond market and increase operating revenues.	Continue to issue, underwrite and invest in sustainability bonds, including green bonds, sustainable bonds and social bonds, to vitalize the sustainability bond market and assist enterprises in their transformation toward sustainability.	
Short-term		Cooperation with government agencies	Keep in touch with competent authorities and industry associations to stay on top of sustainability trends and develop new markets and business opportunities.	As a member of the "Sustainable Finance Pioneers Alliance," we increase investment and financing in specific industries in response to national policies, including forward-looking economic activities or key strategic industries as stated in the Executive Yuan's "Taiwan Pathway to Net-Zero Emissions in 2050" to guide the industry's net-zero transformation. Various subsidiaries participate in formulation of the sustainability policy by the competent authority, and provide relevant suggestions to verify the development trend of sustainability business in each industry.	

Item	Implementation status			
	Duration	Opportunity	Effects	Responsive measures
	Short-term and mid-term	Natural Disaster Crisis Management and Early Warning Practices	Establish relevant measures and ensure the effectiveness of adequate measures, provide stable services for all business lines, improve customer trust, and reduce operating losses.	Equipped with uninterrupted power supply, backup servers and remote backup mechanisms, conduct emergency response drills against disaster periodically to ensure that the equipment and mechanism may keep functioning normally in the case of any crisis. Meanwhile, certain subsidiaries have implemented ISO 22301 business continuity management system, and established SOPs to mitigate the risk over business interruption to ensure recovery.
3. Expressly state the impact to be posed by extreme climate incidents and transformation actions to finance	1. Expressly state the impact to be posed by extreme weather incidents to finance as following :			
		Risk description		Financial impact
	Extreme weather incidents	Losses on collateral for the property, plant and business locations throughout Taiwan, and the impact posed by flooding from suppliers.	<p>In recent years, discussions of heavy rains and flooding caused by extreme weather have been frequent. In addition to the self-owned business locations, the mortgage and corporate real estate mortgage loans, and even the suppliers' operations may have a significant impact on the Group's business.</p> <p>Yuanta FHC has conducted a physical risk analysis based on the flood potential map for the RCP 2.6 (&lt;2°C) and RCP 8.5 (4°C) scenarios published by the National Science and Technology Center for Disaster Reduction through the Disaster Risk Adaptation. The analysis included evaluating the expected loss rate of property collateral with high flood risks to understand the potential impact on the Group's business and asset value under climate change intensification.</p> <p>In the scenario of RCP 2.6, approximately 0.92% of the collateral is located in districts with a high flood risk by the end of this century, corresponding to 2.65% of the total loans, with an expected loss rate of 0.12%. Additionally, 0.71% of business locations are situated in districts with high flood risk throughout Taiwan by the end of this century. Further, approximately 0.67% of the suppliers are located in districts with a high flood risk by the end of this century.</p> <p>In the scenario of RCP 8.5, approximately 9.05% of the collateral is located in districts with a high flood risk at the end of this century, corresponding to 8.92% of the total loans. The expected loss rate is 0.72%, with 9.25% of business locations and self-owned real estate situated in high-risk flood districts throughout Taiwan by the end of this century, primarily in southern Taiwan.</p>	

Item	Implementation status		
		Risk description	Financial impact
Transformation action			Further, approximately 5.33% of the suppliers are located in districts with a high flood risk by the end of this century.
		Cost of responding to carbon-reduction policies and regulations - investment and equity investment positions.	<p>Stricter regulations or inadequate transformation of technology by investment and financing counterparts might result in the increase in additional carbon-reduction costs, reduction in customers' profits, stock price decline or increase in credit risk, and reduction in the Group's assets therefor.</p> <p>The assessment on the investment and financing customers of the Group in the six major high climate risk industries at home and abroad is explained as following :</p> <p>1. Quantitative assessment of the impact posed by carbon fees on the corporate credit position : The asset position of each corporate banking account in the six major high climate risk industries is fed into the credit loss model to calculate the expected loss affected by the carbon fee under two scenarios (1.5°C / &lt; 2°C). Under the scenario 1.5°C, the expected loss may increase by NT\$28.4 million. The impact on the power generation and cement industries has increased significantly year by year. Among other things, the changes in the impact level under the 1.5°C scenario is more significant than that under the &lt;2°C scenario.</p> <p>2. Quantitative assessment of the impact posed by carbon fee on equity investment positions : The asset position of six major industries among the equity investment positions was fed into the stock price valuation model to calculate the expected loss affected by the carbon fee under two scenarios (1.5°C / &lt; 2°C). Among the equity investment positions, the impact on the power generation and cement industries has increased significantly year by year. Among the other things, the changes in the impact level under the 1.5°C scenario is more significant than that under the &lt;2°C scenario. If the government levies carbon fees on Six high climate risk industries, Yuanta FHC may incur an expected loss of NT\$329.5 million in 2030 if it maintains its current shareholding in these industries and is exposed to the 1.5°C scenario.</p> <p>In order to achieve the carbon-reduction goal and comply with domestic policies and regulations, the use of renewable energy as a carbon-reduction measure may incur additional costs and thereby result in an increase in the Group's operating costs.</p> <p>The Group conducts a quantitative assessment to promote carbon reduction in</p>



Item	Implementation status								
		Risk description	Financial impact						
4. Expressly state how to integrate the climate risk identification, assessment and management procedures into the entire risk management system			its own operations. It set the Science-based Carbon-Reduction Target (SBT) in July 2022, and followed the “Taiwan 2050 Net-Zero Carbon Emission Pathway and Strategy.” In order to achieve the goal for carbon reduction and in line with the national policy trends and expectations, the Group will reduce carbon through the use of renewable energy (green power) proactively. Under the “Group’s SBT carbon-reduction target” and the “National 2050 Net-Zero Carbon Emission Target” scenarios, the annual expected cost of green power procurement is estimated to reach NT\$50.7 million in 2030 and NT\$109 million by 2050.						
		2. The Group will continue to mitigate the impact posed by climate risk factors to the value of financial products by diversifying the investment portfolio. Meanwhile, based on the scenario analysis results, re-evaluate self-risk tolerance and asset risk pricing, and set the climate VaR to monitor indicators based on the estimated loss in the investment portfolio, in order to prevent the loss in value caused by extreme climate risks. In order to manage the risks associated with extreme climate incidents and low-carbon economic transformation, the risk of climate change has been incorporated into the business decision-making, in order to identify, measure and manage risks; meanwhile, confront the crisis from global warming and depletion of resources, use the best effort to respond to the trend of energy conservation and carbon reduction, and adopt relevant mitigation and adaptation measures.							
		1. Yuanta FHC has set up three lines of defense and the Enterprise Risk Management (ERM) mechanism to manage risks. Each line of defense has clear organization, responsibilities and functions. Yuanta FHC’s risk management policy integrates climate change risk with the existing risk management framework, and divides it into “investment and financing” and “own operation,” covering the assessment and management of transformation risk or tangible risk, including qualitative and quantitative analysis.							
		2. There are four steps to deal with the Group’s climate risks and opportunities, which are stated as below :							
	<table><tr><th>Management procedure</th><th>Contents</th></tr><tr><td>1. Risk and opportunity identification</td><td>(1) Each subsidiary identifies the climate risk and opportunity subject to its business characteristics each year. (2) Yuanta FHC’s Risk Management Department and Corporate Planning Department carry out the integration of risk and opportunity identification. (3) Take into account the climate risk report presented by international institutions.</td></tr><tr><td>2. Risk and opportunity measurement</td><td>(1) Each subsidiary measures the impact and effect posed by various risks and opportunities subject to its business characteristics each year. (2) The scope of measurement covers impact path, impact time and geographical scope, location of impact value chain, and financial impact.</td></tr></table>			Management procedure	Contents	1. Risk and opportunity identification	(1) Each subsidiary identifies the climate risk and opportunity subject to its business characteristics each year. (2) Yuanta FHC’s Risk Management Department and Corporate Planning Department carry out the integration of risk and opportunity identification. (3) Take into account the climate risk report presented by international institutions.	2. Risk and opportunity measurement	(1) Each subsidiary measures the impact and effect posed by various risks and opportunities subject to its business characteristics each year. (2) The scope of measurement covers impact path, impact time and geographical scope, location of impact value chain, and financial impact.
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Item	Implementation status	
	Management procedure	Contents
		(3) Yuanta FHC's Risk Management Department established the climate VaR measurement model to improve the quantitative management of climate risk.
3. Risk and opportunity monitoring		<p>(1) Include various industries' environmental and social risk factors into the industry risk level assessment mechanism.</p> <p>(2) Yuanta FHC's Corporate Sustainability Office has established the relevant policies and regulations for sustainability to manage the climate opportunities.</p> <p>(3) Yuanta FHC and its five major subsidiaries have set climate change risk monitoring indicators and thresholds, and measure, monitor and report them on a monthly basis.</p>
4. Risk and opportunity reporting		<p>(1) Research and prepare response strategies against various risks and opportunities, and report the same to the Sustainable Development Committee.</p> <p>(2) Report the use of climate change risk monitor indicators and threshold values to the Risk Management Committee and Board of Directors periodically.</p> <p>(3) Report to the Sustainable Development Committee and the Board of Directors on the planning and implementation of climate change-related work on a regular basis.</p>
5. If the scenario analysis is applied to assess Yuanta FHC's resilience in dealing with climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts should be explained.	<p>1. The Group follows the TCFD's quantitative climate risk scenario analysis goals to improve the quantitative impact analysis of climate risk year by year. In 2019, it analyzed the impact of the transformation and the tangible risks to counterparts in the steel industry. In 2020, under the assumption that climate change might pose physical hazards to real estate, it conducted a scenario analysis on the collateral for real estate and business locations throughout Taiwan and prepared corresponding risk management practices based on the quantitative results. In 2021, in reference to the industrial risk assessment and economic condition analysis reports issued by well-known domestic and foreign institutions, various environmental and social risk factors of each industry were taken into account on risk level for each industry for 2022. In 2022, Yuanta FHC continued to improve the climate risk quantitative model to include the risk factors other than the market risk factors affected by climate risk into the scope of assessment, including credit risk factors, market liquidity risk factors and other risk factors. In 2023, Yuanta FHC linked the method for measuring the climate risk factors affecting the market liquidity and the Group's market liquidity risk control framework and built a more precise and consistent quantitative model, in order to improve the market liquidity risk factor quantitative model. Meanwhile, Yuanta FHC improved the credit risk factor quantitative model, and also adjusted the methods for measuring shares and bonds through more diverse and precise risk data parameter applications, in order to achieve a more comprehensive and precise credit risk quantitative framework.</p> <p>2. The Group expects to analyze climate-related financial impacts at different times and under different scenarios from the diversified points of view, through the scenario analysis on overall investment positions (Top Down) and individual company scale scenario analysis (Bottom Up).</p>	

Item	Implementation status										
	<table><tr><th>Contents of assessment</th><th>Assessed counterpart</th><th>Assessment method</th><th>Assessed climate scenario</th><th>Assessment results</th></tr><tr><td>Scenario analysis on overall investment positions (Top Down)</td><td>The group-wide mid- and long-term investment positions</td><td>Market risk quantitative model (climate risk value)</td><td>Data from IPCC's 6th climate change assessment report on the shared social and economic paths and NGFS scenarios database</td><td>1. Impact posed by climate change on the value of financial trading markets The long-term relative market value of the Group's investment positions was reduced by approximately 1% of the market value on the base day due to the impact posed by climate change. As the Group invests in a wider range of instruments, the impact posed by climate change is not significant after diversification of risks.  2. Impacts posed by climate change on expected credit losses of financial transactions The climate impact of the Group's investment positions has resulted in an increase in long-term relative expected credit loss of about 0.36% of the market value on the base day. Since most of the Group's investment positions are rated at investment grade, the change in expected credit loss caused by the climate impact is insignificant.  3. Impacts posed by climate change on the potential loss of the market liquidity in financial markets The long-term relative potential loss of market liquidity of the Group's investment positions increased by approximately 0.026% of the market value on the base day due to the impact posed by climate change. Generally, the increase caused by the climate change in the potential loss of market liquidity was insignificant.</td></tr></table>	Contents of assessment	Assessed counterpart	Assessment method	Assessed climate scenario	Assessment results	Scenario analysis on overall investment positions (Top Down)	The group-wide mid- and long-term investment positions	Market risk quantitative model (climate risk value)	Data from IPCC's 6th climate change assessment report on the shared social and economic paths and NGFS scenarios database	1. Impact posed by climate change on the value of financial trading markets The long-term relative market value of the Group's investment positions was reduced by approximately 1% of the market value on the base day due to the impact posed by climate change. As the Group invests in a wider range of instruments, the impact posed by climate change is not significant after diversification of risks.  2. Impacts posed by climate change on expected credit losses of financial transactions The climate impact of the Group's investment positions has resulted in an increase in long-term relative expected credit loss of about 0.36% of the market value on the base day. Since most of the Group's investment positions are rated at investment grade, the change in expected credit loss caused by the climate impact is insignificant.  3. Impacts posed by climate change on the potential loss of the market liquidity in financial markets The long-term relative potential loss of market liquidity of the Group's investment positions increased by approximately 0.026% of the market value on the base day due to the impact posed by climate change. Generally, the increase caused by the climate change in the potential loss of market liquidity was insignificant.
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	<p>Contents of assessment</p> <p>Transformation risk scenario analysis : Quantitative assessment on the impact posed by carbon fees to corporate banking positions</p>	<p>Assessed counterpart</p> <p>The Group's six major high climate risk industry corporate banking accounts at home and abroad</p>	<p>Assessment method</p> <p>Expected credit loss model</p>	<p>Assessed climate scenario</p> <p>The asset position of each corporate banking account of the six major high climate risk industries is fed into the credit loss model to calculate the expected loss affected by the carbon fee under two scenarios (1.5°C / &lt; 2°C).</p>	<p>Assessment results</p> <p>Among the corporate credit positions, under the scenario 1.5°C, the expected loss may increase by NT\$28.4 million. The impact on the power generation and cement industries has increased significantly year by year. The changes in the impact level is more significant than that under the &lt;2°C scenario. Meanwhile, from 2030 to 2035, the impact level curve of the power generation industry under the 1.5°C scenario has grown exponentially. Based on the detailed analysis, the main cause is that the changes in financial factors arising from the carbon tax pressure on enterprises with higher carbon emissions have exceeded the default risk level acceptable to the credit risk PD model. Therefore, the overall curve appears to increase significantly, while it does so only under the &lt;2°C scenario from 2040 to 2045.</p>	<p>Among the equity investment positions, the impact on the power generation and cement industries has increased significantly year by year. Among other things, the changes in the impact level under the 1.5°C scenario are more significant than those under the &lt;2°C scenario, primarily because the carbon emission intensity of the power generation and cement industries is relatively higher than that of other industries, and the AUM is concentrated in certain investees with a slightly higher net worth loss</p>
	<p>Transformation risk scenario analysis : Quantitative assessment on the impact posed by carbon fees to equity investment.</p>	<p>The Group holds the issuers of equity investment positions in industries with high climate risk at home and abroad.</p>	<p>Stock valuation model</p>	<p>The asset positions of six major high climate risk industries within the equity investment framework were incorporated into the stock price valuation model to calculate the expected loss influenced by the</p>		

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Item	Implementation status				
	Contents of assessment	Assessed counterpart	Assessment method	Assessed climate scenario	Assessment results
	<p>Tangible risk scenario analysis :</p> <p>Quantitative assessment on the impact posed by flood suffered by collateral for real estate and business locations and suppliers throughout Taiwan.</p>	<p>The Group's collateral for real estate, and territories where the business locations and suppliers of Yuanta FHC throughout Taiwan</p>	<p>Disaster risk model and expected loss model</p>	-	<p>1. In the scenario of RCP 2.6, approximately 0.92% of the collateral is located in districts with high flood risk by the end of this century, corresponding to 2.65% of the total loans. The expected loss rate is 0.12%, which is considered controllable, with 0.71% of the business locations situated in districts with high flood risk throughout Taiwan at the end of this century. Further, approximately 0.67% of the suppliers are located in districts with a high flood risk at the end of this century.</p> <p>2. In the scenario of RCP 8.5, approximately 9.05% of the collateral is located in districts with a high flood risk by the end of this century, which amounts to 8.92% of the total real estate. The expected loss rate is 0.72%, which is considered controllable.</p> <p>Additionally, 9.25% of business locations and self-owned real estate are situated in high flood risk districts throughout Taiwan by the end of this century, primarily in southern Taiwan. Further, approximately 5.33% of the suppliers are located in districts with a high flood risk by the end of this century.</p>
	<p>Opportunity scenario analysis :</p> <p>Quantitative assessment on</p>	<p>The Group assesses the steel companies that might be regulated under laws and</p>	<p>Market valuation method</p>	<p>1. Adoption of the installation of solar panels for regulated companies</p>	<p>It's estimated that the market value of demand for renewable energy equipment created by Taiwan's steel industry in 2025 may amount to NT\$6.27 billion. Upon analyzing the market share that the Group might secure, this</p>

Item	Implementation status				
	Contents of assessment	Assessed counterpart	Assessment method	Assessed climate scenario	Assessment results
	the financing needs of renewal energy equipment.	regulations in Taiwan.		2. No additional cost invested to develop new products or services	opportunity is estimated to generate interest revenue of NT\$3.675 million for the Group.
<p>6. If any transformation plan in response to the climate risk management is in place, please describe the contents of the plan, and the indicators and targets used to identify and manage the tangible risk and transformation risk.</p>	<p>Through standardized and systematic management, the Group actively promotes a low-carbon operation action plan and is committed to reducing Yuanta FHC's operational carbon emissions. Meanwhile, the Group has fully inventoried greenhouse gases and obtained third-party verification. In 2022, the Group passed the SBT review and established low-carbon operation management indicators and mid- and long-term goals. Achievement of the targets is specified as following :</p> <ol style="list-style-type: none"> <li>1. GHG emission (category 1 and category 2) <ol style="list-style-type: none"> <li>(1) The carbon emission reduced by 26.11% in 2024 from 2020 (the base year) to help Yuanta FHC continue moving toward the SBT target for carbon reduction by 42% in 2030.</li> <li>(2) The analysis shows that emissions declined in 2024, primarily due to the application of green power supply resulting in the carbon emission therefrom lower than that from the general power supply. The Group will continue to monitor carbon emissions.</li> </ol> </li> <li>2. Renewable energy consumption <ol style="list-style-type: none"> <li>(1) In 2024, 30% business locations used the green power based on the renewable power purchase agreement (PPA) and, therefore, achieved the mid- and long-term target earlier.</li> <li>(2) The green power consumption in 2024 increased by 13.64% from 2020 (the base year). In the future, Yuanta FHC will continue to expand the green power supply coverage ratio.</li> </ol> </li> </ol> <p>Meanwhile, with respect to the low-carbon transformation management indicators and targets, the Group set 2019 as the base year, and started the calculation of carbon emissions and carbon emission intensity of the Group's long-term loans and long-term stock and bond investment portfolios, according to the suggested approaches, such as PCAF and TCFD. The Group performed the independent GHG emission analysis on investment and financing of 7 industries with high carbon emissions. Meanwhile, based on the analysis results, the Group reviewed the counterparts contributing to the high and moderate carbon emissions in the investment and financing portfolio, continued to enhance the negotiation with them for cooperation, and also planned to include the GHG emission intensity factor to the reference factors for future investment and financing decision making.</p>				
<p>7. If the internal carbon pricing is applied as a planning tool, please specify the pricing basis.</p>	<ol style="list-style-type: none"> <li>1. In line with the international trend for carbon reduction and in response to the concept about "Science Based Targets and Value of Carbon Credit," Yuanta FHC activated the "Internal Carbon Pricing (ICP)" in 2020, as the first financial business implementing the carbon reduction management system domestically. Yuanta FHC's Internal Carbon Pricing (ICP) was based on the carbon price range disclosed by about 2,600 enterprises all over the world in the most authoritative climate change questionnaire, "CDP Carbon Disclosure Project," in</li> </ol>				

Item	Implementation status
	<p>2019 primarily, and the Group's internal historical carbon reduction results and future potential carbon reduction costs secondarily, e.g. replacement with energy-conservation equipment and purchase of renewable energy certificates, etc., and included the input and output of each energy-conservation improvement action plan to the carbon price parameters for calculation.</p> <p>2. Yuanta FHC values the internal carbon pricing management mechanism. Since 2022, Yuanta FHC has launched an internal pilot mechanism. It officially implemented the mechanism in 2023. The "Internal Carbon Pricing Task Force", consisting of the inter-departmental units including the Accounting Department, Finance Department, HR Department, and Administration Department, convenes the "Internal Carbon Pricing Task Force Meeting" regularly to focus on the reasonableness of the carbon fee, the accuracy of the carbon-reduction target, and the effectiveness of carbon-reduction programs, as well as conducting inter-departmental assessment and planning. Meanwhile, with respect to the execution progress of "Internal Carbon Pricing Task Force", it convenes "Internal Carbon Pricing Review Meeting" regularly in order to enhance management, establish the carbon management pricing mechanism, set the overall carbon-reduction target in line with the SBT net-zero path i.e. a reduction of 4.2% year-on-year, and determine the internal carbon pricing at NT\$2,000 for 2024. The internal carbon pricing is adjusted upward to NT\$2,200 in 2025, in line with the international carbon pricing level.</p>
<p>8. If any climate-related targets are set, please specify the activities, scope of GHG emissions, planning schedule, and annual achievement progress covered by the target. If carbon offsets or renewable energy certificates (RECs) are used to achieve related goals, please specify the source and quantity of offset carbon reduction limit, or the quantity of RECs.</p>	<p>Yuanta FHC set the GHG emission reduction target (hereinafter referred to as the carbon reduction target), and received the target approval notice from the Science-based targets initiative (SBTi) in July 2022, as the second finance business in Taiwan and the fourth financial business in Asia to complete the review, and, therefore, was considered satisfying the carbon reduction path for control over heatup by 1.5°C. The Group also set short-term, mid-term and long-term targets, each of which lasts five years. According to the milestones as scheduled, it should be reduction by 4% in 2021, 6% in 2023 and 8% in 2025. The Category 1 and Category 2 carbon reduction targets covered the business locations' activities, including electricity consumption. By applying the energy-conservation equipment and consumption of renewable energy, the Group achieved green power supply of 5,280,786 kWh in 2024. The Group is also the financial service provider that consumes the most green power and currently has the widest layout for that reason. Further, carbon emissions are verified by a third party that complies with the ISO 14064 greenhouse gas inventory standard every year. The actual carbon reduction in 2024 from the previous year has reached 5.20%.</p>
<p>9. GHG accounting and assurance status.</p>	<p>to be specified in 1-1 and 1-2 separately.</p>



# 1-1 GHG accounting and assurance status

Scope 1	Total emissions (Metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NT\$ Million)	Assurance Institution	Descriptions about the assurance
Yuanta Financial Holding Co., Ltd.	44,5346	0.0004	SGS Taiwan Ltd.	The scope of Yuanta FHC's 2024 GHG accounting and assurance covers : 1. Business locations of Yuanta FHC and its subsidiaries. 2. Domestic subsidiaries of the subsidiaries included into the consolidated financial statements (1) Yuanta Securities Co., Ltd. including Yuanta Securities Finance Co., Ltd. and Yuanta International Insurance Brokers Co., Ltd. (2) Yuanta Venture Capital Co., Ltd. including Yuanta I Venture Capital Co., Ltd. 3. Among the total GHG emissions disclosed by Yuanta FHC, 1,124,7470 metric tons of CO <sub>2</sub> e (representing 6.37% of the total emissions) has been assured by the assurance organization based on the ISO 14064-3. The assurance engagement provided reasonable guarantee.
Yuanta Securities Co., Ltd.	452.5818	0.0081		
Yuanta Commercial Bank Co., Ltd.	489.1998	0.0176		
Yuanta Life Insurance Co., Ltd.	31.1188	0.0006		
Yuanta Securities Investment Trust Co., Ltd.	24.0776	0.0033		
Yuanta Futures Co., Ltd.	45.8034	0.0116		
Yuanta Venture Capital Co., Ltd.	14.9204	0.0119		
Yuanta Asset Management Co., Ltd.	7.1358	0.0122		
Yuanta Securities Investment Consulting Co., Ltd.	15.3748	0.0573		
Total	1,124,7470	0.0119		
Scope 2	Total emissions (Metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NT\$ Million)	Assurance Institution	Descriptions about the assurance
Yuanta Financial Holding Co., Ltd.	335.5051	0.0028	SGS Taiwan Ltd.	The scope of Yuanta FHC's 2024 GHG accounting and assurance covers : 1. Business locations of Yuanta FHC and its subsidiaries. 2. Domestic subsidiaries of the subsidiaries included into the consolidated financial statements. (1) Yuanta Securities Co., Ltd. including Yuanta Securities Finance Co., Ltd. and Yuanta International Insurance Brokers Co., Ltd. (2) Yuanta Venture Capital Co., Ltd. including Yuanta I Venture Capital Co., Ltd. 3. Among the total GHG emissions disclosed by Yuanta FHC, 16,520,8147 metric tons of CO <sub>2</sub> e (representing 93.63% of the total emissions) has been assured by the assurance organization based on the ISO 14064-3. The assurance engagement provided reasonable guarantee.
Yuanta Securities Co., Ltd.	6,481.3590	0.1156		
Yuanta Commercial Bank Co., Ltd.	8,416.9165	0.3036		
Yuanta Life Insurance Co., Ltd.	561.7793	0.0111		
Yuanta Securities Investment Trust Co., Ltd.	151.8922	0.0207		
Yuanta Futures Co., Ltd.	446.4145	0.1133		
Yuanta Venture Capital Co., Ltd.	19.1040	0.0153		
Yuanta Asset Management Co., Ltd.	11.0073	0.0189		
Yuanta Securities Investment Consulting Co., Ltd.	96.8368	0.3608		
Total	16,520,8147	0.1744		

## 1-2 Greenhouse gas inventory information for overseas operations

Scope 1	Total emissions (metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NT\$ Million)	Notes
Yuanta Securities Co., Ltd.	764.3342	0.0302	<ol style="list-style-type: none"> <li>The scope of greenhouse gas inventory of Yuanta FHC's overseas locations in 2024 includes all overseas subsidiaries and invested subsidiaries in the consolidated financial statements.</li> <li>Yuanta FHC disclosed that 792.3067 tons of CO<sub>2</sub>e (16.43% of total emissions) of total greenhouse gas emissions were inventoried using ISO 14064-1 standards.</li> </ol>
Yuanta Commercial Bank Co., Ltd.	26.3703	0.0492	
Yuanta Futures Co., Ltd.	1.6022	0.0143	
Total	792.3067	0.0305	
Scope 2	Total emissions (metric tons of CO <sub>2</sub> e)	Intensity (Metric tons of CO <sub>2</sub> e/NT\$ Million)	Notes
Yuanta Securities Co., Ltd.	3,706.9697	0.1465	<ol style="list-style-type: none"> <li>The scope of greenhouse gas inventory of Yuanta FHC's overseas locations in 2024 includes all overseas subsidiaries and invested subsidiaries in the consolidated financial statements.</li> <li>Yuanta FHC disclosed that 4,028.5633 tons of CO<sub>2</sub>e (83.57% of total emissions) of total greenhouse gas emissions were inventoried using ISO 14064-1 standards.</li> </ol>
Yuanta Commercial Bank Co., Ltd.	300.9383	0.5618	
Yuanta Futures Co., Ltd.	20.6553	0.1840	
Total	4,028.5633	0.1552	

### 1-3 GHG reduction goals, strategies and concrete action plans

With the vision of “becoming an international sustainability benchmark enterprise and promoting a better future for next generations proactively,” Yuanta FHC has been deeply committed to the issue of climate change for a long time. In 2019, it signed the “Science-based targets initiative, SBTi” as the first comprehensive financial company advocating the initiative in Taiwan. In 2022, it set the carbon reduction target based on the SBT methodology and the target was approved upon review. Upon SBT review and approval, 2020 was set as the base year, requiring that the absolute emissions in 2030 shall be reduced by 42% from 2020. It also signed the 2050 Net-Zero Emission Commitment (SBTi Net-Zero) officially in 2023, and proposed the Net-Zero Declaration and Operation Directions for Climate Finance in response to the 2050 net-zero emission target set by Taiwan and the United Nations.

Yuanta FHC’s emission reduction strategies are developed in terms of four major aspects, namely, low-carbon operations, sustainable finance, low-carbon supply chain, and sustainable advocacy. By implementing the internal carbon pricing and internalization of external carbon reduction costs, the new self-owned building has obtained the green building mark. It procured renewable energy and used a total of 5.28 MWh of green power in 2024. Energy-intensive equipment was replaced with LED energy-saving lamps, smart energy consumption monitoring was installed, and air conditioning system was upgraded. Yuanta FHC used purchased electricity as a major source of energy in the course of its operations. Energy-saving plans were implemented through a systematic management framework and process to effectively reduce energy consumption and mitigate environmental impacts. Yuanta FHC followed its “Environment, Energy, and Climate Change Management Policy,” and continued to improve the energy consumption of buildings and reduce GHG emissions. All of the 10(ten) self-owned buildings throughout the nation have passed the ISO 50001 energy management system certification.

**(VII) Ethical Corporate Management Practices, and Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons**

Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	
<p>I. Enactment of ethical management policy and program</p> <p>(1) Whether Yuanta FHC adopts the ethical management policy approved by the Board of Directors, and expressly states the ethical corporate management policy and rules, and its fulfillment by the Board of Directors and senior management in its Articles of Incorporation and public documents, and disclosed it on Yuanta FHC’s website?</p>	✓		<p>1. (1) Yuanta FHC has adopted the “Yuanta Financial Holding Company Integrity Management Guidelines” (“Integrity Management Guidelines”) and “Yuanta Financial Holding Company Procedures for Integrity Management and Guidelines for Conduct” (“Guideline for Conduct”), respectively, in response to the Financial Supervisory Commission’s policies, as well as the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and “Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct” published by the TWSE. Upon approval by the Board of Directors, these rules apply to Yuanta FHC, all of its subsidiaries, and all foundations to which Yuanta FHC has directly or indirectly donated more than 50% of their operating funds.</p> <p>A. Yuanta FHC will also continue to promote the “Integrity” policy and establish good corporate governance and risk management mechanisms to create a sustainable development environment based on the management philosophy upholding integrity, transparency and accountability.</p> <p>The relevant integrity corporate management best practice principles are disclosed on the following website :</p>

Scope of Assessment	Status			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Summary	
			<p><a href="https://www.yuanta.com/EN/IR/Governance/Internal-Policies">https://www.yuanta.com/EN/IR/Governance/Internal-Policies</a></p> <p>B. In order to help the Group’s directors, supervisors and senior management understand and practice the integrity management philosophy, in response to the amendments to laws and regulations, since 2019, Yuanta FHC has included the “Declaration of Integrity” in the documents to be executed by the Group’s directors, supervisors and senior management, which shall also be kept with care. The directors and supervisors who are elected or chosen through by-election, as well as any new senior management, shall execute the Statement without exception. The declaration primarily declares no unethical conduct, no provision or acceptance of unjustified benefits, no political donations or unfair charitable contributions or sponsorships, compliance with the principle of conflict of interest, performance of confidentiality obligations, no infringement upon intellectual property rights, compliance with non-disclosure agreements, no insider trading, performance of disclosure obligations, no acceptance of unjustified benefits, and prohibition of transactions with any person engaged in unethical management. In 2024, 100% of Yuanta FHC’s directors and senior management have signed the “Declaration of Integrity,” and none of them was found violating the same.</p> <p>The execution of the “Declaration of Integrity”</p>	

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
			and the commitment to fulfill the management policy are disclosed via the following Website : <a href="https://www.yuanta.com/EN/IR/Governance/Committees">https://www.yuanta.com/EN/IR/Governance/Committees</a>	
(2) Whether Yuanta FHC establishes the assessment mechanism about unethical conduct to analyze and assess the operating activities with higher risk of unethical conduct in the scope of business periodically, and adopts the unethical conduct prevention program based on the mechanism, which shall at least cover the prevention measures referred to in the subparagraphs of Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies"?			In addition to defining requirements about prevention of unethical conduct in the "Guidelines for Conduct" and "Professional Code of Ethics" and reviewed whether the regulations satisfy internal and external laws and internal operations periodically, Yuanta FHC also has analyzed and assessed the operating activities with a higher risk of potentially unethical conduct in the scope of business periodically. In order to conduct the risk assessment, and also reviewed the adequacy and validity of the prevention program, which shall at least cover the prevention measures referred to in the subparagraphs of Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies" and provide the assessment results to the audit unit for the unit to include the same results into the annual audit plan.	There was no departure in this respect.
(3) Whether Yuanta FHC expressly states the SOP, guidelines and reward and disciplinary & complaining systems in the unethical conduct prevention program, implements the same precisely, reviews amendments to said program and discloses it on Yuanta FHC's website?			(3) A. Yuanta FHC's "Integrity Management Guidelines" and "Guidelines for Conduct" outline a list of unethical conducts and conflicting interests and prohibits any bribery, illegitimate political contributions, and improper donations, sponsorships, gifts, treatments, or benefits. Yuanta FHC also has reviewed the adequacy and validity of the prevention program periodically. The relevant rules and regulations of integrity management are disclosed on the following website : <a href="https://www.yuanta.com/EN/IR/Governance/">https://www.yuanta.com/EN/IR/Governance/</a>	There was no departure in this respect.

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			<p>Committees</p> <p>B. Any unethical conduct of Yuanta FHC's staff, Yuanta FHC will render discipline pursuant to relevant laws or Yuanta FHC's regulations after verifying the same, and claim damages through legal action, if necessary, to maintain Yuanta FHC's goodwill and interest. The disciplined personnel who disagree with the discipline may apply for reconsideration under the complaint system.</p>	
<p>2. Implementation of ethical management</p> <p>(1) Has Yuanta FHC assessed a trading counterpart's ethical management record, and expressly states the ethical management clause in the contract to be signed with the trading counterpart?</p>	✓		<p>Yuanta FHC expressly states in the "Procurement Directions" and "Supplier Management Directions" that in the case of procurement value amounting to more than NT\$20,000, the requesting unit shall make a query on the website of the Judicial Yuan to verify whether the trading counterpart has any unethical management record, such as bribery or illegal political donations, and then specify the query results in the "Supplier Management Checklist" as the basis for the evaluation of the supplier's integrity. Meanwhile, it shall promote integrity management and sustainable procurement principles to the supplier before the transaction. The promotional results shall also be specified in the "Supplier Management Checklist." If a procurement contract is signed for the transaction, it shall also ask the supplier to include integrity management clauses and sustainable procurement clauses in the contract.</p>	There was no departure in this respect.
<p>(2) Whether Yuanta FHC establishes a unit dedicated to promoting ethical corporate management under supervision by the Board of Directors who shall be responsible for establishing and supervising the implementation of the ethical corporate management</p>			<p>(2)</p> <p>A. In 2018, Yuanta FHC established the "Sustainability Committee" under the Board of Directors, as the dedicated unit for corporate integrity management responsible for formulating</p>	There was no departure in this respect.

Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
<p>policies and prevention programs, reporting the status thereof to the Board of Directors periodically (at least for once per year), and stating the operations and execution of such unit on Yuanta FHC’s website?</p>			<p>and supervising the implementation of integrity management policies and preventive programs, which was renamed to the “Sustainable Development Committee” per approval of the Board of Directors, directing the “Integrity Management Office” and the “Corporate Sustainability Office,” in 2022. The Integrity Management Office is responsible for promoting and coordinating the related affairs, and also reporting to the Sustainable Development Committee the work plans and execution results thereof periodically, in order to strengthen the Board of Directors’ regulations about integrity management. Meanwhile, it would amend and review related policies to ensure the validity thereof, on a rolling basis, and report its duties to the Board of Directors regularly to help the Board of Directors supervise Yuanta FHC’s integrity management practices.</p> <p>The Sustainable Development Committee reported to the Board of Directors the Integrity Management Office’s execution results of Integrity management practices in the first half and second half of the year, Yuanta FHC’s whistleblowing system practices in the first half and second half of the year, and fulfillment of integrity management of the year, on March 19 and August 20, 2024, respectively. The Committee’s operations and functions are also disclosed on Yuanta FHC’s website and in the annual reports.</p>



Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles” for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
			<p>The related operations are disclosed on the following website :  <a href="https://www.yuanta.com/EN/IR/Governance/Committees">https://www.yuanta.com/EN/IR/Governance/Committees</a></p> <p>B. The operations and execution of Yuanta FHC’s 2024 Integrity management policies are summarized as follows :</p> <p>(A) Education &amp; training : Please refer to Item 2(5) for details.</p> <p>(B) Periodically analyze and assess the operating activities with a higher potential risk of unethical conduct in the scope of business periodically :</p> <p>Each of Yuanta FHC’s units will analyze and assess the operating activities with a higher risk of unethical conduct in the scope of business periodically, in order to conduct the business assessment, and also review the adequacy and validity of the prevention program. The Auditing Dept. has included the “Integrity Management Operations” and “Assessment on Potential Risk over Unethical Conduct” into the audit, in order to manage and prevent any unethical conduct jointly.</p> <p>(C) Whistle-blowing system :</p> <p>C. A total of 1 whistle-blowing cases were accepted, while none of them involved unethical conduct issues.</p> <p>Yuanta FHC established the “Regulations Governing Implementation of Complaint</p>

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Summary	
			System" which is disclosed via the following Website : <a href="https://www.yuanta.com/EN/IR/Governance/Reporting-Mechanism">https://www.yuanta.com/EN/IR/Governance/Reporting-Mechanism</a>	
(3) Has Yuanta FHC defined any policy against conflict of interest, provides adequate channel thereof, and fulfills the same precisely?			(3) A. Yuanta FHC has expressly defined the conflict of interest policy in the "Integrity Management Guidelines," "Guidelines for Conduct," "Rules and Procedures of Board Meetings," "Professional Code of Ethics" and any directors shall recuse themselves from voting for any motions involving the interest of the directors and managers or corporations represented by the directors, as submitted to a Board of Directors' meeting, or the directors shall declare any of their transactions or relations which might cause conflict of interest voluntarily, and shall deal with it or recuse themselves adequately.  B. Meanwhile, Yuanta FHC's staff shall not, in their own names or in another person's name, engage in any funding, transaction of substantial assets, offering of guarantees, or other transaction that might cause conflict of interest with Yuanta FHC. Yuanta FHC's staff shall perform their duties in accordance with said codes and regulations.	There was no departure in this respect.
(4) Whether Yuanta FHC fulfills the ethical management by establishing an effective accounting system and internal control system, and has an internal audit unit research and adopt related audit plans based on the unethical conduct risk assessment result and conduct audits on the			(4) A. Under the "Integrity Management Guidelines," Yuanta FHC has linked the other relevant internal control regulations intensively to help various departments comply with the internal control and SOPs, and to prevent any staff misconduct. For	There was no departure in this respect.

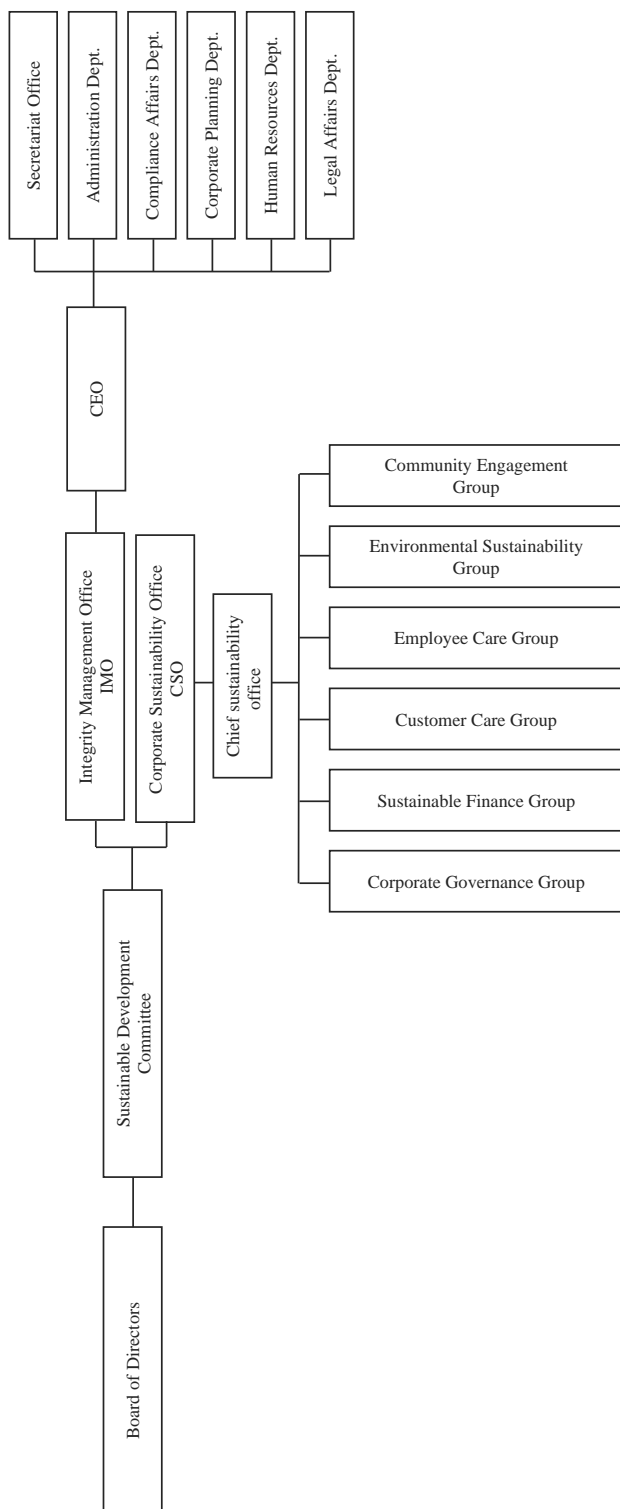
Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles" for TWSE/TPEX Listed Companies" and reasons
	Yes	No	
compliance by the unethical conduct prevention program, or appoints a CPA to conduct the audits?			<p>example, the "Professional Code of Ethics," "Parliamentary Rules for Board of Directors' Meetings," "Articles of Association for Audit Committee" and "Guidelines Governing Donations to the Public." The Auditing Department has included the "Results of Integrity Management Practices," "Construction Engineering Works" and "Unethical Conduct Risk Assessment" into the audit when auditing Yuanta FHC's business. The audit results showed no major deficiencies were found.</p> <p>B. Yuanta FHC's accounting system was established in accordance with IFRSs and Regulations Governing the Preparation of Financial Reports by Financial Holding Companies. Unless otherwise provided in laws, Yuanta FHC's related accounting affairs are all processed in accordance with Yuanta FHC's accounting system. The quarterly financial statement would be audited (certified) by PricewaterhouseCoopers Certified Public Accountants and also reported to the Audit Committee and Board of Directors periodically. Yuanta FHC will accept the internal audit, and audit by Financial Examination Bureau and the external auditor, in order to ensure that design and execution of Yuanta FHC's accounting system still works.</p>
(5) Has Yuanta FHC organized internal/external education training program for ethical management periodically?		(5)	<p>There was no departure in this respect.</p> <p>A. In order to enable all of the Group's employees and managers to have the correct knowledge and basic judgment regarding relevant laws and</p>

Scope of Assessment	Status		Deviations from “Ethical Corporate Management Best Practice Principles” for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
			<p>integrity conduct, the Group organizes the “Integrity Management and Law Compliance Promotion” program regularly each year. This program covers issues including customer data protection, banking consumers’ data protection, transactions with stakeholders, insider trading requirements, disclosure of M&amp;A information, financial personnel integrity, ethics and legal liability, compliance resources, a whistleblowing system, and other matters related to integrity management. The personnel are required to attend the program and pass the test in order to continue improving their knowledge and judgment of related laws and integrity management practices, ensuring the effective implementation of the integrity management policy. The Group had a total of 12,900 trainees attending the program and all of them passed the test in 2024. The training hours totaled 12,507 hours.</p> <p>B. In 2024, in addition to providing all directors of Yuanta FHC with “Integrity Management and Law Compliance Promotion” materials, Yuanta FHC also held a total of two directors’ refresher courses related to integrity management were organized for the directors and supervisors of the Group. The topics and training hours included the “Money Laundering Prevention and Countering of Terrorism Financing Practices and Promotion of Prevention of Insider Trading,” attended by a total of 58 directors and supervisors on April 18, for a total of 174 hours, and the “Financial</p>

Scope of Assessment	Status		Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	
			Consumer Protection Act and Fair Dealing Policy" (including the "Friendly Finance and Convention on the Rights of Persons with Disabilities"), attended by a total of 52 directors and supervisors on May 16, for a total of 156 hours.
3. Status of Yuanta FHC's complaint system (1) Has Yuanta FHC defined a specific complaints and rewards system, and established some convenient complaint channel, and assigned competent dedicated personnel to deal with the situation?	✓		The motion for establishment of the "Regulations Governing Implementation of Complaint System" submitted by Yuanta FHC has been approved by the Board of Directors. Yuanta FHC also established the convenient complaint channels, such as hotline and email box, and also assigned the units with the independent powers to accept and investigate the complaint cases. If the complaint filed by any employee is proven, the complainant will be rewarded in accordance with Yuanta FHC's Guidelines Governing Reward and Punishment.
(2) Whether Yuanta FHC defines the standard operating procedure, follow-up measures to be taken upon completion of the investigation, and nondisclosure mechanism toward the investigation of complaints as accepted?			Yuanta FHC's "Regulations Governing Implementation of Complaint System" has expressly stated the procedures for investigation and coordination in the complaint cases and the following standard operating procedures, and required that the personnel dedicated to processing complaints shall provide the written statement undertaking that they will keep the complaints' identity and contents of the complaint in confidence. The Auditing Dept. has included the "Results of Whistle-Blowing System Operation" into the audit. The audit result has been handled in the manner as prescribed.
(3) Has Yuanta FHC adopted any measures to prevent the complainants from being abused after filing complaints?			The protection policies adopted by Yuanta FHC in accordance with the "Regulations Governing
			There was no departure in this respect.

Scope of Assessment	Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Summary	
			Implementation of Complaint System" include the confidentiality of the complainant's ID, non-disclosure of the information sufficient to identify the complainant, prohibition from firing, dismissing or demoting the complainant or cutting the complainant's salary, damaging the interest vested in the complainant pursuant to laws, contracts or customs, or rendering any decision in disfavor of the complainant on the ground of the complaint.	
4. Enhancing Information Disclosure Has Yuanta FHC has disclosed the Ethical Management Principles and effect of implementation thereof on its website and Market Observation Post System?	✓		Yuanta FHC's "Integrity Management Guidelines" and "Guidelines for Conduct," and results of integrity management and practices were promptly disclosed and updated on the official website. The implementation status thereof was updated and disclosed in the annual report and Sustainability Report. Meanwhile, said two requirements were also disclosed on the MOPS.	There was no departure in this respect.
5. If Yuanta FHC has established ethical management principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies", please describe any discrepancy between the principles and their implementation : None.				
6. Other information material to the understanding of ethical management operation (e.g. discussion of an amendment to the ethical management best practice principles defined by Yuanta FHC) : None.				

Note : The Integrity Management Office is responsible for promoting and coordinating matters related to integrity management. It has 6 members, who are headed by the department heads of the relevant units. Its organizational structure is as follows :



**(VIII) Other information enabling better understanding of Yuanta FHC's corporate governance :**

1. For effective control of Yuanta FHC's internal material information handling and disclosure mechanism, Yuanta FHC has adopted the "Operating Procedures for Handling Internal Material Information of Yuanta Financial Holding Co., Ltd." and disclosed the same on the official website as the guidelines to be followed by the management and all employees, in order to avoid violating the requirements or insiders' trading. Article 6-1 of the "Operating Procedures for Handling Internal Material Information of Yuanta Financial Holding Co., Ltd." expressly states the control measures over stock exchanges to be applied upon awareness of Yuanta FHC's directors, managers and employees of Yuanta FHC's financial report or related business contents, including the requirements that the directors shall not trade Yuanta FHC's stocks within the book closure period, namely 30 days prior to publication of the annual financial report and 15 days prior to publication of the quarterly financial report.
2. Yuanta FHC has adopted the "Rules Governing Financial and Business Matters Between Yuanta Financial Holding Co., Ltd. and its Related Parties," in order to manage the financial and business contacts or transactions between Yuanta FHC and related parties, and to prevent non-arm's length transactions and improper benefit transfers. According to the resolution rendered by the 13th meeting of the 9th Board of Directors on March 29, 2023, it expanded the subjects of the Regulations from affiliated companies to all related parties. Additionally, it required that important transactions with related parties be reported to the Board of Directors for resolution and submitted to a shareholders' meeting for approval or reported to the shareholders' meeting.
3. Yuanta FHC passed the Taiwan Corporate Governance Association's "CG6014 (2023) Corporate Governance Framework Assessment Certificate with Distinguished Honor" in 2024. This is effective from December 27, 2024 to December 26, 2026.
4. Other information enabling better understanding of Yuanta FHC's corporate governance : Please refer to the "Corporate Social Responsibility" section of Yuanta FHC website : (<https://www.yuanta.com/EN/ESG>) or the official website of the Market Observation Post System (<http://mops.twse.com.tw/mops/web/index>; Company Code 2885).



**(IX) Directors' continuing education**

As of December 31, 2024

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Chairman	Ting Chien Shen (Tony)	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Chairman	Ting Chien Shen (Tony)	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Chairman	Ting Chien Shen (Tony)	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Chairman	Ting Chien Shen (Tony)	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Director	Wei Chen Ma (Michael)	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Director	Wei Chen Ma (Michael)	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Director	Wei Chen Ma (Michael)	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Director	Wei Chen Ma (Michael)	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Director	Chung Yuan Chen	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Director	Chung Yuan Chen	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Director	Chung Yuan Chen	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Director	Chung Yuan Chen	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Director	Chung Yuan Chen	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Director	Daniel Y.M. Song	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Director	Daniel Y.M. Song	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Director	Daniel Y.M. Song	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Director	Daniel Y.M. Song	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Director	Chien Weng	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Director	Chien Weng	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Director	Chien Weng	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Director	Chien Weng	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Director	Chien Weng	2024.09.30	2024.09.30	Taiwan Stock Exchange Corporation (TWSE)	Taiwan Capital Market Summit	3
Independent Director	Ming Ling Hsueh	2024.01.26	2024.01.26	Taiwan Corporate Governance Association	Analysis on Taiwan’s Economic Trends in 2024	3
Independent Director	Ming Ling Hsueh	2024.03.29	2024.03.29	Taiwan Corporate Governance Association	Production Technology and Market Development of High Value-added Steel Products	2
Independent Director	Ming Ling Hsueh	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Independent Director	Ming Ling Hsueh	2024.04.30	2024.04.30	Taiwan Corporate Governance Association	TCFD & SBTi Development Trends and Powers of Directors	3
Independent Director	Ming Ling Hsueh	2024.05.03	2024.05.03	Taiwan Corporate Governance Association	Outlook of the Nickel Industry and Sustainable Management of Resilient Supply Chain	3
Independent Director	Ming Ling Hsueh	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Independent Director	Ming Ling Hsueh	2024.09.04	2024.09.04	Taiwan Corporate Governance Association	Yuanta FHC’s Compliance with Laws and Regulations and Ethical Management, and Directors shall Understand the Practices under Labor Standards Act - Friendly Workplace and Act of Gender Equality in Employment	3
Independent Director	Ming Ling Hsueh	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Independent Director	Ming Ling Hsueh	2024.10.16	2024.10.16	Taiwan Corporate Governance Association	20th International Summit of Corporate Governance (2024) - Focusing on Governance and Expelling the Talent Advantage	3
Independent Director	Ming Ling Hsueh	2024.11.08	2024.11.08	Taiwan Corporate Governance Association	Development and Prospects of Taiwan’s Cable Industry and Creation of Friendly Workplace (including prevention of sexual harassment)	3

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Independent Director	Kuang Si Shiu	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Independent Director	Kuang Si Shiu	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Independent Director	Kuang Si Shiu	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Independent Director	Kuang Si Shiu	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Independent Director	Hsing Yi Chow	2024.03.20	2024.03.20	Taiwan Institute of Directors	How to get out of the competition : Take the competition in South Korea as an example to talk about the growth in Asia.	3
Independent Director	Hsing Yi Chow	2024.04.17	2024.04.17	Taiwan Institute of Directors	Learning from the Benchmarking of Core Technology Breakthroughs	3
Independent Director	Hsing Yi Chow	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Independent Director	Hsing Yi Chow	2024.05.02	2024.05.02	Taiwan Institute of Directors	How to Achieve Corporate Growth through Strategic Mergers and Acquisitions	3
Independent Director	Hsing Yi Chow	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Independent Director	Hsing Yi Chow	2024.06.07	2024.06.07	Taiwan Institute of Directors	New Energy Era	3
Independent Director	Hsing Yi Chow	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Independent Director	Hsing Yi Chow	2024.10.28	2024.10.28	Taiwan Corporate Governance Association	How to Respond to Geopolitical Tensions in the World	3
Independent Director	Hsing Yi Chow	2024.10.28	2024.10.28	Taiwan Corporate Governance Association	Global economic Outlook in 2025	3
Independent Director	Sharon S. Yang	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Independent Director	Sharon S. Yang	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Independent Director	Sharon S. Yang	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Independent Director	Sharon S. Yang	2024.06.07	2024.06.07	Taipei Foundation of Finance	Friendly Financial Service Regulations	3
Independent Director	Sharon S. Yang	2024.08.21	2024.08.21	Taiwan Academy of Banking and Finance	Offshore wind farm financial course series	3
Independent Director	Sharon S. Yang	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Independent Director	Sharon S. Yang	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3

**(X) Managers’ participation in training and education programs related to corporate governance**

As of December 31, 2024

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
President	Chien Weng	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
President	Chien Weng	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
President	Chien Weng	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
President	Chien Weng	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Auditor-General	Sung Shan Chao	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Auditor-General	Sung Shan Chao	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Lawrence Lee	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Lawrence Lee	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Senior Vice President	Lawrence Lee	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Senior Vice President	Lawrence Lee	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Vice President	Chi Wei Lai	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Executive Vice President	Wei Cherng Hwang (Bobby)	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Executive Vice President	Wei Cherng Hwang (Bobby)	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Executive Vice President	Wei Cherng Hwang (Bobby)	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Executive Vice President	Wei Cherng Hwang (Bobby)	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Mei Ling Kuo	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Mei Ling Kuo	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Vice President	Mei Ling Kuo	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Senior Vice President	Mei Ling Kuo	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Mei Ling Kuo	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Senior Vice President	Mei Ling Kuo	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Mei Ling Kuo	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Hsiao Ling Chou	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Hsiao Ling Chou	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Vice President	Hsiao Ling Chou	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Hsiao Ling Chou	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Hsiao Ling Chou	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Wen Ching Chiu	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Wen Ching Chiu	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Senior Vice President	Wen Ching Chiu	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Vice President	Wen Ching Chiu	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Wen Ching Chiu	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Hsu Shu Mai	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Hsu Shu Mai	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Senior Vice President	Hsu Shu Mai	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Robert C.S. Yang	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Robert C.S. Yang	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Ming Lang Liu	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Senior Vice President	Ming Lang Liu	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Hui Jung Lu	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Senior Vice President	Hui Jung Lu	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Hui Jung Lu	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Fang Ming Lo	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Fang Ming Lo	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Vice President	Fang Ming Lo	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Yung Chu Su	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Yung Chu Su	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Vice President	Yung Chu Su	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Senior Vice President	Yung Chu Su	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Senior Vice President	Yung Chu Su	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Yung Chu Su	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Yung Chu Su	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Vice President	Chi Jung Huang	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Vice President	Ching Fang Lin	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Vice President	Ching Fang Lin	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Vice President	Ching Fang Lin	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Vice President	Ching Fang Lin	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Allen Wu	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Vice President	Allen Wu	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Senior Vice President	Allen Wu	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Senior Vice President	Allen Wu	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Vice President	Yen Tun Teng	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Yen Tun Teng	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Senior Vice President	Yen Tun Teng	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Vice President	Yen Tun Teng	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Chieh Wu	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Vice President	Chieh Wu	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Senior Vice President	Chieh Wu	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Vice President	Yi Wen Ma	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Vice President	Yi Wen Ma	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Vice President	Yi Cheng Liao	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Vice President	Yi Cheng Liao	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Vice President	Yi Cheng Liao	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Vice President	Wei Chen Chang	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Vice President	Wei Chen Chang	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Vice President	Wei Chen Chang	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Vice President	Wei Chen Chang	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Vice President	Wei Chen Chang	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Vice President	Wei Chen Chang	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2

Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Senior Assistant Vice President	Po Ching Li	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Assistant Vice President	Po Ching Li	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Assistant Vice President	Po Ching Li	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Assistant Vice President	Wei Ning Chang	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Assistant Vice President	Wei Ning Chang	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Assistant Vice President	Wei Ning Chang	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Assistant Vice President	Chien Wen Chen	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Assistant Vice President	Chien Wen Chen	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3
Senior Assistant Vice President	Chien Wen Chen	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Assistant Vice President	Chien Wen Chen	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Senior Assistant Vice President	Chien Wen Chen	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Senior Assistant Vice President	Chien Wen Chen	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Senior Assistant Vice President	Hsiu Ling Chung	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Senior Assistant Vice President	Hsiu Ling Chung	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Senior Assistant Vice President	Hsiu Ling Chung	2024.09.11	2024.09.11	Yuanta Financial Holding Co., Ltd.	Myth of interest rate cut : Signs of economic recovery or decline?	2
Senior Assistant Vice President	Ho Hsing Pan	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Senior Assistant Vice President	Yang Chia Huang	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan's Unique Position and Strategic Division in the AI Era	2
Assistant Vice President	Yu-Chin Tsao	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Assistant Vice President	Yu-Chin Tsao	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including "Friendly Finance and Convention on the Rights of Persons with Disabilities")	3



Title	Name	Course duration		Organizing agency	Course name	Course hours
		From	To			
Assistant Vice President	Hui Wei Tsai	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Assistant Vice President	Hui Wei Tsai	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Assistant Vice President	Hui Wei Tsai	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Assistant Vice President	Hui Wei Tsai	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Assistant Vice President	Yi Ju Wei	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Assistant Vice President	Yi Ju Wei	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Assistant Vice President	Yi Ju Wei	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Assistant Vice President	Hsuan Feng Tien	2024.04.18	2024.04.18	Institute of Financial Law and Crime Prevention	Practices on AML and CFT and Prevention of Insider Trading Promotion	3
Assistant Vice President	Hsiao Ching Chao	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Assistant Vice President	Hsiao Ching Chao	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Assistant Vice President	Hsin Yi Kuo	2024.04.29	2024.04.29	Yuanta Financial Holding Co., Ltd.	Overview and Outlook of Sustainable Finance & ESG Investment Development	2
Assistant Vice President	Hsin Yi Kuo	2024.07.10	2024.07.10	Yuanta Financial Holding Co., Ltd.	Anchoring : Taiwan’s Unique Position and Strategic Division in the AI Era	2
Assistant Vice President	Hsin Yi Kuo	2024.12.18	2024.12.18	Yuanta Financial Holding Co., Ltd.	Investment Outlook for 2025	2
Assistant Vice President	Chiung Shu Lin	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3
Assistant Vice President	Yi Lin Yang	2024.05.16	2024.05.16	Taiwan Securities Association	Financial Consumer Protection Act and Fair Dealing Policy (including “Friendly Finance and Convention on the Rights of Persons with Disabilities”)	3
Assistant Vice President	Yi Lin Yang	2024.09.05	2024.09.05	Taiwan Securities Association	Information security threat trend and crisis management	3
Assistant Vice President	Yi Lin Yang	2024.10.17	2024.10.17	Taiwan Securities Association	Sustainable financial development trend and Taskforce on Nature-related Financial Disclosures (TNFD)	3

#### (XI) Implementation of the internal control system

1. Statement on Internal Control System : Already announced and reported in the “Corporate Governance” section on the MOPS (<https://mops.twse.com.tw/mops/web/t06sg20>, Company Code 2885) in accordance with the regulations.
2. CPA audit report of the internal control system : None.

**(XII) Shareholder meeting(s) and significant board resolutions during the most recent year and up to the date of publication of this annual report**

1. Shareholders' meeting resolutions and their implementation :

Year	Date	Resolution Items	Resolution Results	Implementation status
2024 General Shareholders' Meeting	2024.06.07	To recognize Yuanta FHC's 2023 Business Report and Financial Statements. (Proposed by the Board of Directors)	The motion was ratified upon voting.	The related statements and records have been published pursuant to laws and reported to the competent authority for record.
		To recognize Yuanta FHC's 2023 earnings distribution plan. (Proposed by the Board of Directors)	The motion was ratified upon voting.	The distribution was completed per the resolution rendered by the general shareholders' meeting.
		Motion for Yuanta FHC's issuance of new shares upon capital increase from earnings 2023 is proposed for resolution. (Proposed by the Board of Directors)	The motion was ratified upon voting.	1. The cash dividend distribution was NT\$1.10 per share. The record date for distribution was set on July 3, 2024, and the dividend should be distributed on July 24, 2024. 2. The stock dividend distribution was NT\$0.20 per share. The record dates for distribution and the capital increase were both set on August 18, 2024. The application for the change of the registration of paid-in capital has been filed with the Ministry of Economic Affairs as required. 3. The shares issued upon capital increase were already distributed and traded on September 13, 2024.
		Motion for amendments to "Yuanta Financial Holding Co., Ltd. Articles of Incorporation" is proposed for resolution. (Proposed by the Board of Directors)	The motion was ratified upon voting.	1. The registration of changes has been approved by the Ministry of Economic Affairs on August 8, 2024. 2. Already posted on Yuanta FHC's website.

2. 23rd meeting of the 9th Board of Directors on January 31, 2024

- (1) Approved the assessment on independence of Yuanta FHC's independent auditors, audit quality indicators, and appointment of and remuneration to the independent auditors in 2024.

3. 24th meeting of the 9th Board of Directors on March 14, 2024
  - (1) Approved the matters related to the 2024 annual general meeting convened by Yuanta FHC
  - (2) Approved the allocation of remuneration to directors of Yuanta FHC 2023.
  - (3) Approved the allocation of remuneration to employees of Yuanta FHC 2023.
  - (4) Approved the consolidated financial statements of Yuanta FHC 2023.
  - (5) Approved the earnings appropriation plan of Yuanta FHC 2023.
  - (6) Approved the issuance of new shares upon capital increase from earnings of Yuanta FHC 2023.
  - (7) Approved the amendments to certain articles of the “Yuanta Financial Holding Co., Ltd. Articles of Incorporation.”
  - (8) Approved the amendments to certain provisions of the “Yuanta Financial Holding Co., Ltd. Audit Committee Charter.”
  - (9) Approved amendments to certain articles of the “Yuanta Financial Holding Co., Ltd. Regulations Governing Procedure for Board of Directors Meetings.”
  - (10) Approved the joint sale of Chengde Building by the subsidiaries, Yuanta Securities and Yuanta Bank.
4. 25th meeting of the 9th Board of Directors on March 27, 2024
  - (1) Approved the Statement on Internal Control System of Yuanta FHC 2023.
5. 26th meeting of the 9th Board of Directors on April 24, 2024
  - (1) Approved the amendments to certain provisions of the “Yuanta Financial Holding Co., Ltd. Corporate Governance Best-Practice Principles.”
  - (2) Approve the amendments to the diversity policy and targets for Yuanta FHC’s Board of Directors.
6. 27th meeting of the 9th Board of Directors on May 22, 2024
  - (1) Approved the consolidated financial statements of Yuanta FHC for Q1 of 2024.
  - (2) Approved the amendments to certain articles of the “Yuanta Financial Holding Co., Ltd. Articles of Association for Nominating Committee.”
  - (3) Approved the amendments to certain provisions of the “Yuanta Financial Holding Co., Ltd. Organization Regulations of Risk management Committee.”
7. 28th meeting of the 9th Board of Directors on June 26, 2024
  - (1) Approved the amendments to certain provisions of the “Yuanta Financial Holding Co., Ltd. Sustainable Finance Guidelines.”
  - (2) Approved the establishment of the “Yuanta Financial Holding Co., Ltd. Occupational Safety and Health Policy.”
  - (3) Approved the report on “Sustainability Report of Yuanta FHC 2023.”
  - (4) Approved the application for permission from the competent authority for relocation of the Headquarters of Yuanta FHC.
8. 29th meeting of the 9th Board of Directors on July 26, 2024
  - (1) Report on the digital financial business report of Yuanta FHC for 1H of 2024.
  - (2) Report on the execution of the Intellectual Property of Yuanta FHC for 2024.
  - (3) Approved the motion for Yuanta FHC’s plan to participate in the subscription for the subsidiary, Yuanshan Life Insurance Co., Ltd., in 2024 to increase the capital in cash.

- (4) Approved Yuanta FHC's issuance of new shares upon a capital increase from earnings in 2023, as well as the determination of the record date for the distribution of stock dividends and the record date for the issuance of new shares resulting from the capital increase, etc.
- 9. 30th meeting of the 9th Board of Directors on August 23, 2024
  - (1) Approved the consolidated financial statements of Yuanta FHC for Q2 of 2024.
- 10. 33rd meeting of the 9th Board of Directors on November 20, 2024
  - (1) Approved the regular review on and suggestions for amendments to certain provisions of the "Regulations Governing Performance Appraisal on Board of Directors and Functional Committees of Yuanta FHC."
  - (2) Approved the consolidated financial statements of Yuanta FHC for Q3 of 2023.
- 11. 34th meeting of the 9th Board of Directors on December 25, 2024
  - (1) Approved amendments to certain articles of the "Sustainable Development Best-Practice Principles of Yuanta Financial Holding Co., Ltd."
  - (2) Approved the motion for the related planning of Yuanta FHC for incorporation of sustainable information management into the internal control system.
  - (3) Approved the motion for naming the responsible person of the "Corporate Sustainability Office" of Yuanta FHC as the Chief Sustainability Officer.
  - (4) Approved the amendments to certain provisions of the "Yuanta Financial Holding Co., Ltd. Corporate Governance Best-Practice Principles."
  - (5) Approved Yuanta FHC's plan to participate in the subscription for 30,000,000 shares of Yuanta Futures Co., Ltd. in 2024, based on the original shareholding ratio and in the capacity of a specific person. The price range is preliminarily set at NT\$65 to NT\$85 per share (based on the final issuance price), with the maximum subscription amount reaching NT\$2,295 million.
- 12. 35th meeting of the 9th Board of Directors on January 20, 2025
  - (1) Report on the digital financial business report of Yuanta FHC for 2H of 2024.
  - (2) Approved the assessment of the independence of Yuanta FHC's independent auditors, audit quality indicators, and the appointment and remuneration of the independent auditors in 2025.
  - (3) Approved the amendments to certain articles of the "Yuanta Financial Holding Co., Ltd. Articles of Association."
  - (4) Approved the plan and evaluation report of implementation of the zero-trust structure of Yuanta FHC.

**(XIII) The main contents of important resolutions passed by the Board of Directors regarding in which directors have voiced differing opinions on the record or in writing, during the most recent year and up to the date of publication of this annual report : None.**

#### IV. Certified Public Accountant Fee Information

Unit : NT\$1,000

Accounting firm name	Name of accountant	Audit period	Audit Fee	Non-Audit Fees	Total	Remarks
PwC Taiwan	Puo-Ju Kuo	January 2024 ~ December 2024	6,510	6,484	12,994	The non-audit fees were primarily paid for the “Profit-Seeking Business Income Tax Audit & Certification and Linked Filing of business Income Tax Returns 2024” services, “DJSI Project” consulting services, “GMT Project” consulting service, and the information security-related services, etc.
	Chien Hung Chou					

Note 1 : If there is any change of CPA or CPA firm during the year, please specify the duration of their services separately and state the reason for making the change in the remarks column. Any audit and non-audit fee paid to CPAs should also be disclosed separately. Details of services rendered based on the non-audit fees must be specified in the remarks column.

Note 2 : If a change of CPA firm results in a lower audit fee for that year compared to the previous year, please disclose the amount of audit fees before and after the change, and causes thereof : None.

Note 3 : If the audit fee is reduced by more than 10% from the previous year, please disclose the reduction in the audit fees, and percentages and causes thereof : None.

#### V. Information about replacement of CPAs : None.

#### VI. Name of Auditing Firm or Its Affiliates at Which Yuanta FHC’s Chairman, President, or Managers Responsible for Financial or Accounting Matters Was an Employee over the Past Year, His/Her Position and Employment Period : None.

## VII. Equity Changes, Transfers, and Pledges of Directors, Managers and Major Shareholders

### (I) Changes in equity of directors, managers and major shareholders

Title	Name	2024		Ending January 31, 2025	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman	Ting Chien Shen (Tony)	415,051	0	0	0
Director	Wei Chen Ma (Michael)	0	0	0	0
Director (same person or same affiliated person)	Representative of Tsun Chueh Investment Co., Ltd. : Daniel Y.M. Song	8,985,638	0	0	0
Director (same person or same affiliated person)	Representative of Tsun Chueh Investment Co., Ltd. : Chung Yuan Chen				
Director (same person or same affiliated person)	Representative of Modern Investment Co., Ltd. : Chien Weng	2,664,748	0	0	0
Independent Director	Ming Ling Hsueh	0	0	0	0
Independent Director	Kuang Si Shiu	0	0	0	0
Independent Director	Hsing Yi Chow	0	0	0	0
Independent Director	Sharon S. Yang	0	0	0	0
President	Chien Weng	277,348	0	0	0
Auditor-General	Sung Shan Chao (newly elected on June 17, 2024)	31,299	0	0	0
Executive Vice President	Wei Cherng Hwang (Bobby)	194,375	0	0	0
Senior Vice President	Lawrence Lee	49,495	0	0	0
Senior Vice President	Mei Ling Kuo	101,906	0	0	0
Senior Vice President	Hsiao Ling Chou	91,529	0	0	0
Senior Vice President	Wen Ching Chiu	119,034	0	0	0
Senior Vice President	Hsu Shu Mai	124,015	0	0	0
Senior Vice President	Robert C.S. Yang	91,156	0	0	0
Senior Vice President	Ming Lang Liu	115,576	0	0	0
Senior Vice President	Hui Jung Lu	62,350	0	0	0
Senior Vice President	Fang Ming Lo	56,370	0	0	0
Senior Vice President	Yung Chu Su	67,428	0	0	0

Title	Name	2024		Ending January 31, 2025	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Senior Vice President	Allen Wu	102,427	0	0	0
Senior Vice President	Yen Tun Teng	0	0	0	0
Senior Vice President	Chieh Wu	158,557	0	0	0
Senior Vice President	Sophia Chang	83,874	0	0	0
Vice President	Chi Wei Lai	24,454	0	0	0
Vice President	Chi Jung Huang	32,617	0	0	0
Vice President	Ching Fang Lin	52,351	0	0	0
Vice President	Yi Wen Ma	105,891	0	0	0
Vice President	Yi Cheng Liao	29,601	0	0	0
Vice President	Wei Chen Chang	39,627	0	0	0
Vice President	Feng Hsiang Kuo	78,173	0	0	0
Senior Assistant Vice President	Po Ching Li	88,985	0	0	0
Senior Assistant Vice President	Wei Ning Chang (newly elected on May 1, 2024)	13,641	0	0	0
Senior Assistant Vice President	Chien Wen Chen	29,630	0	0	0
Senior Assistant Vice President	Ho Hsing Pan	50	0	0	0
Senior Assistant Vice President	Yang Chia Huang	0	0	0	0
Senior Assistant Vice President	Hsiu Ling Chung (Newly elected on October 1, 2024)	10,977	0	0	0
Assistant Vice President	Yu-Chin Tsao	0	0	0	0
Assistant Vice President	Chia Hui Lin	0	0	0	0
Assistant Vice President	Tzu Miao Chen	52	0	0	0
Assistant Vice President	Fu Mei Chen	113	0	0	0
Assistant Vice President	Hui Wei Tsai	0	0	0	0
Assistant Vice President	Yi Ju Wei	50	0	0	0
Assistant Vice President	Hsuan Feng Tien	19	0	0	0
Assistant Vice President	Hsiao Ching Chao	217	0	0	0

Title	Name	2024		Ending January 31, 2025	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Assistant Vice President	Hsin Yi Kuo	213	0	0	0
Assistant Vice President	Hung Chou Chen	85	0	0	0
Assistant Vice President	Chiung Shu Lin	627	0	0	0
Assistant Vice President	Jung Feng Chiu (newly elected on April 16, 2024)	0	0	0	0
Assistant Vice President	Pei Wen Yang (newly elected on June 1, 2024)	0	0	0	0
Assistant Vice President	Yi Lin Yang (newly elected on June 1, 2024)	0	0	0	0
Assistant Vice President	Shang En Wu (newly elected on June 1, 2024)	0	0	0	0
Professional Senior Assistant Vice President	Li Yun Chen	20,776	0	0	0
Professional Senior Assistant Vice President	Shih Huan Chang	88,472	0	0	0
Professional Senior Assistant Vice President	Shu Ling Chen	15,780	0	0	0
Professional Senior Assistant Vice President	Chen Chun Lin	11,930	0	0	0
Professional Senior Assistant Vice President	Chen Hsing Huang	11,016	0	0	0
Professional Senior Assistant Vice President	Wei Ching Chien	19,766	0	0	0
Professional Senior Assistant Vice President	Hui Ying Lin	26	0	0	0
Professional Senior Assistant Vice President	Po Yi Wu	124	0	0	0
Professional Senior Assistant Vice President	Ming Ju Li	124	0	0	0
Professional Senior Assistant Vice President	Chih Chi Liu (newly elected on February 1, 2024)	24,722	0	0	0
Professional Senior Assistant Vice President	Sung Chun Chen (newly elected on February 1, 2024)	0	0	0	0
Professional Senior Assistant Vice President	Chun Ching Chang (newly elected on March 1, 2024)	245	0	0	0
Professional Senior Assistant Vice President	Yi Fei Chen (newly elected on November 1, 2024)	0	0	0	0



Title	Name	2024		Ending January 31, 2025	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Professional Assistant Vice President	Ko Le Wei	195	0	0	0
Professional Assistant Vice President	Su Fen Chao	366	0	0	0
Professional Assistant Vice President	Hui Ling Chou	6	0	0	0
Professional Assistant Vice President	Chung Yu Tseng	0	0	0	0
Professional Assistant Vice President	Yu Tzu Chen	1,265	0	0	0
Professional Assistant Vice President	Chao Chih Chang	104	0	0	0
Professional Assistant Vice President	Yu Wei Wang	8,252	0	0	0
Professional Assistant Vice President	Harding James	0	0	0	0
Professional Assistant Vice President	Shu Yen Tsai (newly elected on February 1, 2024)	0	0	0	0
Professional Assistant Vice President	Tse Cheng Chen (newly elected on June 16, 2024)	16,146	0	0	0
Professional Assistant Vice President	Chi Ying Lu (newly elected on August 1, 2024)	49	0	0	0
Same person or same affiliated person	Yu Yang Investment Co., Ltd.	5,483,217	0	0	0
Same person or same affiliated person	Yuan Hung Investment Co., Ltd.	7,415,514	0	0	0
Same person or same affiliated person	Lian Ta Investment Co., Ltd.	4,536,379	0	0	0
Same person or same affiliated person	Yuan Hsiang Investment Co., Ltd.	7,323,948	0	0	0
Same person or same affiliated person	Teng Ta Investment Co., Ltd.	5,165,316	0	0	0
Same person or same affiliated person	Hsing Tsai Investment Co., Ltd.	1,513,245	0	0	0
Same person or same affiliated person	Lien Heng Investment Co., Ltd.	2,693,258	0	0	0
Same person or same affiliated person	Chih Fu International Co., Ltd.	3,395,252	14,000,000	0	0
Same person or same affiliated person	Chiu Ta Investment Co., Ltd.	2,810,627	0	0	0
Same person or same affiliated person	Yuanta Construction Development Co., Ltd.	0	0	0	0
Same person or same affiliated person	Hui Tung Investment Co., Ltd.	0	0	0	0
Former Auditor-General	Su Ching Weng (resigned on May 28, 2024)	0	0	0	0
Former Executive Vice President	Hsuan Min Kuo (resigned on May 15, 2024)	0	0	0	0
Former Senior Vice President	Chih Peng Lo (resigned on April 26, 2024)	0	0	0	0

Title	Name	2024		Ending January 31, 2025	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Former Senior Assistant Vice President	Hsien Chun Li (resigned on October 1, 2024)	1,169	0	0	0
Former Assistant Vice President	Yu Ling Chu (resigned on April 1, 2024)	0	0	0	0
Former Professional Senior Assistant Vice President	Sheng Hui Yang (resigned on May 1, 2024)	0	0	0	0

**(II) Equity transfer information : None.**

**(III) Equity pledge information : None.**

## VIII.Information of the Top Ten Shareholders Being Related Parties

As of April 15, 2025

Name	Shareholdings by oneself		Shareholdings of spouse and underage children		Shareholding using other's name		Disclosure of information on related parties or spousal relationship or relations within second degree of kinship, among top ten shareholders, including their names and Name relationships		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Name	Relationship	
Representative of Tsun Chueh Investment Co., Ltd. : Chen Kuo Huang	458,267,553	3.54%	—	—	—	—	Yu Yang Investment Co., Ltd.	1. Tsun Chueh Investment Co., Ltd. and Yu Yang Investment Co., Ltd.constitute a parent company and subsidiary respectively. 2. The same person serves as chairman of both companies.	—
Representative of HO JIA Investment Co., Ltd. : Chen Hai Lin	428,919,190	3.31%	—	—	—	—	—	—	—
Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF's trust fund account held in custody by Taishin International Bank	404,675,599	3.13%	—	—	—	—	—	—	—
Singapore Government's investment account held in custody by Citibank (Taiwan)	383,234,390	2.96%	—	—	—	—	—	—	—
Representative of Yuan Hung Investment Co., Ltd. : Chun Jin Du	378,191,226	2.92%	—	—	—	—	—	—	—
Representative of Yuan Hsiang Investment Co., Ltd : Yung Tsang Lin	373,521,354	2.89%	—	—	—	—	—	—	—
Trust property account held in custody by Yuanta Bank	353,284,608	2.73%	—	—	—	—	—	—	—
Yuanta/P-shares Taiwan Dividend Plus ETF	333,387,025	2.58%	—	—	—	—	—	—	—
Representative of Bank of Taiwan : Jong-Yuan, Ling	295,231,948	2.28%	—	—	—	—	—	—	—
Representative of Yu Yang Investment Co., Ltd. : Chen Kuo Huang	279,644,109	2.16%	—	—	—	—	Tsun Chueh Investment Co., Ltd.	1. Tsun Chueh Investment Co., Ltd. and Yu Yang Investment Co., Ltd.constitute a parent company and subsidiary respectively. 2. The same person serves as chairman of both companies.	—

Note : 1.Data relating to the top ten shareholders are based on those as of the latest book closure date (04/15/2025).

2.Yuanta FHC has a total of 12,942,864,025 shares outstanding (including common stock and preferred stock) on the data baseline date (04/15/2025).

## IX. Total Shareholding Ratio in Each Invested Enterprise

Units : 1,000 shares; %

As of January 31, 2025

Invested enterprise	Investment made by the company		Investment by directors and managers or by directly or indirectly controlled enterprises		Total investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Yuanta Securities	6,592,453	100	-	-	6,592,453	100
Yuanta Bank	7,995,355	100	-	-	7,995,355	100
Yuanta Life	2,720,107	100	-	-	2,720,107	100
Yuanta Securities Investment Trust	169,538	74.71	16	0.01	169,554	74.72
Yuanta Futures	192,167	66.27	61	0.02	192,228	66.29
Yuanta Venture Capital	271,522	100	-	-	271,522	100
Yuanta Asset Management	334,614	100	-	-	334,614	100
Yuanta Securities Investment Consulting	10,000	100	-	-	10,000	100

Note : Investees of Yuanta FHC.

## Three. Financing Status

### I. Corporate Capital and Shares

#### (I) Types of share

Unit : shares

As of January 31, 2025

Types of share	Authorized capital stock		
	Outstanding shares	Unissued shares	Total
Common stock	12,942,864,025	5,057,135,975	18,000,000,000

Note : The outstanding common stock totaled 12,942,864 thousand shares on December 31, 2024.

#### (II) Equity Capital sources

Unit : shares, NT\$

Date	Issue price	Authorized capital stock	Paid-in capital		Remarks	
		Amount	Shares	Amount	Equity Capital sources	Others
2002.02	\$10	50,000,000,000	2,091,000,000	20,910,000,000	1,470,000,000 shares of Fuhwa Securities Finance (renamed Yuanta Securities Finance) common stock and 621,000,000 shares of Fuhwa Securities (renamed Yuanta Securities) common stock were converted into shares of Fuhwa Financial Holdings (renamed Yuanta FHC)	Note 1
2002.08	\$10	50,000,000,000	2,964,477,742	29,644,777,420	873,477,742 new shares were issued for swapping 1,211,513,628 shares of common stock of Asia -Pacific Bank (renamed Yuanta Bank)	Note 2
2002.09	\$10	50,000,000,000	2,939,829,359	29,398,293,590	Fuhwa Financial Holdings (renamed Yuanta FHC) simultaneously reduced capital by 24,648,383 shares in conjunction with the annulment by Fuhwa Securities (renamed Yuanta Securities) of shares held by dissenting shareholders	Note 3
2002.12	\$10	50,000,000,000	2,826,829,359	28,268,293,590	Annulment of a total of 113,000,000 shares of treasury stock from the 3rd, 4th and 5th buybacks by Fuhwa Financial Holdings (renamed Yuanta FHC)	Note 4
2003.08	\$10	50,000,000,000	2,894,444,460	28,944,444,600	Capital increase of 67,615,101 shares out of additional paid-in capital	Note 5
2004.09	\$10	50,000,000,000	3,006,444,460	30,064,444,600	Capital increase of 40,000,000 shares out of additional paid-in capital and capital increase of 72,000,000 shares out of earnings	Note 6
2005.09	\$10	50,000,000,000	3,161,761,593	31,617,615,930	Capital increase of 155,317,133 shares out of earnings	Note 7
2007.04	\$10	100,000,000,000	8,312,114,476	83,121,144,760	Capital increase through issue of 5,150,352,883 new shares and swap with all shares of Yuanta Core Pacific Securities	Note 8
2008.01	\$10	100,000,000,000	8,353,043,686	83,530,436,860	Application for conversion of overseas convertible corporate bonds to 40,929,210 shares of common stock	Note 9

Date	Issue price	Authorized capital stock	Paid-in capital		Remarks	
		Amount	Shares	Amount	Equity Capital sources	Others
2008.12	\$10	100,000,000,000	8,102,105,686	81,021,056,860	Annulment of 250,938,000 shares of treasury stock from the 11th and 12th buybacks	Note 10
2011.01	\$10	100,000,000,000	8,102,610,736	81,026,107,360	Application for conversion of 1st domestic unsecured convertible bonds application to 505,050 shares of common stock	Note 11
2011.08	\$10	100,000,000,000	8,845,471,060	88,454,710,600	Capital increase of 742,860,324 shares out of earnings	Note 12
2011.10	\$10	125,000,000,000	10,016,310,506	100,163,105,060	Capital increase through issue of 1,170,839,446 new shares and swap with all shares of Polaris Securities	Note 13
2012.03	\$10	125,000,000,000	10,016,210,506	100,162,105,060	Annulment of 100,000 shares of treasury stock from 15th buyback	Note 14
2013.03	\$10	125,000,000,000	9,897,335,506	98,973,335,060	Annulment of 118,875,000 shares of treasury stock from 16th buyback	Note 15
2013.04	\$10	125,000,000,000	9,893,723,506	98,937,235,060	Annulment of 3,612,000 shares of treasury stock from 14th buyback	Note 16
2014.09	\$10	125,000,000,000	10,141,066,594	101,410,665,940	Capital increase of 247,343,088 shares out of earnings	Note 17
2015.08	\$10	125,000,000,000	10,439,151,709	104,391,517,090	Application for conversion of 1st domestic unsecured convertible bonds application to 298,085,115 shares of common stock	Note 18
2015.09	\$10	125,000,000,000	10,712,960,508	107,129,605,080	Capital increase of 273,808,799 shares out of earnings	Note 19
2016.03	\$10	125,000,000,000	12,098,647,753	120,986,477,530	Capital increase through issue of 1,385,687,245 new shares and swap with all shares of Ta Chong Bank	Note 20
2017.11	\$10	125,000,000,000	11,989,197,456	119,891,974,560	Annulment of 109,450,297 shares of treasury stock upon capital reduction	Note 21
2018.01	\$10	125,000,000,000	11,889,197,456	118,891,974,560	Annulment of 100,000,000 shares of Class A preferred stock upon capital reduction	Note 22
2018.03	\$10	125,000,000,000	11,820,232,456	118,202,324,560	Annulment of 68,965,000 shares from 17th buyback of treasury stock upon capital reduction	Note 23
2018.08	\$10	125,000,000,000	11,686,232,456	116,862,324,560	Annulment of 134,000,000 shares from 18th buyback of treasury stock upon capital reduction	Note 24
2019.10	\$10	125,000,000,000	11,670,611,456	116,706,114,560	Annulment of 15,621,000 shares of treasury stock upon capital reduction	Note 25
2020.02	\$10	180,000,000,000	11,670,611,456	116,706,114,560	Increase authorized capital	Note 26
2020.09	\$10	180,000,000,000	12,137,435,914	121,374,359,140	Capital increase of 466,824,458 shares out of earnings	Note 27
2022.08	\$10	180,000,000,000	12,501,558,992	125,015,589,920	Capital increase of 364,123,078 shares out of earnings	Note 28
2023.08	\$10	180,000,000,000	12,689,082,377	126,890,823,770	Capital increase of 187,523,385 shares out of earnings	Note 29
2024.08	\$10	180,000,000,000	12,942,864,025	129,428,640,250	Capital increase of 253,781,648 shares out of earnings	Note 30

Note 1 : (2001) Tai -Tsai -Cheng -(4) -Zi No. 175847, December 31, 2001.

Note 2 : (2002) Tai -Tsai -Cheng -(4) -Zi No. 0910135271, July 2, 2002.

Note 3 : (2002) Tai -Tsai -Cheng -(4) -Zi No. 0910004872, September 19, 2002.

Note 4 : (2002) Tai -Tsai -Cheng -(4) -Zi No. 0910164534, December 6, 2002.

Note 5 : (2003) Tai -Tsai -Cheng -(4) -Zi No. 0920129910, July 4, 2003.

Note 6 : (2004) Tai -Tsai -Cheng -(4) -Zi No. 0930128919, June 30, 2004.  
Note 7 : (2005) Jin -Guan -Cheng -(1) -Zi No. 0940130318, August 2, 2005.  
Note 8 : (2007) Jin -Guan -Yin -(6) -Zi No. 09600022230, March 8, 2007.  
Note 9 : Jing -Shou -Shang -Zi No. 09601321150, January 3, 2008.  
Note 10 : Jing -Shou -Shang -Zi No. 09701313360, December 11, 2008.  
Note 11 : Jing -Shou -Shang -Zi No. 10001094810, May 11, 2011.  
Note 12 : Jing -Shou -Shang -Zi No. 10001213110, September 15, 2011.  
Note 13 : Jing -Shou -Shang -Zi No. 10001213120, October 3, 2011.  
Note 14 : Jing -Shou -Shang -Zi No. 10101064400, April 12, 2012.  
Note 15 : Jing -Shou -Shang -Zi No. 10201064760, April 18, 2013.  
Note 16 : Jing -Shou -Shang -Zi No. 10201087760, May 14, 2013.  
Note 17 : Jing -Shou -Shang -Zi No. 10301189720, September 11, 2014.  
Note 18 : Jing -Shou -Shang -Zi No. 10401171690, August 19, 2015.  
Note 19 : Jing -Shou -Shang -Zi No. 10401192360, September 14, 2015.  
Note 20 : Jing -Shou -Shang -Zi No. 10501039430, March 22, 2016.  
Note 21 : Jing -Shou -Shang -Zi No. 10601154740, November 13, 2017.  
Note 22 : Jing -Shou -Shang -Zi No. 10701001940, January 31, 2018.  
Note 23 : Jing -Shou -Shang -Zi No. 10701032810, March 27, 2018.  
Note 24 : Jing -Shou -Shang -Zi No. 10701102930, August 13, 2018.  
Note 25 : Jing -Shou -Shang -Zi No. 10801146050, October 25, 2019.  
Note 26 : Jing -Shou -Shang -Zi No. 10901018360, February 20, 2020.  
Note 27 : Jing -Shou -Shang -Zi No. 10901171110, September 21, 2020.  
Note 28 : Jing -Shou -Shang -Zi No. 11101168720, August 29, 2022.  
Note 29 : Jing -Shou -Shang -Zi No. 11230171960, September 14, 2023.  
Note 30 : Jing -Shou -Shang -Zi No. 11330157800, August 29, 2024.

**(III) Shareholder structure and equity distribution table : The information has been announced and reported on the MOPS “Basic Information” section ([https : //mops.twse.com.tw/mops/web/t16sn02](https://mops.twse.com.tw/mops/web/t16sn02) Company Code 2885).**

**(IV) List of major shareholders (top ten shareholders)**

As of April 15, 2025

Major Shareholders	Shares	Shares held	Shareholding ratio
Tsun Chueh Investment Co., Ltd.		458,267,553	3.54%
HO JIA Investment Co., Ltd.		428,919,190	3.31%
Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF's trust fund account held in custody by Taishin International Bank		404,675,599	3.13%
Singapore Government's investment account held in custody by Citibank (Taiwan)		383,234,390	2.96%
Yuan Hung Investment Co., Ltd.		378,191,226	2.92%
Yuan Hsiang Investment Co., Ltd.		373,521,354	2.89%
Trust property account held in custody by Yuanta Bank		353,284,608	2.73%
Yuanta/P-shares Taiwan Dividend Plus ETF		333,387,025	2.58%
Bank of Taiwan		295,231,948	2.28%
Yu Yang Investment Co., Ltd.		279,644,109	2.16%

**Key shareholders of major institutional shareholders**

As of April 15, 2025

Institutional shareholder	Major shareholders of institutional shareholders
Tsun Chueh Investment Co., Ltd.	Teng Ta Investment Co., Ltd. 19.69%, Lian Ta Investment Co., Ltd. 19.84%, Chiu Ta Investment Co., Ltd. 18.36%, Lien Heng Investment Co., Ltd. 18.92%, Hsing Tsai Investment Co., Ltd. 10.23%, Victor Ma 12.96%
HO JIA Investment Co., Ltd.	Chen Hai Lin 50%, Shu Chiung Tseng 50%
Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF's trust fund account held in custody by Taishin International Bank	N/A
Singapore Government's investment account held in custody by Citibank (Taiwan)	N/A
Yuan Hung Investment Co., Ltd.	Megariches Investments Limited 45.88%, Lien Heng Investment Co., Ltd. 38.74%, Teng Ta Investment Co., Ltd. 15.38%
Yuan Hsiang Investment Co., Ltd.	Lian Ta Investment Co., Ltd. 44.38%, Lien Heng Investment Co., Ltd. 19.00%, Teng Ta Investment Co., Ltd. 18.69%, Chiu Ta Investment Co., Ltd. 9.96%, Michael Ma 5.01%, Hsing Tsai Investment Co., Ltd. 2.96%
Trust property account held in custody by Yuanta Bank	N/A
Yuanta/P-shares Taiwan Dividend Plus ETF	N/A
Bank of Taiwan	Taiwan Financial Holdings 100%
Yu Yang Investment Co., Ltd.	Tsun Chueh Investment Co., Ltd. 100%



## **(V) Dividend policy and implementation**

### **1. Company dividend policy :**

If Yuanta FHC has a profit at the year's final accounting, it shall first pay profit seeking-enterprise income tax and make up any losses from past years, and then make contributions to the statutory reserve and provide or reverse special reserve in accordance with law. The Board shall draft a distribution proposal for the remaining balance together with undistributed earnings from past years. The distribution of shareholder bonuses shall be implemented upon resolution of the shareholders' meeting.

Where said statutory reserve amounts to Yuanta FHC's total paid-in capital, it is not necessary to provide such reserves again.

In order to continue expanding scale and increasing profitability, Yuanta FHC adopted a residual dividend policy in accordance with its long-term financial planning and the relevant laws and regulations. According to the dividend allocation principle, allocable earnings are determined based on the earnings at the end of the fiscal year, if any, in the manner referred to in the preceding Article, and the working capital required by Yuanta FHC's operations is reserved from the allocable earnings according to Yuanta FHC's operational planning. The remainder, if any, shall be allocated as cash dividend, provided that the cash dividend shall be no less than 40% of the allocable earnings of that year.

### **2. Implementation : Yuanta FHC's 2024 earnings distribution is calculated based on about 66.83% of the current year's after-tax earnings. Yuanta FHC plans to distribute a cash dividend of NT\$1.55 per share of Company stock. The total amount of cash dividends distributed to shareholders was about NT\$20.061 billion, the total stock dividend is 388,285,921 shares. This distribution proposal is yet to be passed by the shareholders meeting.**

## **(VI) The effects of stock grants proposed at this shareholders' meeting on business performance and EPS : N/A, as the Company did not publish 2025 financial forecast.**

## **(VII) Employee and directors' remuneration**

### **1. The percentages or ranges with respect to remuneration to employees and directors, as set forth in Yuanta FHC's Articles of Incorporation :**

According to Yuanta FHC's Articles of Incorporation, if Yuanta FHC has profit at the year's final accounting (namely, the earnings before tax prior to deduction of remuneration to employees and directors), it shall reserve the amount sufficient to cover accumulated losses, if any. The remuneration to employees is allocated at the range from 0.01% to 0.5%, and the remuneration to directors no more than 0.9%, from the remainder, if any. The distribution of employee remuneration and directors' remuneration shall be handled in accordance with the relevant payment standards formulate by the board of directors. When the remuneration to employee is distributed in the form of stock or in cash, it shall also be distributed to employees of affiliated companies that meet certain conditions.

The certain conditions referred to in the preceding paragraph shall be decided by

the Board of Directors.

2. The basis for estimating the amount of remuneration to employees and directors, for calculating the number of shares to be distributed as the remuneration to employees, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period :

The remuneration to employees/directors was estimated based on Yuanta FHC's profit (namely, the earnings before tax prior to distribution of the remuneration to employees and directors) minus accumulated losses, multiplying by the allocation ratio referred to in Yuanta FHC's Articles of Incorporation. If there is any discrepancy between the amount allocated actually and the estimated amount for the fiscal year, it shall be identified as a change in estimation and stated as the income for next year.

3. The motion for allocation of remuneration passed by the Board of Directors :
  - (1) Remuneration to employees and directors allocated in cash or in the form of stock bonus :

Yuanta FHC's Board of Directors resolved to allocate the remuneration to employees, NT\$5,240,002, and the remuneration to directors, NT\$290,222,306, both in cash in 2024.

- (2) Proposed distribution of remuneration to employees in the form of stock bonus as a percentage to net profit after tax plus remuneration to employees in the entity financial statement for the current period : N/A.
4. Actual allocation of remuneration to employees and directors in the previous year :

Yuanta FHC's allocation of earnings as the remuneration to employees and directors for 2023 as approved by the Board of Directors and reported to the shareholders' meeting did not differ from the allocation proposed by the Board of Directors. Specifically, NT\$4,631,225 was allocated as the remuneration to employees and NT\$215,186,208 as the remuneration to directors.
5. Proposed distribution of remuneration to employees in the form of stock bonus as a percentage to net profit after tax plus total remuneration to employees in the entity financial statement or parent company only financial statement for the current period : N/A.

**(VIII) Financial holding company's buyback of company shares : None.**

## II. Corporate Bonds

### (I) Corporate bonds issued and outstanding

As of January 31, 2025

Bond type	2018 1st unsecured corporate bonds	2020 1st unsecured corporate bonds	2022 1st unsecured corporate bonds	2022 2nd unsecured corporate bonds	2023 1st unsecured corporate bonds	2024 1st unsecured corporate bonds
Date issued	July 20, 2018	January 15, 2021	April 19, 2022	October 6, 2022	November 6, 2023	August 21, 2024
Face value	NT\$1 million	NT\$1 million	NT\$1 million	NT\$1 million	NT\$1 million	NT\$1 million
Place of issuance and exchange (Note)	N/A	N/A	N/A	N/A	N/A	N/A
Issue price	The corporate bond is issued at full face value	The corporate bond is issued at full face value	The corporate bond is issued at full face value	The corporate bond is issued at full face value	The corporate bond is issued at full face value	The corporate bond is issued at full face value
Total	NT\$10 billion. Of which : Tranche A bonds : NT\$1.5 billion. Tranche B bonds : NT\$8.5 billion.	NT\$5 billion.	NT\$5.3 billion.	NT\$8.2 billion	NT\$6.6 billion. Of which : Tranche A bonds : NT\$1.85 billion. Tranche B bonds : NT\$4.75 billion.	NT\$6.3 billion. Of which : Tranche A bonds : NT\$3.1 billion. Tranche B bonds : NT\$3.2 billion.
Interest rate	Tranche A bonds : Annual coupon rate of 0.86%. Tranche B bonds : Annual coupon rate of 0.96%.	Annual coupon rate of 0.59%.	Annual coupon rate of 0.85%.	Annual coupon rate of 1.55%.	Tranche A bonds : Annual coupon rate of 1.65%. Tranche B bonds : Annual coupon rate of 1.80%.	Tranche A bonds : Annual coupon rate of 2.00%. Tranche B bonds : Annual coupon rate of 2.10%.
Duration	Tranche A bonds : Term : 5 years Tranche B bonds : Term : 7 years	Term : Ten years	Term : Five years	Term : Five years	Tranche A bonds : Term : 5 years Tranche B bonds : Term : 10 years	Tranche A bonds : Term : 5 years Tranche B bonds : Term : 10 years
Priority of repayment	N/A	N/A	N/A	N/A	N/A	N/A
Guaranteeing institution	None	None	None	None	None	None
Trustee	Cathay United Bank	Taipei Fubon Bank	Taipei Fubon Bank	Taipei Fubon Bank	BANK SINOPAC	BANK SINOPAC

Bond type	2018	2020	2022	2022	2023	2024
Underwriting institution	1st unsecured corporate bonds Yuanta Securities is the leading underwriter.	1st unsecured corporate bonds Yuanta Securities is the leading underwriter.	1st unsecured corporate bonds Yuanta Securities is the leading underwriter.	2nd unsecured corporate bonds Yuanta Securities is the leading underwriter.	1st unsecured corporate bonds Yuanta Securities is the leading underwriter.	2024 1st unsecured corporate bonds Yuanta Securities is the leading underwriter.
Certifying attorney	Yi Cheng Law Firm	Yi Cheng Law Firm	Yi Cheng Law Firm	Yi Cheng Law Firm	Yi Cheng Law Firm	Yi Cheng Law Firm
Independent auditing firm	PwC Taiwan	PwC Taiwan	PwC Taiwan	PwC Taiwan	PwC Taiwan	PwC Taiwan
Repayment method	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be	1. Method of interest computing and payment : For the corporate bonds, simple interest is calculated based on the coupon rate and paid once a year starting on the date of issuance. Interest for every NT\$1 million worth of the corporate bonds is paid in a full New Taiwan Dollar amount and rounded to the nearest NT\$1.0. If the date of payment for principal or interest falls on a non-business day at the place of payment, principal, or interest will be

Bond type	2018 1st unsecured corporate bonds	2020 1st unsecured corporate bonds	2022 1st unsecured corporate bonds	2022 2nd unsecured corporate bonds	2023 1st unsecured corporate bonds	2024 1st unsecured corporate bonds
	paid on the next business day, while no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the Tranche A bonds shall be repaid in full at maturity since the date of issuance; principle for the Tranche B bonds shall be repaid by 50% in 6th and 7th years respectively since the date of issuance.	paid on the next business day, while no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the corporate bonds shall be repaid in full at maturity since the date of issuance.	paid on the next business day, while no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the corporate bonds shall be repaid in full at maturity since the date of issuance.	paid on the next business day, while no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the corporate bonds shall be repaid by 50% in the fourth and fifth years upon maturity, since the date of issuance.	no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the corporate bonds shall be repaid in full at maturity since the date of issuance of the bonds.	no additional interest shall be paid. No additional interest shall be paid either when interest or principal are collected after maturity. 2. Principal repayment method : Principal for the corporate bonds shall be repaid in full at maturity since the date of issuance of the bonds.
Outstanding principal balance	NT\$4.25 billion.	NT\$5 billion.	NT\$5.3 billion.	NT\$8.2 billion	NT\$6.6 billion.	NT\$6.3 billion.
Terms for redemption or early repayment	None	None	None	None	None	None
Restrictive terms	None	None	None	None	None	None
Whether included in qualifying capital	No	No	No	No	No	No

Bond type	2018 1st unsecured corporate bonds	2020 1st unsecured corporate bonds	2022 1st unsecured corporate bonds	2022 2nd unsecured corporate bonds	2023 1st unsecured corporate bonds	2024 1st unsecured corporate bonds
Name of credit rating organization, rating date, bond rating results	None	None	None	None	None	None
	None	None	None	None	None	None
Other rights	None	None	None	None	None	None
	None	None	None	None	None	None
Possible dilution of equity and impact on equity of existing shareholders due to issuance and conversion, trading or subscription rules, or issuance terms	None	None	None	None	None	None
Name of commissioned custodial institution for objects exchanged	None	None	None	None	None	None

Note : Not required in the case of a non-overseas corporate bond.

**(II) Convertible bonds : None.**

**(III) Exchangeable bonds : None.**

**(IV) Shelf registration for corporate bond issues : On October 3, 2023, Yuanta FHC obtained the approval from the Financial Supervisory Commission under Letter No. Jin-Guan-Yin-Kong-Zi 1120230236 to issue unsecured primary ordinary corporate bonds in batches within 2 years, totaling NT\$15 billion, of which NT\$6.6 billion and NT\$6.3 billion had been issued on November 6, 2023 and August 21, 2024. The balance available for the issuance remained about NT\$2.1 billion.**

**(V) Information on corporate bonds with attached warrants : None.**

**III. Issuance of Preferred Shares : None.**

**IV. Issuance of Overseas Depository Receipts : None.**

**V. Issuance of Employee Stock Option Certificates : None.**

**VI. Information about new restricted employee shares : None.**

**VII. Mergers or Acquisitions**

**(I) CPA opinions on share exchange ratio for mergers and acquisitions or transfers to other financial institutions for the most recent year : None.**

**(II) Mergers and acquisitions with other financial institutions over the past five years**

1. Yuanta FHC : None.
2. Subsidiaries of Yuanta FHC :

**(1) Yuanta Securities**

**A. Global Securities Finance Corporation**

The Board of Directors of Yuanta Securities resolved on April 24, 2019 that the subsidiary, Yuanta Securities Finance, should succeed to the equity and related creditor's right in the loan secured by margin trading and short sale, refinancing and marketable securities of Global Securities Finance Corporation. Upon approval via FSC's Letter Jin-Guan-Zheng-Tou-Zi No. 1080360681 dated October 14, 2019, the final installment payment was made and the transaction was completed on November 20, 2019. The transaction price amounted to NT\$15 million and, plus the collateral and related rights valuing NT\$3.211 billion, totaled NT\$3.226 billion.

**(III) Issuance of new shares for mergers and acquisitions with other financial institutions approved by the Board of Directors in 2023 and until January 31, 2024 : None.**

**VIII. Implementation of Capital Utilization Plan**

**(I) Any negotiable securities offering or private placement that has not yet been completed up to the last quarter before the publication of this annual report : None.**

**(II) Plan(s) completed within the most recent three (3) years but without significant benefits as yet : None.**



## Four. Overview of Operations

### I. Operations

#### (I) Yuanta FHC

##### 1. Scope of business

###### (1) Main business services

Yuanta FHC is a financial holding company. According to Financial Holding Company Act, the business of a financial holding company is limited to investment in, and management of, the enterprises in which it has invested. A financial holding company may invest in the following businesses : financial holding companies, banking, bills finance, credit card, trust, insurance, securities, futures, venture capital, foreign financial organizations approved for investment by the competent authority, and other enterprises determined by the competent authority to be related to financial services.

###### (2) Revenue breakdown :

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Investment income recognized under the equity method	28,175,994	99.67	38,590,297	99.66
Others	92,985	0.33	130,647	0.34
Total	28,268,979	100.00	38,720,944	100.00

##### 2. Business plans for the year

Recalling 2024, the leading central banks of the USA and Europe initiated the cycle of expansionary money, geopolitical tensions, and sluggish manufacturing economy, thereby causing the financial market to fluctuate. Yuanta FHC adopted a cautious and stable approach in dealing with external changes, and adjusted its orientation in a timely manner. The net income after tax was NT\$35.830 billion, with an earnings per share (EPS) after tax of NT\$2.77 in 2024, ranking the fourth place among 14 Taiwan Stock Exchange (TWSE) listed financial holding companies.

Looking ahead to 2025, supported by excellent asset quality, solid legal compliance, and strong risk management capabilities, Yuanta FHC will continue to solidify its core competitiveness by comprehensively driving its growth, enhancing overseas business performance, and improving efficiency through the integration of group resources. The business highlights of Yuanta FHC for the year are summarized as follows :

- (1) Yuanta Securities : The brokerage business is developing revenue from both trading and AUM simultaneously to strengthen the customer structure. The subsidiary also analyzes customers using data and divides them into different operating segments. The subsidiary develops customer relations more thoroughly and expands its base of young customers and retail investors. Meanwhile, it also

develops the institutional investor business proactively. For wealth management services, Yuanta Securities provides diversified wealth management products to expand the AUM for customers to drive the growth of the double engines, i.e. brokerage and wealth management services. The proprietary trading business is operated steadily and conservatively, and the investment portfolio is adjusted in a timely manner. Yuanta Securities continues to develop the trading strategy and also participates in market making for various financial products. For the investment banking-related services, Yuanta Securities proactively seeks market indicator cases and integrates the Group's resources to provide cross-industry and cross-border financial services. For the overseas investees, Yuanta Securities is committed to optimizing the business structure of each subsidiary and customer, strengthening the business synergy among subsidiaries, and taking firm steps to increase its earnings contributions.

- (2) Yuanta Bank : In terms of wholesale banking services, Yuanta Bank will continue to enhance its involvement in developing large enterprise customers and expand both the depth and breadth of its customer base. For retail banking, it will also focus on the development of its credit lending business and will conduct marketing campaigns for different customer groups to strengthen the penetration of various products, in addition to managing existing customers. For the wealth management business, Yuanta Bank will strengthen the management of its customers by group and potential customers, and will continue to expand its personal and family customer base and AUM. It will also integrate corporate banking resources to expand the operational effectiveness of its private banking business. For the financial transaction business, Yuanta Bank will carefully select its investment portfolio and maintain a flexible position to improve the rate of return from fund utilization. Meanwhile, in order to continue improving the digital channel services, Yuanta Bank has developed a brand new personal and commercial mobile banking system, which is expected to be officially launched in 2025 to satisfy customers' needs for one-stop financial products and services.
- (3) Yuanta Life : Given the international political and economic situation in turmoil and the financial market filled with uncertainties, Yuanta Life will manage assets, liabilities, and investment operations with a cautious and stable approach. In terms of product development, Yuanta Life focuses on “traditional products” and “investment-linked products” simultaneously, placing emphasis on protection-type products for the high-net-worth customer base, promoting investment-linked products regularly, and increasing different underlying assets in response to environmental trends in the financial market in a timely manner, in order to satisfy customers' needs for protection and retirement life planning at various stages of their lives. Its channel strategy aims to meet the needs of the channel primarily to strengthen the competitiveness of products and services, maintain the internal channels' business momentum, and proactively expand the depth of cooperation with external banks, financial brokers, and agent channels. Meanwhile, Yuanta Life will continue to develop its cooperative relationship

with large banks to improve the depth and breadth of its channel operations and promote the channels' digital marketing at the same time. Yuanta Life will focus on the target customer base market and provide differentiated products and services to expand its premium revenue and scale. Meanwhile, to ensure the successful adoption of IFRS 17 and ICS 2.0 in 2026, Yuanta Life is proactively preparing for the implementation of IFRS 17. This year, it will perform the monthly liability settlement under IFRS 17 in accordance with the planned schedule in order to continuously evaluate the liability effects under IFRS 17. In the meantime, it will continue to calculate the capital adequacy ratio of the new generation settlement efficiency ICS 2.0 on a trial basis in response to the competent authority's policy, apply for the transitional measures as per the competent authority's requirements, and conduct relevant analysis and research to ensure that IFRS 17 and ICS 2.0 can be successfully adopted to achieve the goal of sustainable operation.

- (4) Yuanta Securities Investment Trust : Yuanta Securities Investment Trust will focus on the continued expansion of AUM and develop a business development strategy on the basis of existing flagship ETF products optimized, and will, in response to the market conditions and the policies of the competent authorities, develop innovative products that meet the needs of investors in a timely manner, to create a active and passive diversified product line and help customers optimize asset allocation. Meanwhile, in addition to optimizing product structure and performance, Yuanta Securities Investment Trust is also proactively exploring various customer bases and developing digital financial services to improve customer experience and attract capital to the market, creating a win-win solution for both investors and Yuanta Securities Investment Trust.
- (5) Yuanta Futures : Yuanta Futures will continue to strengthen the core profit drivers and expand the brokerage service team. In addition to keep the leading position in the domestic market, Yuanta Futures will enhance the integration of institutional clients' services and strive to promote foreign futures and options. Meanwhile, Yuanta Futures will continue to optimize its trading platforms, provide different customer bases with differentiated services, plan annual marketing activities, and optimize the service fee structure to increase the brokerage service market share and gross profit margin. Yuanta Futures will also continue the schedule for opening and preparing operations at Yuanta Global (Singapore) to develop international B2B brokerage services, while combining the resources of Yuanta Futures (Taiwan, Hong Kong, and Singapore) with those of its other subsidiaries to create synergies for the Group.

### 3. Industry overview

The market fluctuated significantly in 2024, due to the changes in monetary policies in major economies and geopolitical tensions. Notwithstanding, the application of emerging technologies, such as AI, has boosted the profit sought by enterprises. Besides, the number of new accounts for Taiwan stocks has been growing. In 2024, the daily trading volume of Taiwan stocks was NT\$524.701 billion, a YoY increase of 46.15%, which boosted the growth of the revenue from brokerage service

fees generated by Yuanta Securities. Further, the wealth management and investment banking businesses have driven the growth of Yuanta Securities' profitability by 53.40% in 2024, reaching NT\$21.158 billion. Yuanta Securities Investment Trust has been able to accurately capture investors' needs and set new highs in terms of equity and bond ETF scale. The total AUM (including active and passive management funds and discretionary services) broke NT\$2.23 trillion, driving the growth of profit sought by Yuanta Securities Investment Trust by 54.98%, reaching NT\$3.948 billion in 2024, a new record high. Benefiting from the need for hedge in the market and the market share of customers' deposit AUM ranking the first place, the profit sought by Yuanta Futures also grew significantly, by 16.96%, amounting to NT\$2.167 billion. The banking industry benefited from the expanding lending volume, coupled with the booming capital market, which boosted the sales of funds, insurance, and overseas bonds, contributing to the net income from fees and charges, and financial trading stock and bond operations have all performed well. As a result, Yuanta Bank's profit grew 15.68% to NT\$10.015 billion. In respect of the life insurance industry, despite the high hedging cost, benefiting from the stable increase in the yield rate of recurring revenue and the appreciation of US dollar helpful for exchange gains, Yuanta Life posted a profit of NT\$1.923 billion and remained stable.

Although the financial market in 2025 will build on the foundation of moderate global economic growth, it will still face many challenges, including the varying pace and magnitude of national monetary policies, the impact of US economic and trade policies that have brought uncertainties to the outlook of the economies of various countries, the slow recovery of China's economy, etc., all of which may lead to increased volatility in the global financial market and affect the performance of Taiwan's stock market. In addition, while interest rate cuts will help stimulate demand for lending, they may depress net interest income performance if the banking industry continues to face high funding costs due to tight liquidity in the market. In the life insurance industry, the steepening of yield rates has helped to improve post-hedging recurring yields, but stock and foreign exchange market turbulence may add to profitability uncertainty. In conclusion, financial market volatility will intensify and uncertainty will be high in 2025. Yuanta FHC will consistently uphold its strict risk control and management policy, and assess the circumstances and seize market opportunities to continue to create record performance.

#### 4. Research and development

##### (1) Project completed in 2024

###### A. Yuanta Group

- (A) Yuanta FHC's financial industry computer system configuration baseline construction project
- (B) Yuanta FHC Offline Backup Construction Project
- (C) Yuanta FHC Intrusion Prevention System Replacement Project
- (D) Yuanta FHC Virtualization Software Licensing Procurement Project
- (E) Upgrading of the Group's financial and accounting system
- (F) Replacement of human resources, accounting, and risk control equipment

- (G) Management of the encryption of DNS transmission
  - (H) Group information systems security officers' professional training
  - (I) Group's major information security incident reporting and response drill
  - (J) The Group's blue and red teams' offensive and defensive exercises and education & training
  - (K) The Group's blue teams' drills and education & training
  - (L) Threat intelligence and incident management System (iVAM)
  - (M) Network Detection and Response (NDR)
  - (N) Planning and evaluation project for implementation of the zero-trust architecture
  - (O) Self-built Security Operation Center (SOC)
- B. Yuanta Securities
- (A) E-trading middle-office service expansion
  - (B) Customer centralized management platform
  - (C) Branch companies' customer self-service section
  - (D) Shareholders service schedule system
  - (E) Automation of overseas bond trading
  - (F) Program development certification automation
  - (G) Supports client cash management account trading of bond RP and derivatives
  - (H) The account opening system supports existing customers to open additional digital accounts
  - (I) Taiwan Stocks Regular Variable Amount Trading
  - (J) Foreign income - customer notice
  - (K) Integration of account opening applications
  - (L) ETF Subscription and Redemption project
  - (M) Revamp webpage for real-time market data
  - (N) Brokerage back-office account system database server upgrading
  - (O) Yuanta Securities proprietary trading database host upgrading
  - (P) Offline backup setup
  - (Q) Excellence and Performance Database Upgrade and Merger
  - (R) New brokerage trading front-office database construction
  - (S) FIDO project network equipment update and replacement
  - (T) Overall Implementation of Information Security Statement Consultation Project
  - (U) Basic Information Security Testing For Mobile Applications
  - (V) Obfuscation Protection For Mobile Applications
  - (W) Red-Blue Team Exercise
  - (X) Network Detection and Response (NDR)
  - (Y) International Information Security Management Standard ISO 27001 : 2022 Update Project
  - (Z) ISO 22301 Standard (Business Continuity Management System, BCMS) implementation and certification service project

- (AA) Information security assessment
- (BB) Planning and evaluation project for implementation of the zero-trust architecture
- C. Yuanta Bank
  - (A) Emerging Technology Network-based Construction Project (3rd-4th stage)
  - (B) E-payment area SLB load balance equipment EOS update and replacement
  - (C) Active-active data center network equipment construction project, and Internet double entrance incoming of the remote control room
  - (D) New Foreign Exchange Bargaining System Construction Project
  - (E) Fund System Host Upgrading Project
  - (F) Elder Care Trust Creation Project
  - (G) Mobile security construction project
  - (H) Credit card system local active-active framework construction project
  - (I) Car loan appropriation module setup project
  - (J) Credit loan operations platform construction (2nd stage)
  - (K) Over-the-counter account opening service paperless function construction project
  - (L) Message platform construction project
  - (M) Customer Service Platform Upgrading Project
  - (N) Local active-active construction project for the terminal system database
  - (O) House loan appropriation application acceptance platform construction project
  - (P) New wholesale banking review system construction project
  - (Q) Know Your Employee (KYE) platform construction project
  - (R) Retail banking AML customer due diligence (CDD) e-signature platform construction project
  - (S) Credit loan behavior scorecard construction project
  - (T) Financial Trading System Upgrading (Calypso implemented into LIBOR Reforms module) Project
  - (U) Addition of NTD short-term notes and bills function to the OM system
  - (V) Interbank FEP database and local active-active framework upgrading project
  - (W) ICB notes and bills clearing and settlement bank construction project
  - (X) KYC comprehensive evaluation system project
  - (Y) Online application for loan optimization project
  - (Z) Trust service network construction project
  - (AA) The computer system information security assessment project (Class I)
  - (BB) E-payment institution information system standards and security management assessment project
  - (CC) Self-built Security Operation Center (SOC)
  - (DD) Network Detection and Response (NDR)

- (EE) Website cloud protection service - CDN project
  - (FF) International Information Security Management Standard ISO 27001 : 2022 Update Project
  - (GG) Planning and evaluation project for implementation of the zero-trust architecture
- D. Yuanta Life
- (A) Implementation of IFRS 17
  - (B) Remote insurance enrollment - investment-type insurance enrollment pre-arranged platform
  - (C) i Care/Insurance Customer Relationship; Performance Optimization
  - (D) AML customer risk management system (name verification and scoring)
  - (E) Message system update and replacement project
  - (F) Contract management system project
  - (G) Middle office construction - claim modules (account-type products)
  - (H) Yuanta Bank - Mobile Security Connection Service
  - (I) Yuanta International Insurance Brokers - mobile insurance enrollment platform transferred to Yuanta Life mobile insurance - insurance brokers platform
  - (J) Connection of the mobile insurance enrollment with the new insurance brokers company
  - (K) Internet banking balance inquiry (Part 1)
  - (L) Authority management automation project - resigned employees (Part 2)
  - (M) Connection of WEB proposal with mobile insurance enrollment optimization
  - (N) Continue information infrastructure network equipment optimization.
  - (O) Continue update and replace EOS equipment in line with the requirements for equipment safety
  - (P) Ongoing expansion of the BCM remote backup environment
  - (Q) Offline backup operation optimization
  - (R) Replacement of the Headquarters' internal firewalls
  - (S) AIX hardware server replacement
  - (T) 080 customer service system hardware upgrading operation
  - (U) Enhancement of domain name service functions
  - (V) Implementation of the screen watermark function into high-risk equipment
  - (W) Network Detection and Response (NDR)
  - (X) Implementation of open source software scanning system
  - (Y) Configuration management platform implementation
  - (Z) International Information Security Management Standard ISO 27001 : 2022 Update Project
  - (AA) Planning and evaluation project for implementation of the zero-trust architecture

- E. Yuanta Securities Investment Trust
  - (A) Strengthen the establishment of remote failover and off-site backup data center
  - (B) Addition of the Pxpapplus purchases and icash card redemption functions into the electronic payment services
  - (C) Implementation of the centralized depository eNotice platform
  - (D) The adjustment of split and reverse split system adjustment
  - (E) New product Tbill US Treasury Bond
  - (F) International Information Security Management Standard ISO 27001 : 2022 Migration Project
  - (G) Security information and event management (SIEM) system containing important application system AP Log
  - (H) Offline backup mechanism construction
  - (I) Vulnerability and Threat Intelligence Management Platform (iVAM)
  - (J) Planning and evaluation project for implementation of the zero-trust architecture
- F. Yuanta Futures
  - (A) TAIFEX 2024 IT Project
  - (B) Yuanta Futures Singapore subsidiary's information system construction project
  - (C) Core system offline backup planning and construction
  - (D) Cabinet expansion project at 5F of the data center of Yuanta Futures in Banqiao
  - (E) Endpoint DNS safety protection enhancement project
  - (F) International Information Security Management Standard ISO 27001 : 2022 Update Project
  - (G) Enhanced network security detection and protection (NDR & MDR)
  - (H) Planning and evaluation project for implementation of the zero-trust architecture
- (2) Future development plans
  - A. Financial Holding
    - (A) Yuanta FHC Cloud Backup Construction  
In order to ensure the third place storage of the important system backup files, the cloud backup mechanism is constructed.
    - (B) Yuanta FHC data center network equipment update and replacement in Xinyi  
EOL network equipment update and replacement of the data center in Xinyi.
    - (C) Yuanta FHC virtualized platform equipment update and replacement  
Update and replacement of virtualized environmental server hardware expired after five years of warranty.
    - (D) Yuanta FHC online analysis traffic reporting equipment update and replacement



Update and replacement of network monitoring equipment and traffic analysis reporting hardware.

- (E) The Group's Mail APT update and replacement  
Purchase of new products for the Mail APT upon expiration of the warranty for the software and hardware maintenance.

- (F) Group's major information security incident reporting and response drill

In order to strengthen information security incident response capabilities and leverage a joint defense approach to information security, Yuanta FHC has conducted the Group's major information security incident reporting and response drill. The organization demonstrated its defense strength and response capability against attacks through the drills, while also verifying the operational mechanisms for horizontal notification and support coordination to enhance practical training in information security.

- (G) Implementation of the zero-trust architecture

In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the "Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry" by FSC, and established a plan for phased implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

- (H) Ticket system

In order to managing the information security monitoring operation of the SOC, comperhening the response to, handling and reviewing information security incidents, and planning to establish an incident tracking management system to improve the effectiveness of information security incident response.

- (I) Professional Skills Training for Incident Response Team

In order to enhance the IR Team's ability to determine, report, urgently respond to, investigate, analyze, and handle information security incidents, Yuanta FHC plans to train professional skills and simulate combat scenarios to replace traditional training. This approach aims to perfect the skills needed for effective information security defense and improve overall information security protection.

- (J) Breach and Attack Simulation (BAS)

In order to strengthen the information security monitoring and

protection mechanisms against hacker attacks, in accordance with the FSC's "Financial Information Security Action Plan 2.0," Yuanta FHC plans to test the effectiveness of these mechanisms against hacker attacks through the Breach and Attack Simulation model.

(K) Cloud EDR/MDR

In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to implement cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.

(L) Evaluation on NG-SIEM

In response to the establishment of the SOC and to enhance visibility, monitoring effectiveness, and accelerate incident response, Yuanta FHC is assessing the implementation of the next-generation incident management platform, NG-SIEM. This platform aims to optimize logs and correlation analysis capabilities, integrate AI analysis and application cooperation, enrich incident information content, automate response processes, and manage incident records on a single platform, improving overall information security protection capabilities.

B. Yuanta Securities

(A) Continue new brokerage front-office core system

The new core system for TAIEX brokerage and trading has gone live step by step as of Q4 2024, and now is under verification in parallel with the original system.

(B) Continue Mr. Yuanta APP AP version (middle office)

Continue to optimize the execution function of the related APIs in the middle office to improve performance, stability and user experience, and ensure that it reaches the optimal state when it is officially put into operation.

(C) Continue Brokerage back-office transaction related fee calculation function optimization

In response to the market changes, such as intraday odd-lot trading and systematic investment services, Yuanta Securities improves the back-office's efficiency in calculating transaction-related fees, in order to promptly provide confirmation to customers.

(D) New structure of secured borrowings for unlimited purposes

The new framework for unlimited purposes guarantees collateral pricing transparency and complete disclosure of the security corresponding to each loan.

(E) Opening of additional securities accounts online of Yuanta Futures

Yuanta Futures' online account opening system supports one-stop account opening, allowing customers to open accounts at greater

convenience through streamlined procedures.

- (F) Yuanta Securities overseas account opening- loan operations  
Yuanta Securities adds new features to the account opening services via tablets for loan operations, including securities credit, securities borrowing/lending, loans for unlimited purposes, and loan applications, in order to provide customers with more diversified channels and directly offer home services.
- (G) Conditional order placement platform (for retail customers)  
Yuanta Securities researches and develops a single platform trading system that allows customers to set order conditions via the exclusive App, Mr. Yuanta, and the strategic platform AP, thereby improving order placement efficiency and increasing the probability of trading, making trading smarter and more convenient.
- (H) Interest rate deduction project for inventory cost  
The cost of stock inventory of customers in Taiwan has increased by deducting the ex-dividend income. More diversified cost information is provided accordingly.
- (I) Inquiry with securities for securities spread - increase in the source of the inquiry with securities  
In order to accelerate the inquiry with securities for sufficient sources of securities, Yuanta Securities adds the source of securities for proprietary trading and securities lending center.
- (J) Electronic trading of structured notes  
Yuanta Securities provides customers with the access to check the quotation of FCN products, order placement, inquiry, and calculation of gains/losses through electronic channels.
- (K) Overseas structured notes platform - optimization  
Yuanta Securities adds the functions of redemption, early redemption, activity inspection, and customized commodity introduction, etc., to improve the operating efficiency.
- (L) Sub-brokerage odd lot order placement by institutional investors  
Support the trust institution investors to serve their systematic investment customers through the function for odd-lot order placement to increase its market share and asset size.
- (M) Web trading network - DAWHO version  
The new generation webpage quotation screen and trading interface will be developed, and customized functions will be created to meet the needs of users.
- (N) Shareholders service system update and replacement  
The new development tools are used to update and replace the shareholders service system.

- (O) Continue E-trading platform (Mr. Yuanta, Yeswin, eWinner) virtual server and storage equipment upgrading  
The virtual blade server and storage equipment have been applied for about 6 years, and the service provider is going to terminate the maintenance support; therefore, Yuanta Securities plans to upgrade them in steps.
- (P) Continue Shareholder service agency system host upgrading  
The current shareholder service agency system host has been used for more than 12 years, and the service provider also has announced that no maintenance service would be available; therefore, Yuanta Securities plans to upgrade it.
- (Q) Continue New brokerage trading core system construction  
Proposal to purchase servers and network equipments, to build a new brokerage trading core system on the Linux platform.
- (R) Backup data keeps in the cloud  
Ensure the security of core and important data to be available when geopolitical risks happen.
- (S) Sub-brokerage and OMS system database server upgrading  
The database server of the sub-brokerage system and OMS system will be out of service and, therefore, planned to be upgraded.
- (T) Database audit software and hardware upgrade and replacement  
The database audit software will stop the supporting services, and is scheduled to be upgraded and replaced.
- (U) CRM/EIS system database server upgrading  
The CRM/EIS system database server will be out of service and, therefore, planned to be upgraded through purchase of new machine.
- (V) Xinyi data center local stagger construction  
Mitigation of the impact posed by abnormality in the Xinyi data center.
- (W) Upgrading of the router of the cable assembly route in Taiwan and Hong Kong  
The equipment will be expired and scheduled to be updated, replaced and upgraded.
- (X) Banqiao data center backbone network upgrading  
Enhancement of the availability of network bandwidth in the Banqiao data center.
- (Y) Xinyi data center e-trading platform core switch and Internet access upgrading  
The equipment will be expired and the warranty will be stopped. It is scheduled to be updated and replaced, and the interface bandwidth of external services will be upgraded.
- (Z) Internet connection update and replacement for electronic trading

platform of Banqiao data center

The equipment will be expired and the warranty will be stopped. It is scheduled to be updated and replaced.

- (AA) Upgrading, update and replacement of Internet access firewalls for employees

The equipment will be expired and the warranty will be stopped. It is scheduled to be updated and replaced.

- (BB) ISO 22301 Standard (Business Continuity Management System, BCMS) implementation and certification service project

In accordance with the FSC's "Financial Information Security Action Plan" and relevant laws and regulations, it improves the securities house's operational resilience to ensure that contingency measures can be effectively implemented and that Yuanta Securities' operational management momentum can be increased in the event of a business interruption. It also continues to expand the scope of management system promotion, improve the availability of information services, and mitigate the risk of business or information service interruption in order to achieve convenient, safe, and uninterrupted financial services.

- (CC) Optimization of Network Detection and Response (NDR)

Protect corporate networks from various information security attacks, such as internal and external threats, unauthorized access, data leakage, and other abnormal activities. Additionally, analyze abnormal network access behaviors through AI to help the enterprise improve its identification of and response to network security incidents more comprehensively, in order to better protect the enterprise's assets and data.

- (DD) Security Orchestration, Automation, and Response (SOAR)

After the information monitoring enters the active monitoring and defensive mode, Yuanta Securities expects to develop automated active monitoring to help improve the timeliness of emergency response and coordination.

- (EE) Breach and Attack Simulation (BAS)

In order to improve the information security monitoring and protection mechanisms against hacker attacks, in accordance with the FSC's "Financial Information Security Action Plan 2.0," Yuanta FHC plans to test the effectiveness of these mechanisms against hacker attacks through the Breach and Attack Simulation model.

- (FF) Self-built Security Operation Center (SOC)

Considering that the information system contains a large amount of confidential information, and in order to improve real-time monitoring and defense capabilities, Yuanta Securities plans to establish the SOC. In the event of a hacker attack or threat, Yuanta Securities will conduct an immediate response, analysis, handling, and tracking in order to

mitigate information security risks.

(GG) Implementation of the zero-trust architecture

In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the “Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry” by FSC, and established a plan for phased implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

(HH) Cloud EDR/MDR

In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to implement cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.

C. Yuanta Bank

(A) NTD core system local active-active framework construction project

Per the competent authority's requirements, it provides the NTD account core system to provide uninterrupted services, improve the reliability, operation and continuity of the system, and mitigate customers' transaction risks accordingly. Improve the system's backup ability, increase the system's extensibility, and improve the system's processing performance to respond to the future continuous growth of trading volume and enhance customers' experience in accessing the system.

(B) Foreign Exchange System Upgrading Project

In response to the fact that the operating system and intermediary software used by the main hardware equipment of the foreign exchange system will be discontinued, Yuanta Bank plans to upgrade the foreign exchange system in order to maintain the stability of system operation and meet the information security requirements.

(C) Firewall Policy Auditing Software Construction Project

Yuanta Bank has changed its management in line with updates to the firewall policy and has integrated automated analysis and integration tools to track system changes, thereby streamlining the management of firewalls.

(D) Branch ATM firewall EOS update and replacement project

In response to the fact that the branch's ATM firewall will no longer be

maintained by the original manufacturer, Yuanta Bank plans to update and replace the system to ensure the operation and information security.

- (E) OA line frequency bandwidth speed-up project  
Yuanta Bank has completed the project of upgrading the bandwidth of the OA line in response to the SD-WAN network architecture, in order to achieve highquality network response speed and improve the availability of the branch's transactions.
- (F) Central data center core network switch update and replacement project  
In response to the fact that the core switchboard equipment of the central data center will no longer support services, Yuanta Bank plans to update and replace the core switchboard to maintain the system's stable operation and meet information security requirements.
- (G) Dual center network infrastructure construction  
In order to enhance the financial service resilience of Yuanta Bank, Yuanta Bank plans to construct a remote data center with inter-field L2 network architecture integration to construct a dual center e-commerce application system.
- (H) Computer Security Configuration Management Platform (FCB Financial Security Configuration)  
To shorten the time spent implementing the FCB financial safety configuration standardization process and to streamline computer configuration management operations, Yuanta Bank plans to establish a computer security configuration management platform. This platform will enable a large number of server configuration compliance scans and one-touch automatic configuration application functions through an automated mechanism.
- (I) Windows 2016 OS and database EOS upgrading project  
In response to the original manufacturers' successive termination of the maintenance service for the 2016 Windows OS and database version, Yuanta Bank plans to upgrade them to the 2022 Windows OS and database version.
- (J) Core storage area network equipment update and replacement project  
In response to the fact that the network equipment in the core storage area of the central data center of Yuanta Bank will soon stop supporting the service, Yuanta Bank plans to replace the network equipment in the core storage area with new equipment to maintain system stability and meet information security requirements.
- (K) SWIFT System Upgrading Project  
In response to the SWIFT product updating plan, it carries out the update and replacement operation to upgrade the relevant products and operating systems to the latest version, in order to comply with the SWIFT specifications and to maintain the system's stability and safety.

- (L) New Foreign Exchange System Construction Project  
In order to provide uninterrupted services for the foreign currency account core system, improve its reliability, operation, and continuity, and mitigate customers' transaction risks, Yuanta Bank enhances the system's backup capabilities, increases its extensibility, and improves its processing performance. These improvements aim to accommodate the continuous growth in trading volume and enhance customers' experience when accessing the system.
- (M) Message platform construction project (2nd Stage)  
Establish Yuanta Bank's own message system to interface with the telecommunication service providers directly and replace the existing outsourced message system in steps.
- (N) Automated voice quality inspection system construction project  
Yuanta Bank has implemented the function of converting audio files into text files and has established an automated system to maintain and set up the index database, identify, label, and analyze the audio files according to the scenario.
- (O) Overdue document reminder image function construction project  
In order to improve operating efficiency, reduce the human resources needed to manage the archive, and digitize documents, Yuanta Bank implements the overdue document reminder function to help the internal case rotation mechanism and meet internal control requirements.
- (P) Overdue account collection management platform 2.0 construction project  
Implement the new system's operating procedures to comply with and improve current collection and legal affairs, and to implement online applications for strengthening control over overdue loans.
- (Q) New gold passbook system construction project  
Yuanta Bank has developed a new gold passbook system that is customized according to business needs. The system adopts a local dual framework to improve reliability and continuity, reduce customers' transaction risks, and strengthen the system's backup capabilities and processing efficiency.
- (R) Private bank system construction project  
Establish the suitability and concentration control over high-net-worth customers, and increase product services and systematic management for high-net-worth customers.
- (S) Shareholding trust upgrading project  
Yuanta Bank adds new investment options such as "self-investment," "employee bonus," and "restricted stock awards" to satisfy the more diversified investment needs of shareholders and also generate revenue



for Yuanta Bank.

- (T) Customer care management platform construction project  
In order to focus on high-risk financial advisors and reduce potential customer complaints, Yuanta Bank implements the systematic operation to strengthen the management mechanism for KYE and KYC.
- (U) Hardware randomization equipment upgrading project  
In response to the financial information security action plan and in order to meet the information security continuous operation guidelines, while increasing the non-disrupted service capacity, a dual framework has been established, and system availability has been increased.
- (V) Enterprise Application Integration (EAI) system upgrading project  
In response to the financial information security action plan, in order to meet the information security continuous operation guidelines, Yuanta Bank increases the non-disrupted service capacity at the same time.
- (W) APIM construction project  
Yuanta Bank has established an API inventory-taking mechanism in line with the competent authority's efforts to strengthen security controls over the application interface. Yuanta Bank has also developed an API certification mechanism accessible via the Internet, as well as an appropriate defense mechanism for the design and safety of the API.
- (X) New Capital Requirement (2nd stage) Construction Project  
According to the Basel III Reform (referred to as Basel IV) released by the BCBS in December 2017, various risk capital requirements would be amended in steps from January 1, 2019 to January 1, 2022, in order to update and update the existing systems and purchase new ones to satisfy the regulatory requirements.
- (Y) Yuanta Payment Pass APP system construction and cloud development project  
In order to accelerate the digital development of Yuanta Bank, build digital innovation and core competitiveness, and respond to the trend of financial service mobilization, Yuanta Bank is enhancing customers' digital experience, conducting the "Yuanta Payment Pass APP system construction and cloud development" project, building the mobile APP for consumer and corporate banking accounts, and implementing agile development and modular framework design through cloud development to achieve the overall benefits of high stability and fast delivery.
- (Z) Employee bonus points expansion project  
Yuanta Bank establishes a bonus point membership system whereby customers are rewarded with bonus points for the transactions they complete, whether accounting or non-accounting, as well as for the

marketing activities they undertake. The accumulated membership or Yuanqi points earned are converted into bonus points through merchants connected to the mobile banking system, expanding the size and depth of the member base.

(AA) Digital track follow-up project

In order to promote digital marketing business, Yuanta Bank plans to set up a digital track follow-up and personalized marketing platform, and achieve the goal of zero-dead-angle marketing and uninterrupted tracking through the digital track follow-up function.

(BB) Personal Internet banking system consolidation project

Consolidate the functions of the personal Internet banking system into the new one to perfect the new one.

(CC) Anti-corruption system - 2nd stage

In order to strengthen the monitoring measures against the transactions between the wealth management advisors and their related accounts with customers, the AI model is implemented to identify the transaction behavior pattern, and the historical transaction context and the characteristics of the project are used to screen the abnormal cash flow, in order to reduce the false alarm rate.

(DD) Digital channel system local active-active database upgrading project

In order to reduce the time of recovery in case of system failure, Yuanta Bank has established the local active-active mechanism. The digital channel system includes the Prestige Corporate Banking portal site, mobile bank, Yuanta Payment Pass APP, personal online bank, and e-counter upgrading database system, which are upgraded to the Oracle system. This improves not only the availability but also the system's performance and stability.

(EE) Internet banking micro-service framework upgrading project

The new monocrystal structure is replaced to improve the development efficiency and service quality. The operation of other services remains unaffected by the error of any one of the services.

(FF) Data middle office expansion project

Build the big data storage and computing environment throughout Yuanta Bank, improve ability in data governance, analysis and AI modularization, and value-added data application services in business fields. Yuanta Bank perfects the environment needed by the data science analysis ecology, optimizes the computation resources with container technology, and complies with the model management related standards.

(GG) Generative AI application project

Yuanta Bank implements the AI application to assist the clerks in searching for internal and external regulations and improving the

efficiency of product information.

(HH) Private cloud project

In order to improve the effective use of hardware resources and effective resource distribution, Yuanta Bank plans to implement private cloud technology and also a shared service platform in response to system modularization, in order to meet the requirements of the service system.

(II) The computer system information security assessment project (Class I, II)

In order to check the integrity and adequacy of Yuanta Bank's entire computer information security control policies, Yuanta Bank has engaged a third-party organization to execute the computer system information security assessment project (Class I, II) and perform various testing items. This analysis aims to identify discrepancies in the system and security requirements, carry out information security assessment operations to verify potential threats and weaknesses in information security within the existing network security framework, and enhance the security defensive capabilities of the network and information systems.

(JJ) E-payment institution information system standards and security management assessment project

In order to check the information system via which Yuanta Bank processes the e-payment operations, and the confidentiality and safety of security control measures, the CPAs are retained to assess the e-payment institution's information system standards and security control operations, hoping to ensure the confidentiality and safety of Yuanta Bank's e-trading data through various information security assessment operations, and compliance with the related laws and regulations governing e-payment.

(KK) Implementation of the zero-trust architecture

In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the "Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry" by FSC, and established a plan for phased implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

(LL) Information security incident response and automated response

In order to strengthen the defense against immediate information security threats, it continues to assess the solutions, in order to block any malicious access immediately and mitigate the malicious threats such as hackers' scanning, detection and invasion, through the automated process response.

(MM) Cloud EDR/MDR

In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to implement cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.

D. Yuanta Life

(A) Implementation of automatic testing tools and software

Record the scripts using tools to facilitate regression testing and ensure development quality.

(B) Authority management automation - new/transferred employees

Automate the granting of authority, and allow the program to grant new/transferred employees the authority of access to the system upon approval to improve the efficiency and quality of operations.

(C) Authority management automation - quarterly inventory of authority

Digitize the existing quarterly inventory of authorization, reduce labors and paper operations, increase the efficiency of operations and retain tracks.

(D) 0800 customer service system update and replacement

Update and replace the customer service system in response to the information security upgrading, and integrate customer service and complaint operations to improve the efficiency of operations.

(E) Budget contract management system

Systematize the operations controlled manually in the past, such as budget preparation, contract management, and budget consumption, in order to increase processing efficiency and reduce the problem about multiple versions during the information transmission.

(F) Financial information integration system

Solve the problems about complicated manual operations to collect financial statement data and self-preparation of financial statements, in order to mitigate the difficulty in manual matching.

(G) Fund balance allocation platform

Check the balance of Finance Department in the network bank via program automatically and check the amount payable on the same day to improve the timeliness of payment and reduce manual operations.

(H) Mobile service platform

The mobile service platform is made available to sales representatives, so that they may require completion of security, claims and pending documents by notice. The platform may replace the paper operations adopted in the past to increase the efficiency of operations and paperless operations, and integrate the mobile insurance enrollment/remote insurance enrollment and Web proposal platform.

(I) Middle office

In order to reduce the core system development load, expand the business service supporting strength, the original core system's main operations, including the security, claims, and new contract modules, are transferred and optimized procedurally. Meanwhile, the relevant operation logic and automatic judgment mechanism are added simultaneously.

(J) AML customer risk management system

Establish a money laundering prevention customer risk management system, add the personal insurance policy regular review function for more real-time customer risk identification, increase operational card control, and also add the operating functions for inclusion of the name verification, real-time scoring, and regular review of the group insurance policy simultaneously.

(K) Core system communication framework (MQ) replacement

In order to enable core system information to be accessed in a more efficient, safer, and more convenient manner when providing the digital platform, and to improve the quality of customer service and experience.

(L) Continued offline backup

Strengthen the data and system security intensity, and execute the second stage of system coverage to ensure the effectiveness of the business continuity.

(M) Continued PC update and replacement (Win11)

In response to the upgrading of PC operating system security, and in order to continue receiving the operating system security update and modification services.

(N) Continue information infrastructure network equipment optimization

Enhance the connection speed of network equipment and adjust the number of devices subject to the network architecture type.

(O) Continued the EOS equipment update and replacement

In line with the requirements for equipment safety, reduce vulnerabilities and defects, and comply with the zero trust network framework.

(P) API security management platform

Monitor the safety valve value through automated tools and processes.

- (Q) PowerSystem hardware equipment update and replacement  
Enhance the processing capacity of the mainframe to reduce the execution time spent in the batch processing at night, improve customers' service quality and experience.
- (R) Cloud data backup planning  
Expand the scope of cleaning included in the information system, improve the stable operation of the existing system, and scan for the malicious concealment of the blackmail virus, to strengthen Yuanta Life's data security and availability.
- (S) Multi-function office machine control  
Improve the security control over document output, and implement the printing, photocopying, scanning, and fax control, and increase the watermark and reviewed photocopy mechanisms.
- (T) Breach and Attack Simulation (BAS)  
In order to improve the information security monitoring and protection mechanisms against hacker attacks, Yuanta Life plans to test the effectiveness of these mechanisms by hacking techniques through the Breach and Attack Simulation model.
- (U) Cloud EDR/MDR  
In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to implement cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.
- (V) Document Protection System  
To further refine the protection of the sensitive data in Yuanta Life, the document protection system is used to control the access authorization, monitor illegal attempts, and dynamically manage the access authorization to prevent any unauthorized file access attempt.
- (W) SIEM replacement, and architecture optimization  
In order to enhance the monitoring and response efficiency of information security incident, Yuanta Life plans to replace the SIEM with a new monitoring and integration platform by implementing AI model through a large amount of training data to identify abnormal behaviors more precisely, and integrate with incident correlation analysis capabilities to improve the efficiency of threat detection.
- (X) Implementation of the zero-trust architecture  
In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the "Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry" by FSC, and established a plan for phased

implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

E. Yuanta Securities Investment Trust

(A) Cloud backup

Considering the geopolitical factors, Yuanta Securities Investment Trust ensures that one copy of the data and backup files is retained and accessible in the event of geopolitical risks.

(B) Xinyi data center backbone network upgrading project

Due to Yuanta Securities Investment Trust's business expansion, the existing backbone network requires and upgraded to a higher-speed infrastructure.

(C) WIN11 Upgrading Project

To align with the Windows operating system platform, upgrade the operating system of all employee PCs.

(D) Fund affairs system optimization project

Reassess preliminary operational workflows to optimize the application process, reduce manual operations, minimize the risk of human errors, and improve overall efficiency.

(E) Network Detection and Response (NDR)

Identify possible intrusions, malicious behaviors or other risks by analyzing network traffic (packets) and other relevant data. Take a series of actions upon detecting of any abnormalities, such as alarms and isolation of infected equipment, to mitigate the damage and protect network security.

(F) Implementation of the zero-trust architecture

In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the "Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry" by FSC, and established a plan for phased implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

- (G) Implementation of personal data inventory-taking tools  
Currently, Yuanta Securities Investment Trust conducts the personal data inventory-taking operations manually. Such operations waste human resources and time. Moreover, the accuracy and completeness of the inventory-taking results are often not as good as expected. To ensure the implementation of the personal data inventory, Yuanta Securities Investment Trust plans to implement personal data inventory-taking tools.
- (H) Assessment and strengthening of systems and equipment for investment research and risk management  
According to the internal control system, Yuanta Securities Investment Trust regularly evaluates its core operating system and equipment, adopts appropriate measures based on the evaluation results, and reports to the Board of Directors to ensure its operations' the business continuity and operational resilience. In 2024, Yuanta Securities Investment Trust strengthens the remote data center equipment based on the RTO and RPO of systems and equipment for investment research and risk management, aiming to achieve the same as other core systems.
- (I) Enhancement of the evaluation of core system equipment of the remote data center  
According to the internal control system, Yuanta Securities Investment Trust regularly evaluates its core operating system and equipment, adopts appropriate measures based on the evaluation results, and reports to the Board of Directors to ensure its operations' the business continuity and operational resilience. According to the 2024 core operating system and equipment assessment results, the network equipment required to operate the remote data center core system will be EOS and is scheduled to be updated and replaced in 2025.
- (J) Cloud EDR/MDR  
In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to impelment cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.

F. Yuanta Futures

- (A) TAIFEX 2025 IT Project  
In response to the TAIFEX IT projects, Yuanta Futures modifies its internal system and extends the system's functions. It completes the construction and development of various front-office trading systems and back-office accounting systems to meet the functions and features required by the new systems, thereby making investors' trading more efficient and trading information more transparent.



- (B) Foreign futures core accounting back-office update and replacement project  
To maintain a fast market with no slow order matching and ensure smooth operations during volatile trading days, Yuanta Futures is comprehensively optimizing and upgrading its domestic and foreign core accounting systems. This year, it will complete the update and replacement of the foreign futures core accounting back office to enhance APP services and provide a stable, high-quality trading environment.
- (C) Enhanced remote backup data center construction project (2nd stage)  
In order to strengthen the entire business stability and mitigate the risk of information disasters, in 2023, Yuanta Futures planned and completed the construction of the IDC remote control rooms and related infrastructure equipment to be procured. This year, it will continue the plan to construct the remote core system, in order to achieve the goal of uninterrupted business.
- (D) Banqiao data center core network equipment update and replacement  
It is very important for customers to provide a stable and fast trading environment. Yuanta Futures will replace all outdated equipment and use various high-speed and low-delay equipment to continue to maintain its latest, highest, and fastest trading advantages, and lead the others.
- (E) Yuanta Futures' tablet account opening system development and construction project  
Yuanta Futures proactively provides customers with diversified account opening services and channels, and continues to implement paperless and automated processes. This year, Yuanta Futures will complete the tablet account opening system to replace the existing over-the-counter manual service.
- (F) Information security governance maturity assessment  
In order to ensure the uninterrupted operation of the financial system and provide the public with a safe trading environment, the FSC continued to release the "Financial Information Security Action Plan" 2.0 in December 2022. This initiative aims to enhance the financial industry's information security protection capabilities, conduct an inherent risk survey, and assess network security maturity through information security governance maturity assessment, thereby continuously improving information security management.
- (G) Breach and Attack Simulation (BAS)  
In order to improve the information security monitoring and protection mechanisms against hacker attacks, in accordance with the FSC's "Financial Information Security Action Plan 2.0," Yuanta FHC plans to test the effectiveness of these mechanisms against hacker attacks

through the Breach and Attack Simulation model.

(H) Implementation of the zero-trust architecture

In order to deepen the cybersecurity governance and enhance the protection strength thereof, Yuanta Life has completed the implementation planning of the zero-trust architecture based on the “Guidelines for the Introduction of Zero Trust Architecture in the Financial Industry” by FSC, and established a plan for phased implementation per suggestions. The high-risk fields are first priority for the implementation to step-by-step establish more stringent checks and controls over identity verification, equipment identification, network access, application authorization and data protection mechanisms aiming to promote and strengthen the cybersecurity governance mechanism progressively, and elevate the overall cybersecurity defense level.

(I) Cloud EDR/MDR

In order to strengthen the Group's capability to protect information security and detect threats at each endpoint, Yuanta Life plans to implement cloud-based EDR, in collaboration with MDR to achieve collaborative monitoring and technical support to improve the overall defense capabilities.

## (3) Expected important R&amp;D expenditures, and R&amp;D progress

Unit : NT\$1,000

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
Yuanta FHC Cloud Backup Construction	2,750	January 2025 - December 2025	0	Underway
Yuanta FHC data center network equipment update and replacement in Xinyi	1,200	January 2025 - December 2025	0	Underway
Yuanta FHC virtualized platform equipment update and replacement	3,000	January 2025 - December 2025	0	Underway
Yuanta FHC online analysis traffic reporting equipment update and replacement	1,000	January 2025 - December 2025	0	Underway
The Group's Mail APT update and replacement	17,000	January 2025 - December 2025	0	Underway
The Group's major information security incident reporting and response drill	1,500	January 2025 - August 2025	0	Underway
Yuanta FHC's implementation of the zero-trust architecture	1,500	January 2025 - December 2025	0	Underway
Yuanta FHC Ticket System	2,000	January 2025 - December 2025	0	Underway
Yuanta FHC IR Team's professional skill cultivation for intrusion incidents	1,000	January 2025 - December 2025	0	Underway
Yuanta FHC Breach and Attack Simulation (BAS)	1,000	January 2025 - December 2025	0	Underway
Yuanta FHC cloud EDR/MDR	1,200	July 2025 - December 2025	0	Scheduled to be executed in 2025
Evaluation on Yuanta FHC's NG-SIEM	5,000	July 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Securities e-trading platform (Mr. Yuanta, Yeswin, eWinner) virtual server and storage equipment upgrading	68,700	January 2024 - June 2025	0	Underway
Yuanta Securities shareholder service agency system host upgrading	24,530	January 2024 - June 2025	0	Underway
Yuanta Securities new brokerage trading core system construction	180,120	January 2023 - December 2025	0	Underway
Yuanta Securities backup data uploaded to the cloud	4,890	January 2025 - August 2025	0	Underway
Yuanta Securities sub-brokerage and OMS system database server upgrading	8,000	January 2025 - October 2025	0	Underway
Yuanta Securities database audit software and hardware update and replacement project	30,000	June 2025 - September 2025	0	Underway
Yuanta Securities CRM/EIS warehousing system database server upgrading	9,500	January 2025 - December 2025	0	Underway

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
Yuanta Securities International Information Security Management Standard ISO 27001 optimization and verification project	1,770	January 2025 - December 2025	0	Underway
Yuanta Securities Business Continuity Management Standards ISO 22301 promotion scope expansion and service certification service project	4,890	January 2025 - December 2025	0	Underway
Yuanta Securities Optimized Network Detection and Response (NDR)	17,000	January 2025 - December 2025	0	Underway
Yuanta Securities Security Orchestration, Automation and Response (SOAR)	5,000	January 2025 - December 2025	0	Underway
Yuanta Securities Breach and Attack Simulation (BAS)	645	January 2025 - December 2025	0	Underway
Yuanta Securities self-built Security Operation Center (SOC)	3,600	January 2025 - June 2025	0	Underway
Yuanta Securities' implementation of the zero-trust architecture	730	January 2025 - December 2025	0	Underway
Yuanta Securities cloud EDR/MDR	24,000	January 2025 - December 2025	0	Underway
Yuanta Bank Firewall Policy Auditing Software Project	10,360	January 2025 - September 2025	0	Underway
Yuanta Bank branch ATM firewall EOS update and replacement project	7,300	December 2024 - March 2025	1,460	Underway
Yuanta Bank data center core network switch update and replacement in Xinyi	36,000	February 2025 - September 2025	0	Scheduled to be executed in 2025
Yuanta Bank dual center network infrastructure construction	23,000	April 2025 - October 2025	0	Scheduled to be executed in 2025
Yuanta Bank data center TOR high-speed switchboard construction project in Xinyi	19,780	December 2024 - May 2025	3,956	Underway
Yuanta Bank OA network speed-up project	20,000	February 2025 - October 2025	0	Scheduled to be executed in 2025
Yuanta Bank Computer Security Configuration Management Platform (FCB Financial Security Configuration)	6,000	January 2025 - August 2025	0	Underway
Yuanta Bank core storage area network equipment update and replacement project	88,000	January 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Bank Windows 2016 OS and database EOS upgrading project	12,000	January 2025 - December 2026	0	Scheduled to be executed in 2025

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
Yuanta Bank NTD core system local active-active framework construction project	240,000	March 2024 - April 2026	88,000	Underway
Yuanta Bank Foreign Exchange System Upgrading Project	20,000	July 2024 - June 2025	1,125	Underway
Yuanta Bank SWIFT System Upgrading Project	5,200	November 2024 - January 2025	0	Underway
Yuanta Bank New Foreign Exchange System Construction Project	139,400	July 2025 - October 2027	0	Scheduled to be executed in 2025
Yuanta Bank message platform construction project (2nd Stage)	2,000	March 2024 - April 2025	1,500	Underway
Yuanta Bank automated voice quality inspection system construction project	20,000	January 2025 - February 2026	0	Underway
Yuanta Bank overdue account collection management platform 2.0 construction project	10,000	January 2025 - June 2026	0	Underway
Yuanta Bank new gold passbook system construction project	1,650	September 2024 - December 2025	0	Underway
Yuanta Bank private bank system construction project	18,000	April 2025 - December 2026	0	Scheduled to be executed in 2025
Yuanta Bank shareholding trust upgrading project	15,000	June 2025 - December 2026	0	Scheduled to be executed in 2025
Yuanta Bank Financial Trading System Upgrading in response to SWIFT MX text	4,250	May 2024 - June 2025	1,700	Underway
Yuanta Bank hardware randomization equipment upgrading project	18,000	November 2024 - October 2025	5,040	Underway
Yuanta Bank Enterprise Application Integration (EAI) system upgrading project	20,000	January 2025 - July 2026	0	Underway
Yuanta Bank APIM construction project	30,000	July 2025 - July 2027	0	Scheduled to be executed in 2025
Yuanta Bank New Capital Requirement (2nd stage) Construction Project	52,000	June 2021 - August 2025	7,492	Underway
Yuanta Bank Yuanta Payment Pass APP system construction and cloud development project	162,590	February 2023 - December 2025	162,590	Underway
Yuanta Bank digital track follow-up project	12,000	February 2025 - July 2026	0	Scheduled to be executed in 2025
Yuanta Bank anti-corruption system - 2nd stage	2,582	February 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Bank digital channel system local active-active database upgrading project	89,766	February 2025 - December 2026	0	Scheduled to be executed in 2025

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
Yuanta Bank internet banking micro-service framework upgrading project	20,000	June 2025 - July 2026	0	Scheduled to be executed in 2025
Yuanta Bank data middle office expansion project	24,000	March 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Bank generative AI application project	4,000	March 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Bank private cloud project	40,000	March 2025 - December 2027	0	Scheduled to be executed in 2025
Yuanta Bank computer system information security assessment project (Class I, II)	3,300	April 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Bank E-payment institution information system standards and security management assessment project	500	January 2025 - April 2025	0	Underway
Yuanta Bank's implementation of a zero-trust architecture	3,000	September 2024 - December 2025	0	Underway
Yuanta Bank information security incident response and automated response	20,000	January 2025 - December 2025	0	Underway
Yuanta Bank cloud EDR/MDR	2,850	March 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Life new generation customer service system construction	15,450	June 2023 - February 2025	3,000	Underway
Yuanta Life fund balance allocation platform construction	2,000	January 2025 - September 2025	0	Underway
Yuanta Life budget management platform	6,542	January 2024 - December 2025	4,164	Underway
Yuanta Life middle office construction project	78,000	October 2022 - December 2027	35,150	Underway
Yuanta Life mobile service	12,000	April 2025 - March 2027	0	Scheduled to be executed in 2025
Yuanta Life message system update and replacement project	2,550	December 2023 - May 2024	2,550	Launched in May 2024
Yuanta Life Powersystem host hardware update and replacement	22,000	July 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Life PC update and replacement	16,000	July 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Life offline backup hardware expansion and cloud backup implementation	10,500	August 2025 - December 2025	0	Scheduled to be executed in 2025
Yuanta Life information infrastructure network equipment optimization	7,000	January 2025 - September 2025	0	Underway
Yuanta Life's implementation of API security management platform	3,500	July 2025 - September 2025	0	Scheduled to be executed in 2025

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
Yuanta Life's multi-function office machine control	2,500	February 2025 - July 2025	0	Scheduled to be executed in 2025
Yuanta Life Breach and Attack Simulation (BAS)	998	January 2025 - December 2025	0	Underway
Yuanta Life cloud EDR/MDR	2,550	January 2025 - December 2025	0	Underway
Yuanta Life document protection system	1,000	January 2025 - December 2025	0	Underway
Yuanta Life SIEM update and replacement, and framework optimization	2,000	January 2025 - December 2025	0	Underway
Yuanta Life's implementation of the zero-trust architecture	1,500	January 2025 - December 2025	0	Underway
Yuanta Securities Investment Trust Xinyi data center backbone network upgrading project	1,900	January 2025 - December 2025	0	Underway
Yuanta Securities Investment Trust cloud backup	250	January 2025 - December 2025	0	Underway
Yuanta Securities Investment Trust Network Detection and Response (NDR)	15,228	June 2024 - December 2027	0	Completion of the estimate for monitoring traffic and monitoring service
Yuanta Securities Investment Trust's implementation of the zero-trust architecture	1,000	January 2025 - June 2025	0	Underway
Yuanta Securities Investment Trust's implementation of personal data inventory-taking tools	2,800	August 2024 - June 2025	0	Completion of the assessment on the manufacturer's products
Assessment and strengthening of systems and equipment for investment research and risk management	8,900	January 2024 - January 2025	6,300	Completion of the enhancement of the investment research risk control systems, RTO and PRO, aiming to achieve the same as other core systems in January 2025
Enhancement of the evaluation of core system equipment of the remote data center	1,800	January 2025 - December 2025	0	Underway
Yuanta Securities Investment Trust cloud EDR/MDR	1,300	January 2024 - December 2025	0	Underway
Yuanta Futures foreign futures core accounting back-office update and replacement project	44,166	January 2024 - June 2025	66,250	The mainframe has landed in the Banqiao data center. The parallel testing and stress testing will start
Yuanta Futures TAIFEX 2025 IT Project	6,000	January 2025 - December 2025	0	Underway
Yuanta Futures enhanced remote backup data center construction project (2nd stage)	49,582	September 2022 - September 2025	48,574	The 3-year construction project is expected to be executed in two stages. The first stage has been completed
Yuanta Futures Banqiao data center core network	50,000	January 2025 - June 2025	0	Underway

R&D project	Estimated expenditure	Scheduled completion date	Expenditures spent in the most recent 2 years	Results generated in the most recent 2 years
equipment update and replacement				
Yuanta Futures' tablet account opening system development and construction project	3,000	October 2024 - February 2025	6,000	Underway
Yuanta Futures information security governance maturity assessment	2,000	January 2025 - December 2025	0	Underway
Yuanta Futures Breach and Attack Simulation (BAS)	460	January 2025 - December 2025	0	Underway
Yuanta Futures' implementation of the zero-trust architecture	10,000	January 2025 - December 2025	0	Underway
Yuanta Futures cloud EDR/MDR	6,000	January 2025 - December 2025	0	Underway



5. Long and short-term business development plans

Yuanta FHC has kept developing the market in Taiwan more thoroughly in recent years. At the same time when Yuanta FHC is developing business overseas, the integration and voluntary growth, exercise of the consolidated effects of merger and acquisition (M&A) and consolidation, integration of the securities businesses overseas and efforts used in growing the business of various business entities, have driven the significant increase in Yuanta FHC's entire business scale. As a result, Yuanta FHC owning the five major profit engines, including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, and Yuanta Futures, was incorporated. Meanwhile, the differentiated services and products drove the mutual growth of the Yuanta Group's five major business entities. In order to achieve more remarkable records in the future, Yuanta FHC will make every endeavor to practice the enterprise's core values, namely "seize opportunities and create client wealth," "enhance performance and promote employee welfare," and "create value and increase shareholders' return," and will follow its "2021-2025 Group Sustainable Development Strategy Roadmap" to include the spirit of ESG (Environmental, Social and Governance) into the enterprise's culture and business strategies, expecting to become a financial holding company responsible to shareholders, making customers rest assured, being friendly to the environment, and steadily progressing towards the two goals of "Best Financial Services Provider in Asia Pacific" and "International Benchmark Enterprise for Sustainability." The focus on Yuanta FHC's future business development is stated as following :

- (1) Yuanta Securities : Consolidate domestic market position and enhance profit contribution from overseas subsidiaries.

Yuanta Securities is committed to consolidating its competitive advantages and market leadership in its core businesses, deepening customer relationships and expanding into the youth segment. At the same time, Yuanta Securities is developing various innovative businesses through financial technology, creating diversified and differentiated products and services, and exploring multiple sources of revenue to build up its sustainable growth momentum.

In addition, Yuanta Securities will actively strengthen regional integration and new product development, as well as overseas layout and related business connections, in order to expand its scale of operation and competitive advantage. Yuanta Securities will continue to enlarge its regional presence in Asia and gradually increase the profit contribution of its overseas subsidiaries, aiming to become the best financial service provider in Asia Pacific.

- (2) Yuanta Bank : Adjustment of business structure and steady increase in asset scale and profitability.

Yuanta Bank continues to focus on "balanced business structure, diversification of profit sources, and efficient use of capital" as its main management theme. The deposit business will implement localized operations and develop cash flow services to increase core deposits with high stability and lay the foundation for the development of various business. In terms of credit business, corporate banking business will continue to strengthen business cooperation with the Group's subsidiaries, cultivate a high-quality customer base,

and increase multi-dimensional services and business development. The consumer banking business will optimize the credit system, strengthen the credit business, and increase the volume of home equity loans. With prudent control of credit risk and implementation of post-loan management, interest rate spread can be improved and revenue enhanced. In terms of the wealth management business, Yuanta Bank will effectively utilize the resources of Yuanta Group, integrate the corporate banking and consumer banking departments' resources to expand the wealth management team and AUM, and continue to develop digital wealth management customers and service platforms. This approach aims to improve customer service, expand the management of high-net-worth customers, and promote breakthroughs in service charge revenue.

(3) Yuanta Life : Accumulate Assets and Make Contribution to Profit Stably.

Its development strategy maintains stable growth, financial control, balancing of business, and high standard capital adequacy ratio and net worth ratio as the principles. It targets high-asset, general and young customer bases to satisfy the customers' needs for insurance protection, general inheritance and retirement life.

Short-term goals include : 1. Continuing to promote digital transformation to expand business service momentum and improve business management performance; 2. Increasing recurring revenue, reducing non-recurring fluctuations, and improving the ability to manage stocks and bonds to increase sources of profit; 3. Developing channels in a diversified manner, stabilizing the Group's internal channels, strengthening external channels, and differentiating the operation of insurance broker and agent channels; 4. Ensuring the successful implementation of IFRS 17 and ICS 2.0 in 2026. The medium-term goal is to contribute stable profits and support voluntary growth with profits.

(4) Yuanta Securities Investment Trust : Making its AUM grow stably, and innovating diversified product lines.

Yuanta Securities Investment Trust aims to make its AUM and profitability grow stably. By upholding the development core concept, i.e. "looking around the world, being leader in stock and bond market, combining active and passive products, creating leading products, and satisfying customers," as a product R&D center, it not only continues to improve and launch innovative products in line with market conditions, but also satisfies customers' needs for diversified wealth management needs relying on its strength in product lines (including stocks, bonds, commodities, foreign exchange, and leveraged reverse trading). Meanwhile, it promotes the systematic investment in active and passive funds to implement the inclusive financing policy. Meanwhile, it will also improve its digital financial services, implement sustainable development responsibilities, strengthen information security resilience, and enhance the investors' education and service quality to fulfill customers' satisfaction.

(5) Yuanta Futures : Focus on core business and build a global trading platform.

Yuanta Futures upholds "Innovation and Forward-looking, Wealth Sustainability" as its strategic focus and bases its operations on stable financial

indicators, a continuously optimized IT infrastructure, and complete front-line and back-end teams. It adopts strict risk control and legal compliance as the core of its management to develop various futures brokerage services and seek stable profits. In addition to continuously increasing its brokerage market share, gross margin, and proprietary trading performance, Yuanta Futures is also committed to optimizing the trading platform, strengthening its information security protection system, implementing a fair dealing policy and preventing fraud. It also provides diversified products and services. Yuanta Futures maintains in-depth cooperation with major exchanges around the world and builds a multinational, cross-market international trading platform through its overseas subsidiaries to integrate business across borders and industries, striving to become the most reliable futures house.

For the short-term business development plan, please refer to “Four. Overview of Operations/I. Operations” for the business plans of Yuanta FHC and its subsidiaries.

## (II) Business services of subsidiaries

### 1. Yuanta Securities

#### (1) Main business services

- A. Brokerage of securities listed on Taiwan Stock Exchange (TWSE)
- B. Proprietary trading of TWSE-listed securities
- C. Brokerage of securities listed on Taipei Exchange (TPEX)
- D. Proprietary trading of TPEX-listed securities
- E. Margin trading and short sale for the trading of securities
- F. Underwriting of securities
- G. Securities transfer services
- H. Introducing brokerage for futures trading
- I. Proprietary trading of securities-related futures
- J. Consigned trading of foreign securities
- K. Short-term notes and bills
- L. Trust Businesses
- M. Other operations approved by the competent authority

#### (2) Revenue breakdown :

Unit : NT\$1,000; %

Business	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Brokerage	25,070,764	70.93	35,381,978	66.32
Proprietary	8,099,706	22.91	14,229,830	26.67
Underwriting	2,177,892	6.16	3,742,038	7.01
Total	35,348,362	100.00	53,353,846	100.00

(3) New financial products and services in development

Yuanta Securities continue to improve its existing products and services, and also keep expanding business to satisfy customers' diversified needs and boost its profitability, in response to the competent authority's new policies.

Through the data analysis and system development, Yuanta Securities provides products and services that meet customers' needs, continues to expand the "Mr. Yuanta" APP functions to build a convenient and stable investment environment for customers, and develops and introduces various financial products to satisfy customers' diverse needs.

The proprietary trading business continues to improve its trading strategies and risk control while also developing proprietary products. Yuanta Securities fully leverages the institutional investor business resources of the Group and provides customers with comprehensive products and services through a cross-subsidiary platform, aiming to become "the best financial service provider in Asia Pacific region."

(4) Business plan for the year

A. Balanced business development :

(A) Brokerage services :

Yuanta Securities continues to leverage its dual strengths in tangible channels and online digital services, combine the online digital services, deepen the brokerage-related business and services by integration of virtual and tangible channels and create a dual engine of brokerage and wealth management profitability to drive the dual revenues from the trading and AUM of relevant business operations. In order to improve the entire customer structure and increase the market share of the brokerage business, Yuanta proactively expands the brokerage business for foreign institutional investors, and also promotes the development of institutional investor business domestically, while strengthening the differentiation of institutional investor services using the Group's resources, and deepening the management and operation of the institutional investor customers of Yuanta Life, Yuanta Bank, Yuanta Securities, and Yuanta Securities Investment Trust.

Meanwhile, Yuanta Securities uses data analysis to formulate operating strategies and customer segmentation, such as the systematic investment plan and intraday odd-lot trading policy, to develop a young and retail investor customer base, implement inclusive financing, provide elderly customers with adequate services, solicit new customers, and activate dormant accounts. This approach aims to increase inventory turnover and trading volume, improve the depth and breadth of customer services, enhance customer relations, and deepen customer loyalty. In terms of business growth, Yuanta Securities continues to increase the balance of its ledgers, optimize various functions, promote loans for unlimited purposes, expand the scope of collateral, promote various ETF products, construct an ETF ecosystem,

and build a regional asset management center to effectively satisfy customers' needs for financial products, such as TAIEX, futures, sub-brokerage, wealth management, and insurance.

In terms of human resources and backline support, Yuanta Securities will continue to enhance its workforce for the brokerage channels, implement talent development programs, and recruit external candidates who are ready to serve. It will also improve the professional competence and licensing capabilities of its sales representatives, implement internal risk controls, manage specific customers exhibiting particular patterns, execute KYC procedures, conduct credit investigations, and optimize care operations. Additionally, it aims to improve the back-office operating systems of both the headquarters and branches, enhance operational efficiency, and drive business growth.

(B) Wealth Management :

Yuanta Securities continues to sprout wealth management services and also expands the scale of its wealth management business. All of the brokerage branches have been transformed into wealth management branches, and their sales representatives have developed into a wealth management consultant model. By optimizing the CRM system, Yuanta Securities assists the sales representatives to provide customers with diversified asset allocation recommendations and position management services, and uses big data to deeply analyze customers' trading behavior and needs to effectively perform customer segmentation and provide customized services and products based on customers' needs.

Under the wealth management 2.0 framework, Yuanta Securities will continue to cultivate and accumulate high-net-worth customers, and the investment portfolio will also be steadily allocated as the primary goal. In response to the wealth management needs of high-net-worth customers, Yuanta Securities will not only introduce funds and insurance products that generate excellent performance but will also develop financial products independently. Additionally, Yuanta Securities will integrate the Group's resources to enhance the sales of self-made products and promote wealth management products that embody Yuanta's unique characteristics. Meanwhile, it also serves as the agent for financial products issued by Yuanta Securities (HK) to provide diversified structured notes. In the future, Yuanta Securities will continue to enhance the breadth of its wealth management product platform and proactively develop securities trust services to assist customers in planning wealth transfers.

In response to the market trend, Yuanta Securities proactively promotes the sub-brokerage business, offers high-quality overseas stocks and bonds, and assists customers in reinvesting the interest accrued from

the bonds to drive the growth of trading volume and improve market ranking. Meanwhile, by developing offshore structured notes, Yuanta Securities also increases the number of professional investor (PI) customers. Yuanta Securities will optimize the sub-brokerage functions of the Mr. Yuanta APP to attract a young customer base and organize the regional investment forums to maintain the relationship with customers. In terms of deregulation, Yuanta Securities will continue to monitor the status of deregulation regarding securities firms' involvement in sub-brokerage services and proactively strive to obtain the competent authority's permission to include foreign bonds within the scope of collateral for loans for unlimited purposes in which the securities firms are engaged. Meanwhile, Yuanta Securities will also seek to add trust beneficiary instruments to the loans for unlimited purposes (denominated in NTD only) to improve the flexibility of customers' asset utilization.

(C) International institutional business and securities borrowing and lending (SBL) business :

Yuanta Securities continues to improve its foreign institution investors business. In response to the market changes and customers' needs, it integrates the Group's resources, diversifies products and services, and optimizes trading systems to maintain its competitiveness. It expands the scale of securities borrowing/lending (SBL) and promote the retails two-way lending. By integrating the systems and expanding the source of securities through branch channels, it activates the inventory stock positions held by investors, improves the diversity of underlying loans and expands the interest spread. Meanwhile, Yuanta Securities will continue to train talents in data analysis and programming, and further improve business profits through data analysis and intelligent control.

(D) Proprietary trading :

Yuanta Securities adopts a prudent and conservative securities investment strategy to construct positions and adjust the portfolio in a timely manner. Meanwhile, it continues to strengthen the stability of its mid- and long-term performance and increases the percentage of investment portfolios that meet ESG requirements. The quantitative trading services focus on market-making and arbitrage strategies. For the market making, Yuanta Securities proactively connects the ESG-related products to maintain the leadership of the transactions of futures, options, and ETFs, and also participates in the market making for financial products listed on TAIFEX and TWSE proactively.

Yuanta Securities will continue to develop new trading strategies and strictly implement risk control policies to minimize the impact posed by market volume and volatility on profitability.

(E) Investment banking business :

Yuanta Securities' investment banking business has integrated its overseas locations, including Hong Kong, China, Korea, Vietnam, Thailand, Indonesia, and Cambodia, to leverage the consolidated effects and provide customers with one-stop service. Meanwhile, it collaborates with its sister companies, including Yuanta Bank, Yuanta Life, Yuanta Venture Capital, Yuanta Securities Investment Trust, and Yuanta Securities Investment Consulting, through Yuanta FHC's Wholesale Banking Platform to effectively utilize the Group's domestic and overseas resources. It promotes its services by balancing quality and quantity, proactively pursuing market indicators and multi-national cases, and carefully evaluating its position risks and allocation ratios.

In order to respond to the government's green financial policy, it strictly follows the "Sustainable Finance Guidelines" when selecting cases, guides customers to become involved in the ESG-related improvements, and practices corporate social responsibility (CSR) in the corporate business. Meanwhile, in order to strengthen the support for the emerging industries listed on the Innovation Board, the competent authority has completely canceled the qualified investor system for the Innovation Board and strengthened the alternative measures. It is expected to help increase the liquidity of market transactions of the companies listed on the Innovation Board. Yuanta Securities will also proactively support the listing of high-quality startups, and work with securities channels to develop and accumulate qualified investors, in order to grasp the opportunities of new business development and drive the growth of profit.

(F) Shareholders service agency :

Yuanta Securities has maintained its leadership in the shareholders service agency market by offering differentiated services and introducing the Group's offerings to customers through a broad network of distribution channels and financial holding resources. This has enabled Yuanta Securities to secure a strong customer base and avoid price competition within the industry. Meanwhile, Yuanta Securities will continue to optimize the shareholder service operation, proactively establish and update information equipment and systems, and protect the personal data of shareholders, in order to improve the effectiveness of various shareholders services.

(G) Bond business :

Yuanta Securities will continue to monitor the monetary policies of major central banks around the world and their impacts on the financial market, dynamically adjust its bond trading strategies, and take the opportunity to establish a spread position to capitalize on opportunities for capital gains in both the short and long term. Meanwhile, it will also purchase mid- and short-term government bonds, as well as

investment-grade corporate bonds, to meet the reinvestment needs arising from the maturity of a large number of corporate bonds, while controlling the natural increase in the average duration of the position to reduce the long-term risks that may arise from the yield curve.

For underwriting the bonds, Yuanta Securities proactively participates in the underwriting of various corporate and financial bonds, and assists institutional investors in the issuance of green bonds or ESG bonds to expand the underwriting of related bonds, thereby maintaining its leadership in the market. It also continues to participate in the fixed income market of overseas subsidiaries and build the institutional investor platform for international cases.

In response to the recent active participation of general investors in the fixed income market, Yuanta Securities will develop the e-trading of RS/RP and also plan to include the e-trading of bonds in the future in order to provide customers with more options for parking funds and stable income. Further, Yuanta Securities also holds the qualification as a foreign exchange securities house; therefore, it will provide the services related to foreign exchanges per the business needs and strive to reduce the covered costs and improve price competitiveness.

(H) Derivatives service :

Yuanta Securities maintains its market leadership in the trading of all derivatives and strive to provide better quality products and services in the future. In terms of warrant business, Yuanta Securities will maintain its issuance and adjust pricing in a timely manner, strengthen the market-making and hedging system, and achieve a balance between profits and market share. Yuanta Securities will also develop overseas index warrants and ETF warrants monitoring systems, launch them online, optimize the OTC derivatives trading process, and increase the research and development, design, and sale of self-made products, including ETNs, ELNs, and other equity-linked products, to increase AUM. Yuanta Securities will also expand the market-making of ESG-related products, plan marketing activities, and increase customer recognition of the Yuanta brand.

(I) Digital finance and e-commerce :

Yuanta Securities has been cultivating digital finance development and is committed to improving the competitiveness of its digital service by enhancing the quality of its electronic trading platforms. Yuanta Securities provides diversified financial products and trading platforms externally, continues to improve its functions and business integration, and establishes a one-stop digital financial service. It integrates various system resources internally and achieves multi-platform information sharing through integrated information sources to expand application effectiveness and reduce maintenance costs. Meanwhile, Yuanta



Securities also uses data analysis to understand the transaction patterns and needs of customers in order to formulate operating strategies, strengthen customer base management, and increase the activation rate and turnover rate of electronic users.

Yuanta Securities has been able to simplify its customer service procedures by offering a broad range of online services, including digital contract execution, enhancing tablet account opening to increase paperless operations, continuing to promote new functions for digital services, and establishing a data center to improve customer service. Meanwhile, Yuanta Securities will also copy the successful APP model of its investment in Taiwan to its overseas subsidiaries to improve the competitiveness of its online services in the local market. In view of the increasingly severe threat of information security, Yuanta Securities continues to strengthen the protection of the information security monitoring center, optimize the AI information security response automation system, set up equipment backup, and strive for relevant certifications of information security management systems.

B. Expand the market in Asia :

(A) Korea :

Yuanta Securities (Korea) is committed to the development of brokerage, proprietary trading, and investment banking services, and aims to achieve stable revenues through business diversification. Yuanta Securities' brokerage service continues to develop the profit generated from brokerage and wealth management. For the investment banking business, Yuanta Securities carefully evaluates the sources of real estate industry projects and strengthens the business of traditional investment banking and brokerage services. The proprietary trading business is engaged in stable trading and expansion of trading scale to improve operational performance and profitability.

(B) Hong Kong :

Yuanta Securities (HK) continues to improve its AUM and will serve as the financial product platform for its overseas subsidiaries. In the future, it will also work with Yuanta Wealth Management (Singapore) to improve the Group's core competitiveness in wealth management services and create the Group's business synergy.

(C) Thailand :

Yuanta Securities (Thailand) continues to strengthen its core brokerage and financing businesses, increase inventory sales revenue, enhance its investment banking, bond, and wealth management operations, leverage synergies within the Group, develop a diversified profit structure, and satisfy customers' asset allocation needs.

(D) Vietnam :

Yuanta Securities Vietnam continues to improve the brand awareness,

and increase the weight by attracting young customers and expanding its customer base. It also develops institutional investor customers and business opportunities, and proactively expands the opportunities for financial consulting and corporate financing services.

(E) Indonesia :

PT Yuanta Sekuritas Indonesia will continue to enhance its brokerage and financing services, optimize the functions of the Indonesian version of Mr. Yuanta, and also proactively develop the bond operations in the context that the market expects interest rate cuts.

(F) Singapore :

The wealth management subsidiary in Singapore was established on April 29, 2022. Currently, the relevant financial license applications are still under review by the local competent authority, the Monetary Authority of Singapore. It is expected that after acquiring the relevant financial license for asset management and officially commencing the business, it will be able to provide high-net-worth customers with fully authorized wealth management services. Meanwhile, it will integrate the diverse product trading center of Yuanta Securities (Hong Kong) to further deepen the connections among overseas subsidiaries and develop into a regional private wealth management platform, thereby enhancing the competitiveness of the wealth management business.

(G) Mainland China :

Yuanta Securities and its subsidiary have set up three representative offices in Beijing, Shanghai and Shenzhen in China so far, in addition to Yuanta Investment Consulting (Beijing) Co., Ltd. and its branch company in Shanghai primarily engaged in the related business and collection of information. In the future, it will continue to focus on the legal environment of the entire capital market in China and the development in the same trade, and also follow up the cross-strait competent authorities' schedules for lifting of related laws and evaluation thereon.

(5) Industry overview

A. Industry status and development :

The U.S. Fed initiated the interest rate cut in September 2023. The governments of various countries gradually relaxed monetary policy and injected capital into the capital market. From 2023, the AI trend has driven the development of related industrial chains, which will continue to expand moderately in the global economy in 2024. International institutions, such as IMF, World Bank, and OECD, forecast that the global economic growth rates in 2024 will be 3.2%, 2.6%, and 3.2%, respectively, the same as those in 2023, i.e. 3.3%, 2.6%, and 3.2%. In Taiwan, global trade has recovered, driving export growth, and the AI trend is creating business opportunities in the semiconductor industry. The domestic demand is also stimulated by

economic recovery, as well as growth in private spending and investment. The economic performance is better than expected. The Directorate-General of Budget, Accounting and Statistics and the Central Bank forecast that Taiwan's economic growth rate in 2024 can reach 4.27% and 4.25%, which is significantly higher than the 1.31% and 1.31% recorded in 2023.

Benefiting of emerging technologies such as AI, the TAIEX rose by 5,104.29 points, an increase of 28.47% in 2024, setting a record high for the year. On July 11, 2024, the TAIEX reached a record high of 24,390.03, exceeding the 5,800 points recorded before 18,526.35 of January 4, 2022. In addition to the significant breakthrough in index growth, the turnover also performed well. In 2024, the daily trading volume of TWSE and TPEx was NT\$524.701 billion, an increase of NT\$165.676 billion, or 46.15%, from NT\$359.025 billion in 2023. According to the statistics gathered by the TWSE, the profit sought by all securities houses in 2024 was NT\$101.715 billion, an increase of NT\$33.006 billion from NT\$68.709 billion in 2023, which represents a 48.04% rise. Yuanta Securities' net profit after tax was NT\$21.158 billion, accounting for 20.80% of the profit sought by all securities houses. Looking ahead to 2025, though the geopolitical risks and the US-China trade war have not yet disappeared, the restructuring of the supply chain will also bring new momentum for economic and trade growth. US President Trump expects to adopt a fiscal expansion policy, which will help increase domestic consumption and investment confidence. Although the Fed may slow down the interest rate cuts, the overall economic outlook remains resilient. International institutions, such as IMF, World Bank, and OECD, forecast that the global economic growth rates in 2025 will be 3.2%, 2.7%, and 3.3%. In terms of the domestic economy, it is expected that the global AI industry will continue to benefit from the growth of Taiwan's exports and private sector investment, coupled with the increase in wages in the year ahead, which is expected to increase private sector consumption power. Under the high base period of 2024, the economy will still maintain its momentum. The Directorate-General of Budget, Accounting and Statistics and the Central Bank forecast that Taiwan's economic growth rates in 2025 will be 3.29% and 3.13%, respectively.

In terms of securities market-related policies, the FSC has continued to promote new policies and relaxed regulations in 2024. This includes the extension of the day trading transaction tax cut until 2027, shortening the time spent matching the stock price to 5 seconds, researching the permission for borrowing/lending of odd lots to help increase trading volume and liquidity of TAIEX, allowing employees and original shareholders of public companies to borrow loans to subscribe for stocks, increasing the liquidity of capital to attract investors, and assisting enterprises in fundraising. Additionally, the FSC is promoting the Taiwan Special Investment Account (TISA) and driving the growth of the wealth management business. Meanwhile, the Financial Supervisory Commission announced its “FinTech

Development Roadmap (2.0)” on August 15, 2023. In addition to formulating the “Guidelines for Information Sharing Among Financial Institutions” and promoting the Financial Identification Device (FIDC), the “Financial Identification Device Certification and Transfer Center” was established in March 2024, and the application for the license will be accepted at the end of the year. It plans to further open up the identity verification mechanism of the FastID, and will also expand the scope of financial services in the future. It also plans to link the relevant financial products and review procedures with the results of the supervision sandbox, and will open up or simplify the product service review procedures after the test is passed, in order to promote financial business innovation and FinTech development.

**B. Business development trends and competitiveness :**

**(A) Brokerage services**

The booming development in the stock market has attracted more investors to invest in the stock market. Yuanta Securities carefully reviews the structure of its customer base and implements customer management by segment and group. The primary goal is to provide appropriate services based on customer needs. For high-net-worth customers, it makes good use of the Group’s overall resources, asks investment advisors to provide customers with the most real-time market information, and interacts with customers to understand their needs and provide suggestions on tax planning and asset allocation. In order to deal with the general customer base, it verifies the customers' patterns through the digital analysis, pushes the notice for customized marketing copyright and materials to the adequate customer base precisely, follows up the results of push notices and makes adjustments rapidly, continues to expand the precision and width reached by the business and provides the general customer base with complete information and services.

Yuanta Securities adopts a small investment mechanism, such as systematic investment services and intraday odd-lot trading, to attract young people and small investors to join the stock market. While Yuanta Securities introduces new customers, it also implements KYC for existing customers, and plans to create a new section for new customers on its website to provide detailed information and help them understand the trading rules as soon as possible. Meanwhile, it also keeps track of the trend of interest on deposits and provides abundant information on the systematic investment service, as well as ETF-related functions and information to implement inclusive financing.

In recent years, the percentage of electronic trading has continued to increase. Mr. Yuanta App of Yuanta Securities, designed with a visual interface, user-friendliness, and stable system service, has become the most widely used mobile ordering placement tool in the market. It

continues to enrich its trading functions and provide diversified information services, such as smart order conditions and exclusive supply of the real-time quotation for the Japanese stocks, and provides investors with a more comprehensive experience in investment tools and user experience.

With the inflow of capital, the securities market has been expanding in terms of both price and volume. Yuanta Securities is the first choice for customers looking to trade securities. In addition to navigating the hot stock market this year, Yuanta Securities also takes responsibility for protecting customers' assets. Yuanta Securities proactively implements internal risk controls, provides customers with real-time support, helps them diversify risks through asset allocation, and integrates the Group's resources to offer comprehensive investment and financial services.

(B) Proprietary Trading business

In 2024, with the weakening of inflationary pressure, the Fed and the central banks of multiple countries, including the European Central Bank, initiated the interest rate cuts. With the continued booming investment in AI servers, Taiwan's manufacturers have benefited from the key leadership position, driving Taiwan's weighted index to rise over 5,000 points, i.e. a rise rate of 28%.

Looking ahead to 2025, future economic and trade policies, as well as geopolitical conflicts in the USA, will continue to drive global economic and trade trends, accelerate the restructuring of the supply chain, and increase costs. This will raise concerns about tightening and inflation again. The Fed will also be more cautious about the interest rate cut. The uncertainty of policies will intensify the volatility of the international stock, foreign exchange, and bond markets. Notwithstanding, as major global economies gradually recover, terminal demand will increase, thereby benefiting the overall industry and allowing it to expand slowly.

Proprietary Trading Department not only has a solid stock investment team, but also works closely with research resources to establish a better and updated investment portfolio, and pursue better absolute returns under rigorous risk control. It insists on pursuing an absolute rate of return under strict risk control, grasps the investment trend and opportunity precisely, continues developing toward a diversified layout and investment in the world's markets, and constructs the investment team with a forward-looking global view and excellent ability in investment.

(C) Quantitative trading services

The Quantitative Trading Dept. is primarily engaged in various ETFs at the TWSE and in futures and options market-making services at TAIEX. In the meantime, it upholds the spirit of service as a market

maker. It uses its best efforts to provide quotations on TAIEX, stocks, raw materials and supplies, foreign exchange rates, and overseas ETNs, etc., becoming the market maker that offers quotations for a wide range of product lines. In 2024, the market share of its market-making businesses made it remain the market leader stably. Meanwhile, it won the Market-Making Performance Diamond Award of Taiwan Futures Exchange's 10th Gold Diamond Awards, 1st place in Futures Proprietary Trading Volume Diamond Award and Securities Trading Volume Growth Diamond Award.

In 1H of 2024, Taiwan's stock market continued to rise in line with the global major stock markets. However, in 2H of the year, under the impact posed by the concerns about the effectiveness of AI expenditure and the expectation that Japan will initiate a slow rate hike, a wave of rapid decline in the stock market occurred in July, and then it entered a volatile phase. The market volatility drove the growth of turnover of futures and options. The daily trading volume increased to 1.64 million lots in 2024, increasing by 20% from 2023. At the moment, funds continue to be invested in bond-type ETFs in line with the 2023 trend. The daily trading volume reached NT\$14.38 billion in 2024, increasing by 160% from 2023, thus driving the overall trading volume in Taiwan's ETF market to a record high. Under the situation, Quantitative Trading Dept. relied on Yuanta Securities' continued improvement of its evaluation model, systems and diversified strategies in recent years to capitalize on the opportunities of large profits in the volatile market and accumulate energy when the market is stable, which in turn contributed to the increase in the overall profit of the Department by about 104% in 2024 from 2023.

Looking forward to 2025, the Quantitative Trading Department will continue to maintain the quality of market making and provide sufficient market liquidity. Meanwhile, it will continue to strengthen its basic ability to seek profit, and then expand the event-based and directional trading scale, seize various opportunities to seek profit, maintain balanced development between other neutral trade and risk-based strategies, in order to maintain excellent profit performance.

(D) Investment banking business

Yuanta Securities' investment banking business is oriented toward customers' needs. It helps customers enter the capital market and raise funds, and it offers financial consulting services. By adopting a business strategy that emphasizes both quality and diversity, as a sector banker, it provides customers with customized and diversified financial services. This approach helps Yuanta Securities plan the most suitable arrangements for investors, including institutional investors, strategic investors, financial investors, and general investors. It balances the stability and liquidity of equity while leveraging support from the

capital market to assist customers in achieving long-term development and enhancing customer loyalty.

Yuanta Securities has business locations in all major regions of Asia, including Hong Kong, China, Korea, Vietnam, Thailand, Indonesia, and Cambodia. The Investment Banking Department of Yuanta Securities utilizes the business resources, ability to innovate financial products and strict management experience of the headquarters based in Taiwan to provide customers with the one-stop services via the framework of the “Investment Banking Platform,” so as to leverage the cross-border synergy in Asia and fully satisfy customers’ needs for raising funds/financing in the capital market. Meanwhile, it aims to increase customer loyalty and become the customers’ best partner via Yuanta FHC’s Wholesale Banking Platform and services provided by Yuanta Bank, Yuanta Life, Yuanta Venture Capital and Yuanta Securities Investment Trust.

It responds to the government’s green financial policy. The investment banking business focuses on customers’ ESG performance (Environmental, Social and Governance), hoping to encourage listed companies to value their ESG development via the market mechanism. When selecting cases, it strictly complies with the “Sustainable Finance Guidelines,” consider the customers’ business outlook more thoroughly, and take into account the degree of customers’ valuation on ESG practices. Whenever accepting cases, it fulfills the CDD through case counseling, periodically reports the status of customers to whom it provides the counseling service, and guides customers to strengthen the ESG practices, in order to practice the spirit of corporate social responsibility into business planning and corporate operations and urge both parties to create the ESG value jointly in line with the international sustainable development trend. It also assisted the authority in promoting the over-the-counter trading system of sustainable development transfer (exchange) corporate bonds. The sustainable development transfer (exchange) corporate bonds were listed in Q3 of 2024. This policy not only expands the application of sustainable bonds, but also makes the capital more flexible, and improves the enterprises’ willingness to participate in the sustainable bond market.

The Investment Banking Department upholds the principle claiming “Honest-Based Hospitality” to continue improving employees’ awareness toward financial consumer protection and compliance with relevant laws and regulations, strictly adheres to the professional finance and ethical service principles and complies with the fair dealing policy, in order to ensure the rights and interests of customers and shareholders. Also, in order to protect senior customers and avoid fake allotment and placement in the market, the Investment Banking

Department will remind the relevant instructions in the purchase order and announcement documents when processing book building cases, and also provide its contact information to protect customers' investment security.

In 2024, given the booming capital market, it underwrote a total of 317 cases in IPO/SPO markets, amounting to NT\$175.2 billion in total. Yuanta Securities has participated in a total of 79 cases as the mandated lead arranger and lead manager, with a market share of 16.65% and a total underwriting amount of NT\$35.9 billion. As the leading brand in the IPO market, Yuanta Securities values quality and characteristics when selecting cases, and communication with investors when underwriting cases. It refers fine-quality cases to the capital market, so that investors may access fine-quality investment portfolio via the IPO platform and thereby seek profit. Issuers may also raise the fund needed by their business development. In 2024, both the number of underwriting cases and the underwriting amount grew significantly. During this period, Yuanta Securities has served as the IPO mandated lead arranger for multiple cases, including the following 7 cases :

Gudeng Equipment Co., LTD. (6953), Taiwan Speciality Chemicals Corporation (4772), Chungtai Resource Technology Corp. (6923), HD Renewable Energy Co., Ltd. (6873), Caliway Biopharmaceuticals Co. Ltd. (6919), FAMILY INTERNATIONAL GOURMET CO., LTD. (7708) and Nextlink Technology Co., Ltd. (6997). Yuanta's underwriting amount ranked the highest among its peers, covering important trend industries such as semiconductors, the circular economy, renewable energy, biotechnology and medicine, consumer daily life, and digital cloud. Yuanta Securities has underwritten a total of 19 SPO cases as the mandated lead arranger, including WT MICROELECTRONICS CO., LTD. (3036)CI, CHENBRO (8210)CB, Mega Financial Holding Co., Ltd. (2886)CI, KENMEC MECHANICAL ENGINEERING CO., LTD. (6125)CI and CB, LUNGTEH SHIPBUILDING CO., LTD. (6753)CB, FLEXium (6269)CB, AIC (3693)CI, Thai Kin Co., Ltd.-KY (6629)CI and CB, O-Bank (2897)preferred stock CI, JPC connectivity Inc. (6197)CB, SPORTS GEAR CO., LTD.-KY (6768)CB, WPG Holdings (3702)CB, TURN CLOUD (6870)CB, and TCC (1101)SLCB. Among the other things, HD Renewable Energy Co., Ltd. is the first listed company transferred from the Innovation Board to the General Board, aiming to provide a comprehensive green energy solution to perfect the green power market supply as a "smart power company." Meanwhile, the issuance of the first convertible bonds in Taiwan by TCC was also intended for the highest capital increase in 2024. Compared to green bonds, which offer greater flexibility in the use of capital, as well as the dual advantages of sustainable development goals and business



capital flexibility, this approach also benefits sustainable diversified financing channels in Taiwan and helps enterprises achieve their sustainable development goals. Yuanta Securities has demonstrated its strength in establishing a bullish position, creating a three-win situation for itself and its investors.

Yuanta Securities' investment banking business insists on the selection of fine-quality investment opportunities in response to the innovation and diversity of the investment banking business. Yuanta Securities has received recognition from TWSE for its "Companionship Award - Securities Underwriter," "Made for Future Award - IPO Market Value" and "Made for Future Award-IPO Fund Raising" in 2024. It was also awarded the "TPEX Pre-listing Tutorship Performance Award" and "Emerging Market Pre-listing Tutorship Performance Award" by TPEX, and recognized by the competent authority thoroughly.

For the financial consulting service (FA), Yuanta Securities has achieved abundant achievements in underwriting cases, including M&A cases in Taiwan, or multinational/cross-border cases. It will continue to look for companies with potential in the international market, hoping to utilize the depth and width of investment banking products to improve the cross-border international financial consulting services, and keep deepening the comprehensive investment banking services and increase the added value.

For the private placement (PP), Yuanta Securities leverages its experience in private placements and extensive investor network to offer private placement, investment solicitation, and block trade services, as well as designing corrective action plans for the equity structure of its corporate clients. It also introduces diversified financial and strategic investors by considering timeliness and valuation.

Yuanta Securities' investment banking business has outperformed in 2024. It upholds the principles of risk control by carefully selecting projects. It also continues to integrate the resources and competitive advantages of the Group, as well as those of other subsidiaries and overseas business locations in the Asia Pacific region. Through cooperation with investment channels in different regions, it may increase the breadth of allotment, placement, and solicitation for investment, providing customers with a full range of capital and strategic planning, aiming to be "the best financial service provider in the Asia Pacific region" and looking forward to becoming the customers' best partner.

(E) Bond business

After the central banks of various countries have taken actions to suppress inflation in response to the rapid interest rate hikes, the global economic volatility eased in 2024. The annual CPI growth rate in the

US dropped to 4% in 2H of the year, and the imbalance between supply and demand in the job market also improved significantly. The data show that the economy is on the way to a soft landing. The Fed initiated the interest rate cut in September to avoid excessive interest rates that may suppress economic growth. As of the end of the year, the Federal Funds Rate has been cut to 4.25-4.5%, and the European Central Bank adjusted the interest rate downward to 3.15%, which is 100 basis points and 135 basis points lower than the previous year, respectively. Notwithstanding, as of Q4, the tariff war and tightening immigration policy implemented by the new US President, Trump, have raised expectations of rising inflation and a deterioration of the fiscal condition, putting pressure on the bond market once again. In 2024, generally, under the expectation of continuous global economic growth, the central banks of various countries have initiated an interest rate cut cycle to effectively mitigate the pressure imposed by the cost of capital in USD. However, the concern about the fiscal deficit and tariffs has made it more difficult for the bond market to outperform. In terms of trading, Yuanta Securities Bond Division maintained the defensive strategy, and adjusted the NTD and foreign currency bond trading positions in response to the market conditions.

In terms of offering, the offering of bonds in NTD underwritten by Yuanta Securities has amounted to NT\$88.2 billion in total. It underwrote a total of 104 cases. In addition to the TPC's various types of green bonds, Yuanta Securities has also been involved in the business related to the ESG bonds including TSMC's 113-1&2, Far Eastern New Century 113-1, Nanya Technology 113-1, and Taiwan Mobile 113-1, in order to fulfill Yuanta's commitment to promoting the ESG bond market. In 2024, due to the bearish performance of the Taiwan bond market, the overall issuance volume in the primary market decreased by 16% compared to 2023. The international bond denominated in foreign currencies was affected by the continued increase in US interest rates, causing investors to flee the international bond market and reduce their investments over the past few years. Notwithstanding, Yuanta Securities has kept its underwriting business stable in the face of adverse market conditions and maintained its leading position in the industry.

Looking ahead to 2025, the impact posed by policy factors on the economy and the central banks will be seen after the US President, Trump, takes office. Although the FOMC meeting minutes show that there is still room for a 0.5% interest rate cut this year, the foreseeable tariff barriers and the America First policy may alter the Fed's monetary policy in both range and speed. For the bond market, it will be a year full of challenges and opportunities. The Bond Division will continue to monitor the relevant data, in order to seek to break through the

challenging environment and make profits, and will proactively develop new business or new products to create more business opportunities.

(F) Derivatives service

In 2024, Yuanta Securities issued a total of 16,238 stock warrants, i.e. the market share of 21.7%, at the issue amount of NT\$106.1 billion, i.e. the market share of 21.2%, both in the first place in the market ahead of the others in the same trade. Yuanta Securities has continued to develop the stock warrant market for many years. Its business scale outperforms that of others in the same trade. Notwithstanding, it continues to improve and makes every effort to provide stock warrant investors with better service quality, including a diverse range of stock warrant products, and hopes to help each stock warrant investor find a Yuanta stock warrant that meets their needs. Further, in 2H of 2024, it organized the “Yuanta Stock Warrant Implied Volatility Not Fall, Buy and Fun to Get Double Bonuses!” marketing campaign to continue implementing the investors’ interests and rights through the interaction with investors in the campaign. Finally, Yuanta Securities makes every effort to protect investors’ interests and rights. It also discloses on its official website for securities and warrants the “market making commissioned selling volatility” of each Yuanta Securities stock warrant since it was listed, allowing investors to access the reasonable price of Yuanta Securities stock warrants at any time via the trial calculator. This empowers them to make informed investment decisions, enhancing their recognition of the Yuanta Securities stock warrant brand and maintaining the leadership of Yuanta Securities stock warrants in the market.

In 2024, under the circumstance that Yuanta Securities continued to promote the business of structured notes, the outstanding balance of the equity-linked notes still accounts for about 35% market share in the same trade. In recent years, structured notes have been accepted by domestic investors gradually. The investors may choose adequate products to optimize the asset allocation, subject to their risk tolerance. Looking ahead to 2025, Yuanta Securities will continue to research and develop new structured notes to satisfy market demands. It is expected to create opportunities for growth in the structured notes market.

Asset swap services derive from convertible bonds. In 2024, Yuanta Securities remained in first place in the market share of the outstanding balance of asset swap services. In 2024, in the bull market in TAIEX, domestic convertible bonds reached a record high, and the overall market size of asset exchange options grew from NT\$159.3 billion to NT\$195.3 billion. Looking ahead to 2025, the asset swap market is still full of challenges and opportunities. Yuanta Securities continues to seek a stable market position by leveraging its competitive strengths,

such as brand reputation, business scale, APP order placement, online account openings for derivatives, increased e-trading convenience, and a fair dealing policy. Additionally, it pursues growth in scale and profitability by insisting on effective control over asset risk quality.

In 2024, Yuanta Securities will continue to proactively create a market for its index investment securities business, and cooperate with the seminar organized by TPEx to help investors become more familiar with index investment securities, and thereby expand the market awareness of Yuanta's index investment securities. Until 2024, Yuanta Securities has had 14 ETN tranches, with an outstanding amount of NT\$ 730 million, i.e. 61% of the total ETN tranches.

(G) Wealth management services

In order to deepen the customer services, provide complete products, Yuanta Securities sought the approval from the competent authority in March 2011 to run the wealth management business under the trust framework, and played the important role as a pioneer in the market of wealth management run by securities firms.

Yuanta Securities' wealth management business has matured after several years of development. The customers' needs became more and more diversified, while the depth and width of services needed by the clientele were high. In order to deal with more and more special and professional customers' needs, Wealth Management Dept. continued to include various wealth management products. Meanwhile, in order to meet customers' needs more and serve high-asset customers, it integrated internal resources to design and develop self-made products so that any different customers may enjoy financial services.

Since Yuanta Securities offered the securities wealth management trust business, it has led the others in sale and management of funds. Therefore, since 2012, the total assets of customers under its non-discretionary money trust business has ranked 1st place in the market, far ahead of the others in the same trade. This primarily resulted from mass business locations of Yuanta Securities' channels and intensive relationship between it and customers, as well as the quality of its study report ranking 1st place in the same trade. Meanwhile, its fund platform has selected 31 domestic trust investment companies and 23 overseas fund companies so far, offered more than 2,500 products, and owned the most complete network interface and order placing system in the same trade. For customers, they may deserve such strengths as professionalism, completeness of portfolio and convenience, if they choose Yuanta Securities to manage wealth on behalf of them.

Statistics of the money trust balance managed by the wealth management department until the end of December 2024(NT\$ million)

AUM	2022	2023	2024
Yuanta	64,088	71,370	69,985
KGI	30,029	40,714	49,769
Sino Pac Securities	32,779	33,310	33,606
Fubon	5,744	14,623	15,247
Mega	13,520	15,511	15,147
Total Amount	153,694	175,528	183,754

Source of data : Taiwan Securities Association

Statistics of the accumulated accounts opened for money trust managed by the wealth management department until the end of December 2023

Number of opened accounts	2022	2023	2024
Yuanta	453,284	515,894	805,861
Fubon	60,292	134,107	279,033
KGI	95,221	124,779	178,377
Sino Pac Securities	99,844	112,331	161,538
Capital Securities Corp	55,195	59,710	73,625
Total	763,836	946,821	1,498,434

Source of data : Taiwan Securities Association

Since Yuanta Securities offered the wealth management trust lending operations in May 2013, Yuanta Securities has built the asset pool for the stock which was most likely to be lent and pursued the efficiency of lending as its business development policy. Notwithstanding, in response to the lifting of laws and regulations, since Yuanta Securities started the retails two-way lending in February 2016, it has focused on the two-way lending operations for natural persons primarily and the trust lending operations secondarily. The asset pool for the trust lending operations was based on the customers' permanent idle stocks which were lent frequently, in order to generate the maximum income for customers and Yuanta Securities together with the two-way lending operations for natural persons.

Statistics of the securities trust balance managed by the wealth management department until the end of December 2024(NT\$ million)

AUM	2022	2023	2024
KGI	10,360	11,485	10,571
Yuanta	3,260	3,415	2,868
Mega	1,833	1,808	2,413
Master Link	3,064	1,903	1,424
Fubon	5,765	1,259	1,333
Total of securities	24,282	19,870	18,609

Source of data : Taiwan Securities Association

#### (H) Consigned trading of foreign securities operations

To pursue extensive development and innovation of financial services, expand the scope of business and upgrade customers’ service quality, given that domestic financial products cannot satisfy consumers’ need for diversified investment in new products, the investment service for foreign securities demanded by the market was expanded; and, to participate in various business seminars and open policy-making procedures organized by the competent authority.

In November 2014, the competent authority approved the Shanghai-Hong Kong Stock Connect and approved professional investors to participate in foreign securities IPOs at the beginning of 2015. Since 2017, Yuanta Securities has recruited sales representatives to engage high-net-worth customers in direct marketing. It established the market and product team, as well as offices in North, Central, and South Taiwan, dedicated to developing private wealth management services for exclusive clientele and planning the tailored services needed by this exclusive clientele, in hopes of creating a new age for itself in the securities private wealth management market.

In 2020, it applied to provide services to high-net-worth customers, and the application was approved later. In 2021, it provided customers with real-time quotations for US stocks and offered systematic investment services for overseas stocks. In 2022, it provided customers with real-time quotations for Japanese stocks and overseas bonds e-trading services on the APP. Meanwhile, it researched important policies, such as the allowance of foreign currency financing business. Yuanta Securities will always seize opportunities as the leader in the industry and will continue to provide customers with services that exceed the applicable standards in response to government policy.

Yuanta Securities launched the US stock market's systematic investment daily debit in 2024, so that investors can participate in the global market in a more flexible manner. The innovative service not only improves the convenience of order placement, but also realizes the concept of inclusive financing.

Market share of sub-brokerage services in 2024	
Cathay Securities Corporation	20.49%
Sino Pac Securities	18.79%
Yuanta	11.80%
Fubon	11.57%
KGI	11.14%

Source of data : Taiwan Securities Association

- (I) Securities borrowing and lending
 

At the end of 2024, a total of 20 Securities & Securities Finance Companies offered products & services of Securities Borrowing &

Lending (SBL), a highly competitive OTC marketplace. As the lending price and volume soared at the same time, the lending balance from securities houses/securities finance companies increased substantially from NT\$465.4 billion at the end of 2023 to NT\$635.7 billion at the end of 2024, proving a solid 37% growth of the market. With its excellent and savvy utility, Yuanta Securities concluded its SBL market share at close to 30%, creating a significant gap between itself and its peers in the same trade. Furthermore, in order to utilize resources more efficiently, the securities borrowing and lending services provided by Yuanta Securities in recent years have also expanded to include general local customers and inter-broker trading. These expanding practices not only increased participants' revenue and trading flexibility but also enhanced Yuanta Securities' income and created remarkable synergies. At said resources-developing side of business, Yuanta Securities has secured about 30% market share, ranking the first place among peers in the same category.

(J) International institutional business

Foreign investors accounted for 31.42% of the market turnover in 2024, while the proportion of e-trading kept growing, and the demand from market participants became more diversified as well. Yuanta Securities' international institutional business made every effort to differentiate itself from local securities firms by integrating its resources and products to provide broader and more convenient platforms. It has achieved a remarkable record in 2024.

Looking forward to 2025, the International Institutional Business Department engages in fostering customer loyalty to Yuanta Securities through cross-product sales and the department's one-stop platform services, while satisfying foreign institutional investors' demands in Taiwan's capital market through cooperation with brokerage and SBL businesses. By providing derivatives and facilitating the movement of capital and securities from the primary market to the secondary market, we offer customer bases with diverse trading behaviors comprehensive expertise and services. this approach creates a win-win situation, leading to improvements in the department's market share and profitability at the same time.

(K) Shareholders service agency

Given the market competition, Yuanta Securities Shareholders Service Dept. adjusted the expansion strategy. It gave up the policy to solicit for customers through the price war. Still, it strove to grasp the opportunities for cooperation with new customers based on its own resources and experience. Meanwhile, it enhanced the relationship with customers, integrated customers' resources and exerted the Group's consolidated effects by providing differentiated services and financial holding resource services.

(L) International services

For the time being, Yuanta Securities is the leader in Taiwan's securities market. It makes the best effort to expand its overseas business locations. Its overseas layout has been extended from Korea in Northeast Asia to Southeast Asia, including Thailand, Indonesia, and Vietnam, by integrating its funding sources and product niche in Hong Kong and Taiwan. It deepened the local business of various subsidiaries by utilizing market characteristics and local strengths, sharing resources, linking distinctive products, and developing business integration and synergy between overseas subsidiaries and the Group through cross-border transactions, sub-brokerage services, and the sale of wealth management products to pursue diversification of profit sources and structural upgrades to the profit-making model. Yuanta Securities is committed to providing customers with a convenient order placement system, a complete and diversified range of international wealth management products, and professional overseas investment research resources and services. It seeks to provide customers with more diverse investment choices, a more complete product line, and a broader investment vision. Finally, Yuanta Securities will maximize its value in Taiwan and realize its goal of multinational and global layout and being the “Best Financial Services Provider in Asia Pacific Region.”

(6) Research and development

Yuanta Securities continues to pursue innovation and digital transformation opportunities. By upholding the principle claiming “Honest-Based Hospitality,” Yuanta Securities takes customer needs as its primary consideration, and promotes digital transformation and R&D to launch the interdisciplinary information application services. Yuanta Securities will apply for the license and start new business lines to satisfy investors' diversified needs, and promote the proposal and pilot testing of new financial products, according to the competent authority's policy and licensing of the securities industry. Meanwhile, Yuanta Securities will continue providing the competent authority with suggestions regarding policies to seek approval for offering additional securities business lines, new products, and opportunities for underwriting business. Meanwhile, it will collaborate with Yuanta Bank, Yuanta Life, Yuanta Futures, and Yuanta Securities Investment Trust on shared data application scenarios. It also launches the two major services, “automatic import of information for online account opening” and “the Group's asset overview,” in order to help investors improve the efficiency of account opening and manage the Group's assets rapidly.

Yuanta Securities is committed to providing customers with one-stop digital banking services, such as the Mr. Yuanta App, which integrates multiple services. These services include account opening, integration of securities, sub-brokerage, and wealth management accounts; the application for digital accounts denominated in NTD and foreign currency with Yuanta Bank; and the



establishment of Yuanta FastID, which meets the standards of the League of Nations to improve the safety of cross-subsidary identity verification. This allows customers to shorten the time spent on account applications based on shared data. Additionally, the APP offers an overview of assets that integrates multiple products, including TAIEX, sub-brokerage, funds, domestic and foreign options, and derivatives. It also employs image-based design to present the distribution of assets and profits, helping customers grasp financial planning and performance. Furthermore, the use of FastID and data sharing enables customers to search for the status and details of their assets within the Yuanta Group and manage their personal assets via this one-stop service. At present, Yuanta Securities is also proactively assisting its overseas subsidiaries in the development of electronic trading platforms and continues to replicate and apply the successful “Mr. Yuanta” APP model to these subsidiaries. This aims to strengthen local digital development and integrate localized elements overseas, creating a trading platform for overseas subsidiaries and providing customers with high-quality and reliable online services. Yuanta Securities will continue to invest in the analysis on financial big data and AI applications in next two to three years, precisely understand customers’ needs, develop diversified products and smart financial services, and create a 24-hour digital financial circle through cloud services. From the digital transformation perspective, Yuanta Securities will continue to improve its digital investment platform.

(7) Long and short-term business development plans

Yuanta Securities uses the best efforts to solidify the core business competitiveness and market-leading position, develops customer relations more thoroughly, and expands the young customer base. Meanwhile, it develops various innovative business lines through FinTech, promotes diversified and differentiated products and services, expands the diversified sources of income, and builds the momentum for its continuing growth. Meanwhile, Yuanta Securities proactively strengthens regional integration and new product development, expands the business scale and competitiveness, gradually improves the profit contribution from overseas subsidiaries, and aims to become the best financial service provider in the Asia Pacific.

As digital banking and financial services are becoming more and more popular and diversified, and the government is allowing new businesses and products, Yuanta Securities will continue to invest in research and development in related fields to provide investors with financial services that are innovative, resilient, and sustainable, and create diverse business revenues. Yuanta Securities’ 2025 business development plans are explained as follows :

A. Short-term business development plans :

- (A) Solidify the core brokerage services, promote the systematic investment plan and odd-lot transactions, develop the young and retail investors, solicit new customers and activate dormant accounts, provide elderly customers with adequate services, implement inclusive financing, improve the depth and breadth of customer services to

enhance customers' loyalty, establish an ETF ecosystem, and launch the ETF section in Mr. Yuanta APP; continue to promote ETFs by means of the systematic investment plan and dividends in the future.

- (B) Continue to improve the functions of "Mr. Yuanta," integrate various mobile trading platforms, satisfy customers' need for one-stop investment, connect the E-banking platform of Yuanta Bank to optimize online account opening, establish branches' digital section, improve the digital financial service quality, use data analysis to conduct customer segmentation management, and use the data analysis for customer segmentation, apply the automated marketing mechanism and provide the precision marketing services per customers' needs.
- (C) Yuanta Securities continues to promote the lending service for unlimited purposes and launches the project in combination with the ETF ecosystem to optimize the digital process and improve service efficiency, increase customers' financial selection, and develop a different customer structure to achieve the effective complementarity of lending and financing services. Promote the two-way lending operations for natural persons and utilize the sources of securities effectively to increase the revenue.
- (D) Based on the asset allocation, it plans the product strategy and integrates products including preferred shares, funds, overseas equity, bonds, life insurance, and structured notes, to increase the depth and breadth of wealth management offerings and satisfy customers' needs for diversified asset allocation. It will also strengthen cooperation with major financial institutions to drive the performance of the corporate stock and sub-brokerage business, creating cross-business benefits.
- (E) Yuanta Securities will improve the R&D and design of self-made products, and promote the development of ETN, ELN and FCN businesses to expand product lines and increase the asset management scale of Yuanta Securities, issue reasonable volatility warrants to increase customers' recognition toward the Yuanta Securities brand and improve the market value and market share of products.
- (F) Yuanta Securities will continue to improve its trading strategies and proactively participate in market making for various products, promote the structured notes business, and create interest spread positions to generate stable revenue from proprietary trading.
- (G) It participates in the proactive underwriting of related bonds, organizes customized cases to deepen the issuance market, and expands the underwriting of ESG and green bonds to maintain market leadership. Additionally, it participates in the fixed income market of overseas subsidiaries, builds the Group's institutional investor platform for international cases, and develops e-trading for notes and bills to provide investors with a fund parking tool.

- (H) Yuanta Securities will continue to develop its investment banking business, and focus on customers' needs. It will integrate the Group's business resources to provide customers with comprehensive corporate services, increase customers' loyalty, and take into account case quality and business development. It will also participate in indicators or cross-border cases, assist in the selection of projects by using ESG to replace EPS, and guide customers to strengthen ESG investment.
  - (I) In response to changes in the global economy, Yuanta Securities assists overseas subsidiaries in adjusting their business strategies, optimizing capital allocation and/or restructuring the organization. Yuanta Securities holds regular meetings to manage and track the exposure of the subsidiaries and their business performance, and to ensure that the overseas subsidiaries comply with internal and external laws and regulations, and implement a transparent and public corporate governance policy.
  - (J) Yuanta Securities will continue to promote ESG development, improve the ESG ratio of the products issued, underwriting cases, and investment positions, promote the adoption of green power at business locations, check and track the financial carbon emissions of investment/financing positions and cooperate to implement various ISO certifications, including expansion of the ISO 22301 certification scope to achieve sustainable operation.
- B. Long-term business development plans :
- (A) Yuanta Securities will be developing wealth management services through all channels comprehensively, creating regional asset management centers and promoting the dual engine of brokerage and wealth management revenues. The virtual integration of online and offline channels is implemented to deliver digital services to branch locations, thereby improving service and operational efficiency. The big data analysis is used to provide precise services, and to implement customer segmentation and position management, thereby deepening customers' loyalty.
  - (B) Continue to recruit talent externally based on the guidance of cooperative education and excellent midlife talent plans, optimize the overall age structure of sales representatives, and improve colleagues' ability to obtain certificates, licenses, and through the internal system in order to achieve the goals of talent cultivation, and quality, generational succession.
  - (C) Yuanta Securities promotes the ledgers as the settlement accounts to increase the amount of the account and the percentage of the balance, and grasp the financial status of the customers, for the business promotion; Yuanta Securities continues to strive for the deregulation of the use of the funds of the account of the customers, to increase the

incentives for the customers to deposit.

- (D) Yuanta Securities integrates a wide range of wealth management products and services based on the strategic core of asset allocation and wealth inheritance, and continues to strengthen the convenience and integrity of the information platform to meet the needs of high-net-worth customers for a full range of investment and wealth management. With Yuanta Securities (HK) as the hub for commodities and transactions, and Yuanta Singapore as the regional personal wealth management platform to enhance the core competitiveness of the wealth management business.
- (E) Yuanta Securities strengthens the R&D of self-made products, develops new types of structured notes, optimizes the trading procedures of derivatives, and enriches the product line.
- (F) Maintain the market leadership in futures, options and ETF market making, expand the scope of countries for overseas investment, construct the secondary trading platform in foreign currency and increase the revenue from related overseas transactions. Develop foreign exchange derivatives, increase the trading volume of spot foreign exchange and trade in Taipei Foreign Exchange Market.
- (G) Yuanta Securities will establish the Investment Banking Platform to develop regional investment banking services, integrate the Group's wholesale banking resources, strengthen cross-border cooperation, develop overseas new markets, provide customers with one-stop financial consulting services, and aim to become the top regional international investment bank in Asia.
- (H) Increase all overseas subsidiaries' earnings to the whole earnings gained by Yuanta Securities. By integrating regional institutional investor customers, Yuanta Securities offers better quality comprehensive financial services to promote the diversification of overseas subsidiaries' customer base. The Group's platform is effectively used to link business development opportunities, invoke the parent company's business resources, inject business and customer resources of each overseas subsidiary, expand the scale of operations and business diversification. The parent company's digital development experience is effectively leveraged to enhance the information security protection and monitoring capabilities of overseas subsidiaries.
- (I) Construct Yuanta Securities (HK) to be the international trading platform center to link the markets of Taiwan, Hong Kong, Korea, Thailand, Indonesia, Vietnam and Singapore; utilize the strength and characteristics of the cross-border financial trading to provide customers with more diversified investment visions and professional financial services; develop the Group's foreign currency bonds

marketing platform and work with overseas subsidiaries to issue and sell the bonds; participate in overseas subsidiaries' fixed income market and engage in secondary transactions of bonds with its overseas subsidiaries.

- (J) Practice sustainable development and ESG policies, develop ESG-related products and business, continue to promote the green finance business locations, implement the internal carbon pricing management system, and continue to engage in environmental sustainability and social participation issues.
- (K) Cultivate a professional and active information security team to enhance the protection, governance, and identification capabilities of the personnel. Introduce AI self-monitoring to improve urgent response capabilities, implement a zero-trust framework to strengthen the offensive and defensive exercises of the blue and red teams, and establish a backup mechanism for information security equipment to mitigate risks to business operations.

## 2. Yuanta Bank

### (1) Main business services

- A. Deposit and remittance services
- B. Wholesale banking services
- C. Retail banking services
- D. Wealth management services
- E. Trusts services
- F. Foreign exchange services
- G. Financial operation and financial trading services
- H. Digital financial services
- I. Overseas services

### (2) Revenue breakdown

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Net profit	Percentage (%)	Net profit	Percentage (%)
Net interest income	14,451,632	61.09	15,582,608	55.24
Net service fee income	4,535,774	19.17	6,111,678	21.66
Income from financial assets and liabilities at fair value through profit or loss	1,441,279	6.09	6,781,999	24.04
Realized gain or loss on financial assets at fair value through other comprehensive income	1,002,130	4.24	968,529	3.43
Exclude financial asset gains and losses measured at amortized cost	0	0.00	0	0.00
Exchange gain or loss	2,064,075	8.73	(1,919,284)	(6.80)
Loss on asset impairment	(437)	(0.00)	(14,167)	(0.05)
Net profit or loss other than other interests	160,488	0.68	699,494	2.48
Total	23,654,941	100.00	28,210,857	100.00

### (3) New financial products and services in development

#### A. Wealth management :

- (A) Yuanta Bank plans smart financial platform services to provide customers with diversified investment information and suggestions, and continues to optimize the effectiveness of the algorithm and investment portfolio, in order to use AI to help customers allocate assets.
- (B) Yuanta Bank provides the 24-hour real-time order placing and trading service for Japanese stocks (foreign ETFs and foreign stocks) to give customers greater convenience when making investments.
- (C) Yuanta Bank adds new service lines to its employee welfare trust, including employees' self-selected investment services and applications for online order placement via the Internet bank.

- (D) Yuanta Bank adds service lines to the elder care trust, including offering the elder care trust for securities or real estate as trust property, and providing the option for selection of the designated custodians.
- B. Digital financial services :
  - (A) Yuanta Bank expands the scope and field of its Yuanta FastID services and promotes the test run of information sharing among non-financial institutions.
  - (B) Yuanta Bank optimizes the online/offline account opening and review procedures, and implements an identification module to improve the efficiency of account opening and the intensity of identity verification, thereby achieving the goal of paperless operation and uninterrupted system services.
  - (C) In response to the competent authority's promotion of the digital identity certification and licensing services, Yuanta Bank is working with other peers to develop ATM cross-industry identity verification services and provide more convenient digital service experience.
- (4) Business plans for the year

Insofar as Yuanta Bank will continue to implement the risk control and compliance internal controls, Yuanta Bank will focus on structural adjustment and revenue growth and improve cross-selling and cross-product marketing skills in 2025. It will also plan business volume to improve capital utilization efficiency. Meanwhile, Yuanta Bank will proactively promote the digital transformation to maximize profitability under sound management. The primary development strategies are :

- A. Wholesale banking services : Under prudent control of risks, Yuanta Bank will continue to adjust its loan structure to increase the interest spread. For the syndicated loan project, Yuanta Bank strives to act as the mandated lead arranger. The sales units actively explore customers' needs, and also develop the business opportunities for syndicated loans through the resources of the head office and Yuanta FHC. Yuanta Bank will continue to strengthen the diversified services to the wholesale banking customers, including salary transfer, TMU and wealth management, etc. Meanwhile, Yuanta Bank will continue to offer demand deposit plans and promote cash flow services to increase the size of deposits.
- B. Retail banking services : Yuanta Bank will adjust its personal loan strategy and improve the development of the loans other than home mortgage loans. Among the other things, the home mortgage loan business aims to deal with high-quality customers in the metropolitan area primarily, and is also committed to developing wealth management mortgage services that are not subject to restrictions. Meanwhile, Yuanta Bank will invest more resources in the transformation and expansion of the credit lending business, plan to provide privileged projects to core customers, and strengthen marketing exposure and digital customers' management. In terms of car loans, Yuanta Bank will continue to cultivate new car brands and new car financing

business in the existing factories, and proactively explore new brands to join the cooperation project, in order to secure its position as the first place in the market. For the credit card business, Yuanta Bank will continue to provide gifts and promotional discounts to its members, and attract a specific new customer base based on preferential design. For loyal customers with high contribution, Yuanta Bank offers honorable treatment to strengthen customers' loyalty.

- C. Wealth management services : By continuing to identify insurance, funds, and bonds as the three major products, Yuanta Bank recruits wealth management talents extensively. It also provides exclusive courses based on the needs for the job function to strengthen the team's professionalism and satisfy customers' comprehensive needs. Meanwhile, Yuanta Bank will also improve its digital services to satisfy customers' needs for remote, smart and automated wealth management, and enhance customer experience. In terms of high-net-worth wealth management, Yuanta Bank will expand its products and services and consult with experts to help customers achieve their purposes, such as asset appreciation and family inheritance.
- D. Financial trading services : Improve capital allocation and management, stabilize investment-related income, expand the scale of underwriting of notes and bills, and strengthen expansion of the seller's business operations including TMU and proprietary trading of bonds, in order to expand the sources of income. Additionally, Yuanta Bank has re-activated the SI/DCI business. It also plans to issue financial structured notes and satisfy customers' needs for wealth management based on diversified financial products.
- E. Digital banking : To improve customer service and experience, Yuanta Bank will launch the new mobile banking platform for individual and institutional investors, "Yuanta Payment Pass APP," while continuing to optimize the three major platforms, "Digital Deposit," "Yuanta Collection APP" and "ej\_learning platform." Meanwhile, Yuanta Bank improves the analysis of customer bases and the precise advertising, and integrates digital marketing to attract customers to increase deposits, wealth management, payment, and personal loans.

(5) Industry overview

Recalling 2024, the Fed started to reduce interest rates by 1% in September, under the circumstance that inflation was cooling down and the economic environment grew stably. It was the first time the Fed entered into the interest rate cut cycle since the rapid increase in interest rates consecutively from 2022 to 2023. The Central Bank of Taiwan, in order to suppress the overheated housing market and expectations of inflation, escalated the interest rate by 0.125% in March and the deposit reserve ratio by 0.25% in June and September, respectively, causing market capital to become tighter.

The domestic economy benefited from the booming demand for emerging technologies and artificial intelligence. Taiwan is an important hub in the supply chain. The related industries and export trade volume continued to expand.



Enterprises and investors sought remarkable profits and then reinvested the capital in plant construction, equipment expansion, the stock market, the housing market, or consumption. In this context, the banking industry has performed well in terms of domestic corporate loans, mortgage loans, and credit card consumption, and the wealth management business has also grown significantly in the capital market. The financial investment income also grew from the previous year. Generally, the net income and income after tax of domestic banks all grew significantly from 2023.

In terms of FinTech and digital finance, the launch of generative AI has accelerated the application of AI in the financial industry. Many local banks have implemented related technologies to improve internal operational efficiency. For example, a large-scale language model (LLM) is available in the database. Users can obtain internal and external regulations and product information directly through the conversational method. If it is combined with some word processing software, users can complete the key summary and report as necessary. In terms of external services, smart customer service and personalized services are the preliminary directions to be applied. It is expected that through cooperation between humans and machines, the effectiveness of customer service quality improvement can be achieved.

For the sustainable development issue, the Financial Supervisory Commission proposed the “Green and Transformation Finance Action Plan” in October 2024. The plan covers six major promotional focuses, namely capital utilization, data collection, information disclosure, personnel training, sustainable evaluation, and international cooperation, aiming to drive the financial industry, enterprises, and the entire society to move toward the net zero carbon emissions and sustainable development by 2050.

(6) Research and development

A. Business R&D :

- (A) Upon acquisition of the KRW business in Korea, Yuanta Bank continues to expand its business in the same currency, including the exchange of government bonds in Korea, foreign exchange between USD and KRW, and spot trading. It will also strengthen the communication with the trading counterparts in Korea to increase more business.
- (B) Enhance the SBS equity system, and add the functions including stock and securities borrowings/lending accounting treatment, statements and calculation of limits.
- (C) After Yuanta Bank obtained the high-net-worth customer license, it continued to plan financial structured bonds and provide exclusive products to the high-net-worth customer base to improve Yuanta Bank’s ability to make products on its own and strengthen the high-net-worth customers’ loyalty.
- (D) For the reactivation of the structured notes business, Yuanta Bank plans

to expand the types of structured notes issued. In 2025, Yuanta Bank plans to apply to the competent authority for approval of the structured notes framework, which links bonds and converts them from in-kind to foreign currency upon maturity.

- (E) In response to the requirements of Wealth Management 2.0, Yuanta Bank plans to establish a high asset financial management dedicated system to control and comply with internal and external audits and help expand the business scale. Meanwhile, Yuanta Bank will also provide exclusive services, such as customized wealth planning and Lombard Lending, to customers of Wealth Management 2.0.
- (F) In response to the global investment trend of corporate social responsibility, Yuanta Bank will evaluate and introduce private placement funds that meet ESG standards to attract customers with environmental, social, and corporate governance concern.

B. Risk management :

- (A) Establish the default loss rate and default exposure model in line with IFRS 9 and Basel quantitative and qualitative requirements, and plan the adjustments to the wholesale banking credit rating model or risk rating and analysis projects in response to corporate banking services. Continue to follow up on the changes in and control over corporate banking assets.
- (B) In response to the consumer banking services, continue to follow up and adjust the house loan, car loan, credit loan, credit card and ATM card risk rating and credit extension analysis, scorecard model and risk analysis statement to show the performance in management and supervision of assets. Make good use of the new credit loan application model, aiming to expand business and increase income under controllable risks, and continue to optimize it, in order to accurately discover the default customers' characteristic factors.
- (C) Continue to improve the stress test calculation method and frequency, e.g. stimulation of the quantitative model, setting of pressure scenarios, and selection and forecast of risk-linked factors.
- (D) Improve the operations of the Task Force on Climate-Related Financial Disclosures (TCFD), systematically manage the relevant monitoring indicators and target information, and establish the cause-and-effect correlation before and after the disclosure of climate and natural information.
- (E) Improve the current liquidity risk monitoring and evaluate and measure risk incidents, such as responses to negative news on social media, monitoring of large online fund transfers, and daily liquidity management, in accordance with the revised version of the self-discipline regulations governing liquidity risk management set by the

Bankers Association of the Republic of China.

- (F) In response to the amendments to the liquidity risk measurement indicators under the “Submissions under the Principles for Monitoring and Reviewing Local Banks’ Compliance with Capital Adequacy,” Yuanta Bank will recheck and strengthen the liquidity risk stress testing.
- (G) Engage in the IRRBB project with the Bankers Association of the Republic of China, and continue to improve the IRRBB monitoring mechanism and analysis and evaluation, including various hypotheses, parameter analysis and adjustment.

C. Information R&D :

In response to the business continuity and business development, and to practice the information security management, Yuanta Bank plans to execute the following :

- (A) Information system R&D and upgrading project : NTD core system local active-active framework construction project, new foreign exchange quotation system establishment project, New Foreign Exchange Bargaining System Construction Project, SWIFT System Upgrading Project, Establishment of Custodian Bank System Securities Borrowing/Lending Module, Trust Business System Monitoring Upgrading, Creation of Functions Including Archiving on Image Platform throughout Yuanta Bank and Access to Overdue Account Collection Management Documents, Establishment of New Gold Passbook System and Overdue Account Collection Management Platform 2.0, etc.
- (B) Enhancement of trading functions : Hardware Randomization Equipment Upgrading Project, Investor Clearing and Settlement Bank (ICB) System Construction Project, Financial Trading System Upgrading in response to SWIFT MX text, Credit Risk Supermarket System - Storage Hardware Equipment Upgrading, and New Capital Requirement (RAY) Project.
- (C) Optimize the digital banking system, including the Prestige Corporate Banking portal site, PMB personal mobile bank, and corporate mobile bank. The E-counter of Yuanta Bank continues to integrate and optimize various application and account opening procedures to expand the application scenario for Yuanta FastID.
- (D) In order to satisfy the digitalization of the business and improve core competitiveness, Yuanta Bank will continue to optimize the cloud development zone and the DevOps development process, and integrate the new and old network bank architectures. Meanwhile, to facilitate timely anti-corruption and anti-fraud measures, and to reduce human resources, Yuanta Bank will continue to implement AI and expand the middle office for data.

- (E) In order to ensure the continuous operation of the information system, Yuanta Bank will continue to construct the DMZ - Active-Active Center, and implement the database upgrading to the local active-active Oracle RAC framework for network and mobile banks. Further, in order to continue to implement the emerging technologies, it is expected that capital will be invested in the establishment of micro-service container platforms and related research and development.
  - (F) Work closely with the Wholesale Banking Product Department to develop diversified payment and cash flow integration services, enhance customers' ability to respond to changes through the use of payment technology and user interfaces, and expand the scope of business.
- (7) Long and short-term business development plans
- A. Short-term business development plans :
    - (A) Enhance the momentum of deposit services; increase interest spread through business strategic transformation.
      - a. Continue to increase the size of the core deposit portfolio based on deposit projects and cash flow services, and effectively control deposit costs by adjusting and controlling the changes in its deposit structure.
      - b. By developing potential customers through local cultivation, Yuanta Bank will be able to increase the product penetration rate among its customers by developing its other business lines, such as credit card and wealth management services, in addition to deposit and salary transfer services.
      - c. The wholesale banking services focus on the improvement of the return on assets. Yuanta Bank will adjust the structure of its loan portfolio and increase the interest spread by striving for large-scale syndicated loans and developing the loaning to customers who may offer better interest rates. Meanwhile, Yuanta Bank will increase the revenue from service charges and other income through the cross-selling of wealth management and TMU services.
      - d. The transformation and breakthroughs in retail banking services are accelerating. Yuanta Bank's credit loan services will develop three new major customer bases through the project and increase the percentage of digital underwriting, and also focus on the home mortgage loan, hoping to increase interest revenue. It will also increase the revenue from the wealth management service charges through integrated marketing and referral.
    - (B) Improve financial strength, expand the depth and breadth of customer management, and develop more sources of income.
      - a. Yuanta Bank will recruit members for the wealth management team, including financial advisors, sales managers, and sales representatives, and enhance overall business strength through

- diversified channels, such as recruiting external high-quality talent and training and transferring internal personnel.
- b. Through customer segmentation management, Yuanta Bank expands its AUM. For potential customers, Yuanta Bank will continue to reach and penetrate marketing activities to attract new customers to engage in wealth management transactions and strengthen the customers' loyalty.
  - c. For high-net-worth customers, customized services are provided based on their individual needs, including taxation, investment, insurance planning, and expert consultation. Exclusive seminars, reward activities, and honorable treatment are also provided to solidify customer trust. The private banking customer base is expanded through referrals by existing customers.
  - d. Yuanta Bank makes good use of the Group's resources to strive for the employee shareholding trust, ETF, funds, and custody services for foreign investors proactively and create another source of service fee revenue in addition to wealth management product sales.
- (C) Yuanta Bank provides more diversified financial products to satisfy customers' needs fully.
- a. Yuanta Bank leverages Yuanta Group's strengths to promote fine-quality funds and insurance products, and continues to expand product lines to satisfy customers' diversified needs for wealth management and asset allocation. Meanwhile, it continues to strengthen digital channels to promote the systematic investment plan and further accumulate the AUM.
  - b. In response to the increase in high-net-worth customers and the reactivation of structured notes, Yuanta Bank continues to plan and issue structured notes, such as financial structured notes and DCI and SI structured notes, to improve its product competitiveness.
  - c. In order to satisfy the institutional investor customers' needs, Yuanta Bank continues to expand and optimize its factoring, cash flow service, notes and bills and TMU-related businesses, and enhance the diversity of its products while increasing the sources of income.
- (D) Yuanta Bank implements legal compliance and anti-money laundering to maintain customers' interests and rights and block financial crime.
- a. It will continue to implement the legal compliance risk management and supervision framework, optimize various operating procedures, strengthen efficiency, reduce costs, and comply with the regulations of the competent authorities.
  - b. In the face of growing fraud and crime, Yuanta Bank established the cross-functional financial fraud prevention team to collect and promote the information on relevant laws and regulations, and to jointly plan to improve the fraud prevention practices.

- c. Yuanta Bank amends its AML/CFT policies in response to the competent authority's regulations, and plans to adopt a risk-based AML/CFT framework in accordance with laws and regulations.
  - d. In response to the development trend of anti-money laundering, Yuanta Bank implements emerging technologies to monitor and investigate suspected transactions. Yuanta Bank also continues to research new features and machine learning methods to enhance the capabilities of the AI Skynet model in identifying alert accounts.
- B. Long-term business development plans :
- (A) Enhance customers' loyalty and penetration through product competitiveness, digital power and marketing power.
    - a. From the perspective of deposit services, Yuanta Bank continues to develop customer segmentation management, customer behavior analysis and labeling. By offering differentiated services and products to different customers, Yuanta Bank engages in precision marketing and offers payment discounts and reward-point-based system as promotional tools to strengthen the effect of penetration.
    - b. Yuanta Bank expands the channel and strength of its customer base reached digitally. In addition to the self-owned website, mobile bank, and social media pages, Yuanta Bank also uses platforms frequently used by target customers to advertise to increase the number of young customers and the number of customers who seldom deal with tangible branches. Yuanta Bank also uses good digital experience to achieve the effect of customer retention.
    - c. Yuanta Bank perfects the wholesale banking cash flow platform construction, and builds the infrastructure to integrate all parts of the cash flow and improves and consolidates deposit volume. Meanwhile, it engages in the re-marketing to customers' upstream and downstream supply chains to expand the sources of its wholesale banking customer base.
    - d. Yuanta Bank continues to introduce a wide range of funds or flagship products exclusive to the high-net-worth customer base, and develop innovative investment methods to satisfy customers' needs for wealth management and investment efficiency.
  - (B) Strengthen the IT infrastructure and develop AI practical applications to improve the operations and operating efficiency.
    - a. In response to the development of artificial intelligence, Yuanta Bank will proactively implement AI solutions to improve employees' work efficiency. This includes AI anti-corruption measures through data monitoring and data mining, as well as the use of large language models (LLMs) and generative AI to assist in the preparation of credit review reports, internal intelligent customer service, and presentations.

- b. Yuanta Bank will continue to expand and improve its core system and strengthen the system's active-active and backup capabilities to respond to the continuous growth of future trading volume and mitigate the impact posed by contingencies.
  - c. Through the microservice framework and container platform, Yuanta Bank is able to develop its information system more rapidly, meet the needs of digitalized processes and business growth, and establish the core competitiveness of fast delivery.
- (C) The overseas branches adjust the business development strategies subject to the local market environment to increase their profitability step by step.
- a. The Hong Kong Branch will continue to develop potential credit customers and high-net worth customers for deposits to reduce the concentration of deposits. Meanwhile, in accordance with the head office's risk policy, it will actively strive for high-quality syndicated loan projects.
  - b. In addition to maintaining competitiveness in the existing business, the subsidiary in Korea will also develop diversified credit extension to reduce the concentration of real estate loans. Meanwhile, in response to the adjustment of the evaluation standards for the PF business (similar to the financing of civil engineering in Taiwan), the subsidiary will strengthen case reviews and post-loan management to effectively respond to market changes.
  - c. The subsidiary in the Philippines will optimize the core system in response to the corporate banking, mortgage, and deposit services under development. It will also evaluate the feasibility of developing online banking, mobile banking, and peripheral payment systems to meet the trend of digital financial services.

### 3. Yuanta Life

(1) Main business services : Life insurance agency underwriting the products including life insurance, annuity insurance, health reinsurance and accident insurance.

(2) Revenue breakdown

Unit : NT\$1,000; %

Business	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Life Insurance	29,966,038	62.22	31,661,027	62.50
Personal Accident insurance	186,530	0.38	189,032	0.37
Health insurance	4,507,537	9.36	4,548,390	8.98
Annuity insurance	554	0.00	329	0.00
Group insurance	168,363	0.35	182,000	0.36
<b>Premium revenue</b>	<b>34,829,022</b>	<b>72.31</b>	<b>36,580,778</b>	<b>72.21</b>
Less : Reinsurance premium ceded	(776,410)	(1.61)	(869,611)	(1.72)
Less : Net changes of premium ceded reserve	(18,029)	(0.04)	(25,658)	(0.05)
Commission reinsurance allowance	84,564	0.18	83,835	0.17
Revenue from service charges	546,365	1.13	551,105	1.09
Net income from investments	12,097,680	25.12	13,138,480	25.93
Other operating revenue	22,053	0.05	69,134	0.14
Separate Account on Investment-linked Insurance Products income	1,377,499	2.86	1,132,823	2.23
<b>Total</b>	<b>48,162,744</b>	<b>100.00</b>	<b>50,660,886</b>	<b>100.00</b>

(3) New financial products and services in development

A. In terms of the products :

In order to adapt to the new IFRS 17 and ICS 2.0, Yuanta Life develops investment-type insurance, interest-sensitive insurance, and optimized health insurance as its primary products in response to the rapid changes in the interest rate environment and the aging population trend.

In the face of investment market volatility, Yuanta Life will continue to promote investment-type products to meet the needs of customers with specific risk profiles. Yuanta Life aims to enrich the available linked portfolio and provide customers with stable cash flow through new fundraising efforts for the discretionary investment plan, as well as by utilizing the expertise of commissioned operators. Meanwhile, Yuanta Life will also add a new popular market selection portfolio to enrich the target platform and provide customers with a diversified and flexible allocation of underlying assets, allowing them to participate in the performance of the investment market in a timely manner to help achieve their financial goals.



Based on important conditions such as currency type, payment period, and protection scope, sensitive interest rate products may provide policyholders with more diversified options. In addition to balancing the offering of products denominated in NTD and foreign currency, Yuanta Life offers products subject to a variety of payment terms based on individual budgets, helping customers allocate their funds for short, medium, and long terms. In response to the “wealth succession” need valued by high-net-worth customers, Yuanta Life offers products with high protection multiples. For the general consumer base, it focuses on retirement planning and accumulation of wealth. Meanwhile, it also values differentiation and strengthens the protection scope for specific diseases. Yuanta Life also provides customers with additional insurance premium discounts through a health promotion mechanism to encourage policyholders to develop the habit of valuing their health.

Additionally, to return to the spirit of damage compensation and help control the loss rate of products, the Financial Supervisory Commission implemented a new rule and claim mechanism that pays claims on a reimbursable basis, based on original documents, on July 1, 2024. Therefore, Yuanta Life will develop and claim the reimbursable insurance based on the supervision mechanism and market development to provide policyholders with complete and reasonable protection measures. In the future, it will develop new products in line with the supervision direction of the competent authority.

B. In terms of the channels :

- (A) Management of distribution and customer base : Starting from the characteristics of channels and customers’ attributes, segment the customer bases’ markets, provide differentiated products and services, subject to the different target customer base markets and characteristics of channels to improve the market penetration of Yuanta Life.
- (B) Digital service : Continue to strengthen the application of insurance technology for business expansion, such as addition of mobile insurance coverage through partners, increase of the utilization rate of mobile insurance enrollment, promotion of smart customer service and the operation and application of the insurance customer relationship, etc., in order to optimize operating procedures and efficiency to expand its business service momentum; it will also optimize the online insurance platform, enhance online product visualization and insurance trial calculation services, improve customer service experience, and assist in the management of young customer bases.

(4) Business plans for the year

Yuanta Life’s entire business strategy in the year :

- A. Channel strategy : Yuanta Life aims to satisfy the needs of the channel market, strengthen the competitiveness of products and services, cultivate

the channels and expand the breadth of channels in order to increase premium income and scale. The main channel development strategy is specified as following :

(A) Expand the Group's consolidated effects :

Combine the Group's resources and channel competitiveness and work with the Group to develop and promote insurance products, and work with the Group's institutional investor business channel to promote the group insurance services and sprout the relationship with the group customers.

(B) Improve the management of channels in depth and width :

a. Bank & Securities Insurance Channels : Yuanta Life maintains a sound business volume within its internal channels (Yuanta Bank/Yuanta Securities), expands the depth of its external banking channels, and continues to explore opportunities for cooperation with large-scale banks. Yuanta Life develops products based on the forward-looking needs associated with the target channels' characteristic attributes and sales preferences, providing diversified product options and differentiated services to enhance the market share of Yuanta Life's products.

b. Broker and agent channels : Managed according to the characteristics of insurance broker and agency companies and scale grading, combined with the characteristics of channel demand to establish differentiated products and services and marketing planning; nurturing key broker and agency companies while focusing on high-production capacity units and sales representatives to improve the penetration rate.

c. Agency sales channels : Improve the business service quality through the orientation training programs and revitalization of the name list of policyholders, and assist the development of localized organizations to increase the business production capacity.

(C) Promotion of the channel's digital marketing and service :

a. Strengthen and guide the channel sales team's marketing ability to exercise digital tools, such as mobile insurance enrollment and remote insurance enrollment, in order to improve sales performance.

b. Continue to promote the channel's digital services, integrate digital tools and platforms, optimize the channel's data service and insurance application procedure, and improve the business competitiveness.

(D) Train the core sales representatives :

a. Continue to promote the talent recruitment project to train young life insurance advisors with potential.

b. Plan the segment training certification program and insurance tax professional marketing program, solidify the sales representatives'

expertise in insurance, and upgrade the channels' service value.

(E) Enhanced channel management :

- a. Continue to optimize the business quality management platform to strengthen the control over the quality of sales channels and sales representatives, and implement a fair dealing policy.
- b. Combine data technology risk model to detect risks, prevent the occurrence of the risk of misconduct, and thereby improve service quality.

B. Product strategy : Yuanta Life focuses on the simultaneous development of “traditional products” and “investment-linked products”, as well as protection-type products for high-net-worth customers. Yuanta Life regularly promotes investment-linked products and increases various underlying assets in response to environmental trends in the financial market. This approach aims to satisfy customers' needs for protection and retirement life planning at different stages of their lives, while also achieving Yuanta Life's overall financial and business goals. The current product strategy of Yuanta Life can be divided into the following four aspects :

(A) Retirement life planning :

The life expectancy in Taiwan is getting longer, and awareness of retirement planning is also increasing. Therefore, it develops a combination of traditional products and investment-linked products, subject to diversified payment terms, to meet the needs of customer bases with different attributes, such as those related to retirement planning.

(B) Transfer of assets of high-end customer base :

High-net-worth customers particularly value asset preservation and inheritance for future generations, as well as the life insurance products that can leverage the “wealth succession” function. If the product design can meet the needs of high-end customers, Yuanta Life may effectively promote the life insurance protection. The main product type refers to sensitive interest rate life insurance, which may help customers achieve asset inheritance planning through the design of stable and sufficient protection multiples in each policy year, coupled with a simple and optimized insurance process.

(C) Health protection moving with the times :

In the context of an aging society, the life expectancy of individuals in sub-health or poor health has reached 8 years; therefore, it is necessary to prepare sufficient policy reserves to address the anticipated increase in future medical expenses. Accordingly, the health protection provided by commercial insurance is designed to help the public access better medical care services and address the shortcomings of the national health insurance system. In addition to common health insurance coverage, such as hospitalization, surgery, and major

diseases, Yuanshou Life has established various healthcare mechanisms based on the characteristics of its products to address the new risks posed by social changes.

- a. Early detection and treatment are very helpful for medical effectiveness and recovery, allowing policyholders to enjoy premium discounts through self-health management. This approach is designed to encourage policyholders to value their own health and reduce the consumption of social medical resources, thereby improving insurance companies' claims expenditure and creating a positive cycle in which customers, insurance companies, and social medical resources all benefit.
- b. Yuanta Life combines sensitive interest rate products to protect people from specific injuries or illnesses and provides 10% to 100% of the specific protection through a variety of products. This enables the public to seek protection against major injuries and illnesses when planning for retirement or inheritance.
- c. Design various products based on the needs of target customers, and have launched medical insurance for seniors, eye insurance for the 3C environment, and knee and hip joint insurance for specific positions. Yuanta Life will continue to tailor customized medical protection to protect nationals' health.

(D) Preparation for upgrading the care :

In the context of an aging society and low birth rates, when the future is facing “injury, sickness, and degeneration,” it is necessary to rely on “the present self to take care of the future self” and arrange insurance planning early to prevent huge care expenses from eroding the pension fund and to protect policyholders' elderly care needs.

(5) Industry overview

According to the statistics of the Life Insurance Association, the insurance premium revenue based on new business in the life insurance business was about NT\$841.8 billion in 2024, an increase of 25.4% over the same period in 2023.

Statistics of insurance premium under new business in the life insurance business in 2024 (insurance premium revenue + liabilities)

Unit : million dollar

Item	2023	2024	Growth rate (%)
First Year Premium	671,368	841,814	25.4%

Source of data : Life Insurance Association

According to the analysis of insurance premium under new business by type of insurance, it is NT\$562.4 billion for life insurance, i.e. 66.8% of the revenue from insurance premium under new business, NT\$220.0 billion for annuity insurance, i.e. 26.1% of said revenue, NT\$44.5 billion for health insurance, i.e. 5.3% of said revenue, and NT\$14.9 billion for accident insurance, i.e. 1.8% of said revenue.

There are two things to be clarified about Yuanta Life's sales performance in 2024 :

- A. In terms of traditional insurance products, the total first-year premium income of traditional life insurance grew by 27.0%. Some life insurance companies have successively launched participating policies, thereby driving the sales of traditional life insurance and related products. Although the total first-year premium income from traditional annuity insurance declined by 34.4%, the total first-year premium income from traditional insurance products increased by 20.9% compared to the same period last year, due to the lower percentage of traditional annuity insurance premiums.
- B. As for investment-linked insurance products, the total first-year premium income from these products increased by 32.6%. The bull positions in the global stock market also drove the sales of relevant investment-linked products.

Statistics of insurance premium by insurance type in the life insurance business  
(insurance premium + liabilities)

Unit : million dollar

Insurance type		2023	2024	Growth rate (%)
Life insurance	Traditional	353,318	437,136	23.7
	Investment-linked	89,442	125,254	40.0
	Subtotal	442,760	562,390	27.0
Accident insurance	Traditional	13,665	14,865	8.8
Health insurance	Traditional	40,235	44,550	10.7
Annuity insurance	Traditional	7,607	4,992	(34.4)
	Investment-linked	167,101	215,017	28.7
	Subtotal	174,708	220,009	25.9
Total	Traditional	414,825	501,543	20.9
	Investment-linked	256,543	340,271	32.6
	Total	671,368	841,814	25.4

Source of data : Life Insurance Association

According to the analysis of the percentage of insurance premiums by channel, the first-year premium accounted for 45.2%, the bank and securities insurance channel 36.8%, and traditional broker and agent channels 18.0% in Yuanta Life's own marketing system in 2024. Personal life insurance is sold primarily through the Bank and Securities Insurance Channels, with the first-year premium accounting for 52.1%. The investment-linked insurance was primarily marketed through the channels owned by Yuanta Life, and the first-year premium accounts for 45.7%. Traditional accident insurance and health insurance are still primarily sold via the marketing channels owned by Yuanta Life.

Statistics from insurance premium in the life insurance business by source in 2024 (insurance premium revenue + liabilities)

Unit : million dollar

By source	Life insurance	Bank broker	Traditional broker	Total
Insurance premium	380,677	309,287	151,850	841,814
Rate (%)	45.2	36.8	18.0	100.0
Individual life insurance	170,138	223,513	39,563	433,214
Individual annuity	4,266	474	135	4,875
Investment-linked	155,345	84,706	100,221	340,272
Personal Accident insurance/health	37,443	354	5,814	43,611

Source of data : Life Insurance Association

(6) Research and development

A. R&D of products :

Yuanta Life continues to focus its research and development on the needs of various customer groups to meet the insurance planning needs of customers at various stages. In response to the aging trend and the interest rate environment, it continues to develop insurance products that meet the needs of retirement, retirement medical care, and retirement care. The first knee and hip joint insurance policy launched on the market in 2024, the “SHIN SHI WANG Health & Term Life Policy,” in order to address the growing awareness toward health management and the increase in sports population, degeneration of skin and hip joint caused by aging and sports, and medical problems such as inflammatory response. Yuanta Life provides subsidies for the purchase of medical devices for skin and hip joints, covering insurance benefits for 34 operations related to the knee and hip joints. Meanwhile, it provides policy maturity benefits and a death benefit to help people retire happily.

Meanwhile, the “JU HAO SHI DAI Term Health Policy” and “Hao Shi Yuan Man Health & Term Life Policy” won the National Brand Yushan Award-for “Best Product Category” in 2023 and 2024, respectively. The former refers to the insurance policy exclusively designed for seniors between the ages of 50 and 80, aimed at strengthening the protection of medical treatment for seniors, raising the upper age limit for insurance coverage, and enabling elderly individuals who are uninsured or have insufficient medical insurance to seize the opportunity to fill the gap in their coverage. The latter aimed to provide protection against the four major eye diseases that modern consumers are prone to suffer from, and to assist different ethnic groups in planning suitable protection plans and implementing inclusive financing.

The future product R&D will start from the attributes of channels and customers' needs, providing optimal solutions to foster business development and customer group management. This approach aims to create

a win-win-win situation for Yuanta Life, its channels, and its customers while continuously enhancing Yuanta Life's long-term value.

B. Service technology :

(A) The research and development items from 2023 to 2024 are listed as follows :

Item	Explanation of Item
Investment System Upgrading, Update and Replacement Project	In response to the rapid changes in the external economic environment and investment market, Yuanta Life has established a new investment management system to effectively utilize and manage its own funds, taking into account future investment, accounting, risk management automation, and compliance aspects.
Compliance technology management platform	Yuanta Life optimizes compliance and self-assessment operations by automatically reading internal and external regulations via AI, assigning them to the corresponding responsible departments, streamlining legal compliance procedures, and digitizing tasks, compiled data, as well as auditing and reminder operations that were previously managed manually, significantly improving compliance efficiency.
Remote insurance enrollment system	Yuanta Life constructs the remote insurance enrollment system that combines KYC, an identity verification mechanism, to enable policyholders and sales representatives to complete the execution of insurance policies without having to enter their signatures in person. Meanwhile, the KYC may also help prevent fraud.
AI-based underwriting and claims image identification system	The AI-based image identification is applied to the identification of coronary heart disease during the underwriting process and the X-ray films showing limbs during the claim process, thereby significantly reducing the manual and time spent in physicians' reading and improving the efficiency of case review.
WEB proposal system	The WEB proposal system made available to both direct-selling sales representatives and broker and agent channels is operated more easily and also helps reduce the problems about version control.
AI customer service system	Yuanta Life provides Smart Customer Service, Mr. Yuan, across various digital platforms (the official website, iCare, and e-commerce platforms) to enable users to access the information and services they need more quickly, thereby enhancing the policyholder experience.
Middle office (claims)	In addition to optimizing existing functions and upgrading users' operability significantly, Yuanta Life also re-organizes and webizes its core system operating procedures (claim acceptance and claim review) to achieve the goal of core load shedding.
Middle office (POS and Billing)	Yuanta Life re-organizes and webizes the operating procedures of its core system (security acceptance and security review) to optimize existing functions and upgrade users' operability significantly to achieve the goal of core load shedding.
Data service expansion	Yuanta Life builds the middle office to collect data from the core system and peripheral systems and establish a data synchronization and backup mechanism. The data generated from the core system in the past will be exported from the middle office instead, in order to lay the foundation for subsequent data analysis and related applications.
0800 customer service system update and replacement	In response to the information security requirements for upgrading the operating system, Yuanta Life has established a new generation customer service system to compile information from various channels, enabling customer service personnel to provide better services to customers.

(B) 2025 R&D plans :

- a. Yuanta Life will continue to develop the mobile insurance application system for businesses and expand cooperative channels using the mobile device platform to enhance digital mobilization and promote the business. Additionally, we will optimize the system by establishing an identity verification mechanism for the paperless operation of mobile insurance enrollment consent forms to increase the utilization rate. Additionally, the innovative application model of the mobile insurance application, which combines biometric-assisted identity authentication and audio/video recording technology, delivers remote insurance application services. This provides customers with zero-contact, convenient, and safe channels for insurance applications, thereby improving sales and services further while promoting paperless practices and energy conservation and carbon reduction policies.
- b. Yuanta Life has developed a service function for electronic insurance contract clauses, allowing policyholders to agree in the proposal that the insurance contract clauses may be printed in carbon copy via a QR Code or URL in the proposal, or specified in electronic documents. After the service is performed, Yuanta Life may provide customers with diverse options to improve service satisfaction and fulfill energy conservation and carbon reduction efforts to implement ESG practices.
- c. Yuanta Life promotes the optimization of the iCare function and integrates the e-Bill to implement the online real-time premium inquiry feature. It is expected that the online renewal of insurance premium payments, investment-type online flexible payments, online loan repayment services, and optimized customer notification/progress inquiries will be added to improve the convenience of customers' payments. Additionally, a regular insurance premium adjustment function for investment-linked insurance policies will be provided to make investing in insurance premiums more flexible. Meanwhile, it is expected that more product information will be disclosed on the official website to assist customers in planning insurance policies online.
- d. Yuanta Life introduces electronic notification forms and encourages the use of electronic notifications. Yuanta Life also conducts research on related documents to effectively guide policyholders in choosing electronic notifications. This initiative aims to provide policyholders with a safer and faster way to receive information about their insurance policies while promoting paperless practices, energy-conservation, and carbon-reduction policies.
- e. Yuanta Life plans to improve the claims alliance chain, add multiple hospitals to participate in the medical benefit platform, and connect the medical data to the Life Insurance Association. So far, it has been



activated officially in response to the connection with the Life Insurance Association in November 2024. Yuanta Life will participate in the insurance broker and agency companies to join the alliance chain trial project in 2025 and also plans to add more channels for submission through cooperation with convenience stores to provide more diverse channels to accept documents, help customers with the applications more conveniently, and practice inclusive finance. Yuanta Life plans to improve the claims alliance chain,

- f. Yuanta Life continues to promote the “Smart Customer Service” optimize services, increase the FAQ and service procedures, and apply AI robots to the service process to expand service volume and achieve 24-hour uninterrupted services. Meanwhile, it provides diversified service methods, complies with the Friendly Financial Service Regulations, plans customer services effectively, and interacts with customers in real time to improve customer satisfaction.
- g. Yuanta Life implements new technology applications and perfects its AI risk control model to prevent potential risks associated with fraud in claims, while strengthening the control mechanism for sales representatives. Yuanta Life also implements generative AI and Microsoft 365/Copilot to empower employees and strengthen operational efficiency. Yuanta Life continues to establish the EIS Situation Room to provide management with accurate and timely data for efficient decision-making.

C. Business promotion :

- (A) Yuanta Life is expanding and deepening its cooperation with large-scale banks to increase its sources of premiums. In response to market changes, it reflects the forward-looking need to strengthen the competitiveness of products. Meanwhile, it increases product differentiation while continuing to expand its premium scale and market share, based on the characteristics of target channel needs and sales preferences.
- (B) Yuanta Life continues to promote the application of insurance technology to develop its business, including mobile insurance enrollment, remote insurance enrollment, mobile security, and middle office services, in order to enhance the business momentum of partner channels and digital services.
- (C) Plan the channel insurance certification and professional marketing training courses, optimize the channel service information platform, create the channels' brand value, and improve the loyalty of partner channels and sales representatives.
- (D) Optimize the business quality management platform to strengthen control over the quality of solicitations by the sales channels and sales

representatives, and implement the fair dealing policy.

D. Risk management :

Yuanta Life continues to sprout the relationship in terms of assets, liabilities, and asset and liability management.

Optimize the financial product evaluation models and refine risk quantification in terms of assets. Improve the real-time trial calculations related to the integration of IFRS 17 and ICS 2.0 systems, increase the completeness of scenario analysis and stress testing execution for major risk factors, and apply the asset evaluation model to assess emerging risks. Taking climate risk as an example, conduct a comprehensive assessment of the impact posed by climate issues on Yuanta Life's investment trading positions. Establish a model and risk management indicators for measuring the impact of climate risk on market risk, and develop additional methods for estimating the impacts of other risks.

In terms of liability, to improve the quality of business management, the AI risk model and risk forecast are established using existing system data, including insurance policy information and sales representative trading behavior. An early warning sales representative list is generated and managed according to risk level in response to the authorities' emphasis on fraud prevention and channel management. Meanwhile, risk detection of claims is conducted to achieve fraud early warning, and related risks are tracked through visual dashboards to improve management efficiency and implement a fair dealing policy.

Based on the liability information in the financial actuarial calculation, and subject to its risk appetite, it establishes the management standards for the matching of assets and liabilities. It also monitors any asymmetric information during Yuanta Life's matching of duration, currency, and accounting practices, and sets Yuanta Life's financial data observation indicators under IFRS 17 to report material information in a timely manner and adjust its asset and liability management strategies.

In addition to these issues, Yuanta Life's business continuity management mechanism aims to protect the rights and interests of employees and customers, as well as Yuanta Life's products and services. It also continues to promote business continuity-related operations to ensure that it can quickly maintain and recover its operating goals in the event of any emergency.

(7) Long and short-term business development plans

A. Short-term development plans :

(A) Expansion of the consolidated effects of Yuanta FHC : Continue to work with the Group's subsidiaries to develop and promote characteristic products and services, exert the Group's strengths and maximize the Group's contribution.

- (B) Expand the depth and width of the distribution channels : In addition to maintaining the robust business volume of its internal channels, Yuanta Life proactively expands cooperation with external channels, cultivates partnerships with large-scale banks, and focuses on developing channels that share a consistent management philosophy. This collaboration aims to create forward-looking products, provide customized marketing support and services, and increase market share.
  - (C) Channel hierarchical management : Adopt hierarchical management of partner channels, focus on core channel management, deepen the high-production capacity channels through optimization of the underwriting operating procedures and differentiated products and services, strengthen the channel business quality management, and practice the fair dealing policy.
  - (D) Improve the channels' competence in insurance marketing operations : Continue to promote the insurance protection certification program, and work with channels to plan customized training courses to improve the sales representatives' competence in sales.
- B. Long-term development plans :
- (A) Combine the fair dealing policy and Yuanta Life's core values to continue promoting the professional insurance certification, communicate the insurance sustainability value, and improve Yuanta Life's influence over the channels.
  - (B) Continue to promote the channels' digital services, optimize the channel service information platform, strengthen the technological ability, and improve the business competitiveness.
  - (C) Improve the channel business management model, integrate business resources and improve the data analysis ability to promote the business model with data and improve the effect and value of business development.

#### 4. Yuanta Securities Investment Trust

##### (1) Main business services

- A. Securities investment trust
- B. Discretionary investment
- C. Securities investment consulting
- D. Futures Trust
- E. Other relevant operations approved by the competent authority

##### (2) Revenue breakdown :

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Revenue from Management fees	5,001,664	96.39	7,103,863	96.62
Revenue from transaction fees	47,531	0.92	52,155	0.71
Revenue from sale	125,984	2.43	183,341	2.49
Revenue from marketing reimbursement	9,240	0.18	9,377	0.13
Other operating revenue	4,764	0.08	3,546	0.05
Total	5,189,183	100.00	7,352,282	100.00

##### (3) New financial products and services in development

###### A. Product line R&D

In order to satisfy investors' need for stable income, Yuanta Securities Investment Trust offered the Yuanta Taiwan Value High Dividend ETF (00940) in March 2024, attracting more than 800,000 beneficiaries to participate in the offering to create a historic fundraising record for Yuanta Securities Investment Trust. With the scale amounting to NT\$175.2 billion, it became the sixth largest ETF in the whole market at that moment. Meanwhile, Yuanta Securities Investment Trust launched the Yuanta Global Aerospace and Defense Technology ETF (00965) and the Yuanta Select Bond ETF Umbrella Fund in Q4 to effectively address the economic situation and market demand gap. Additionally, Yuanta Securities Investment Trust meets the market demand for theme-based and stable investments through appropriate timing and topics.

Looking forward to 2025, Yuanta Securities Investment Trust will proactively seize the business opportunities arising from the Asian Asset Management Center's policy promoted by the competent authority. Yuanta Securities Investment Trust will carefully assess and plan innovative products based on market changes, provide investors with more diversified wealth management and sound asset allocation tools, expand its AUM, and drive the steady growth of sales and profits.

B. Group co-marketing

In order to leverage the synergies of cooperation among the Group's subsidiaries, Yuanta Securities Investment Trust uses digital platforms and marketing resources to expand the reach of the Group's subsidiaries into different markets. Through consistent marketing and visual communication of the Group's brand image, Yuanta Securities Investment Trust continues to optimize its digital platform to provide customers with consistent service experience across different industries. This effort aims to expand its business, offering customers a comprehensive and sound financial service experience, ultimately achieving a multi-win situation.

C. Digital financial services

(A) Further upgrade of convenient service

To provide customers with more convenient, efficient, and high-quality services, Yuanta Securities Investment Trust plans to establish an E-counter area to transform the paperwork operations to online applications as much as possible. This will allow customers to file applications at any time, including those for changes and updates to their data, through a convenient online platform. Additionally, it will enable more efficient investment and allocation of human resources to address customers' specific needs and elaborate customer service. Meanwhile, to satisfy modern investors' expectations for a convenient, efficient, and digital investment experience, Yuanta Securities Investment Trust plans to launch a rapid order placement service, simplify the trading process, reduce the information investors need to fill in, and enable them to complete trades only after logging in, which will help them find suitable fund options more quickly.

Meanwhile, to increase investor participation and lower the investment threshold regarding the foreign currency redemption mechanism, Yuanta Securities Investment Trust plans to reduce the minimum foreign currency subscription threshold and open more foreign currency fixed amount portfolios. This will provide investors with more diversified asset allocation plans and meet the market's diverse needs. Then, more investors can easily deploy foreign currency assets, enjoy a flexible and convenient investment experience, and implement inclusive financing.

(B) Evolution of customer experience

In order to improve the digital financial service experience for customers, Yuanta Securities Investment Trust plans to build a user-friendly, intuitive, and visually consistent digital platform. This platform will focus on simplifying information, optimizing website architecture, and disclosing content to investors, providing them with a more user-friendly browsing experience and ensuring that they can quickly access the information they need. In terms of back-office management, Yuanta Securities Investment Trust adopts a hierarchical

business model to ensure effective division of labor and cooperation among various roles, ensure the high efficiency and accuracy of information disclosure, and improve the efficiency and professionalism of any updates on the website contents. Further, to provide investors with more convenient digital financial services, Yuanta Securities Investment Trust will launch a new verification mechanism that integrates the Mobile ID (MID) technology after external regulations are approved, aiming to improve the efficiency and safety of the application for ETF e-bills. Through the cooperation with third-party certification agencies, investors can complete the identity verification and apply for ETF e-bills easily. The mechanism not only reduces the failure rate of mobile phone comparisons conducted through the central depository, but further improves the security intensity of verification and strengthens personal data protection.

(C) Re-development of e-payment

In order to build an inclusive financing environment, Yuanta Securities Investment Trust will continue to develop the depth and breadth of its e-payment service. In 2025, Yuanta Securities Investment Trust will continue to expand the number of merchants for its e-payment service to enable more customers to easily subscribe to funds, increase the number of cooperating banks, and offer small-investment services and discounts on service charges, effectively lowering the investment threshold. For the fund redemption service via e-payment, and in response to the increasing number of fund transactions for debit and redemption conducted by customers, Yuanta Securities Investment Trust is proactively exploring ways to deliver funds and buy back accounts online. This initiative enables customers to select the accounts for conducting various debit and redemption transactions online, thereby providing them with more diversified and convenient fund trading services.

(4) Business plan for the year

In 2024, the ETF with high dividends showed explosive growth. Looking ahead to 2025, market capital will gradually flow into market-cap-weighted index ETFs. As for the ETF, under the market's expectations regarding the recalibration of Fed policy, it has become the focal point for investors seeking stable interest income. Meanwhile, as the competent authorities have implemented a number of policies and created new business opportunities, Yuanta Securities Investment Trust will carefully evaluate and plan its strategies based on market changes and focus on the following three development strategies to provide investors with more diversified financial instruments :

A. Planning for offering of new funds :

As the leader in Taiwan's ETF market, Yuanta Securities Investment Trust will continue to monitor the investment capital trend and maintain communication and interaction with investors in the market in the future, in

order to help investors in Taiwan build the diversified portfolio that may disperse risks. Further, Yuanta Securities Investment Trust will also carefully evaluate and proactively seize the business opportunities derived from the “Asia Asset Management Center” policy of the FSC that bear Taiwan’s characteristics, including the promotion of the Taiwan Individual Investment and Savings Account (TISA), fund structure REITs, open-ended active ETFs, and passive balanced ETFs. Additionally, we will launch diversified and innovative products based on customer needs in order to assist the asset management market in growing soundly.

B. Promotion of Focus Funds :

(A) Diversified growth of ETF product lines : Yuanta Securities Investment Trust's ETF AUM amounts to approximately NT\$2 trillion. As the only investment trust company with a market share of over 30% in Taiwan, it has the most comprehensive product line among the 17 ETF issuers in the country. In 2025, Yuanta Securities Investment Trust plans to focus on promoting products such as TAIEX, as well as overseas themed-based and bond ETFs. Through customer segmentation management, Yuanta Securities Investment Trust will assist investors in preparing for the products needed at different life stages. For example, Yuanta Securities Investment Trust communicates the importance of asset accumulation to young customers who are accessing the market for the first time. Yuanta Securities Investment Trust works with these customers to help them deposit their first pot of gold, as well as with middle-aged and high-net-worth investor groups to emphasize the significance of asset allocation. In addition to the systematic investment plan, Yuanta Securities Investment Trust also targets overseas themed-based ETFs (aeronautics-defense, AI, 5G, etc.) with high value-added potential and promotes investment opportunities based on the market situation to help customers flexibly allocate their bonds and stocks and proactively build their investment portfolios. It also assists in communicating the importance of controlling fluctuations and managing the pension reserve for retirees. By maintaining the high-interest and low-interest monthly bond ETFs as the core product, it facilitates the adjustment of asset allocation and sound retirement planning.

(B) Balanced allocation against the fluctuation : The series of leading ETFs focus on the leading companies in various industries as the core objects. Yuanta Securities Investment Trust will continue to communicate the excellent quality of leading enterprises that follow the rise and resist the fall, and help investors participate in the stock price growth results of the three major markets including Taiwan, Japan and the USA. Among other things, Yuanta's high-dividend, high-quality leading funds are subject to the mechanisms, namely “monthly distribution” and “year-end distribution.” Investors not only participate

in the capital market's growth, but also expect to build the stable cash flows for dividend distribution. The dividends and capital gains can both be allocated at the same time. The Yuanta Global Leaders Balanced Fund highlights the advantages of stock selection. Yuanta Securities Investment Trust effectively leverages its advantage in the voluntary operation of the Fund and adjusts asset allocation according to economic and industrial trends to optimize risk and return. In addition to concentrating on the Magnificent 7 market, the Fund may provide investors with the opportunity to select individual stocks from other industries, aiming to make the Fund the top performer of its kind during each period. Similarly, the leading Japanese stock market, a core component of the economy, has explosive potential as the economic engine recovers. In addition to attracting international funds to gradually flow in, domestic capital will continue to be deployed under the promotion of the reforms to NISA and TSE, which are favorable for the Japanese stock market to reach a new high point in 2025. The Yuanta Japan Leaders Equity Fund currently offers a variety of topics that can serve as targets for pursuing asset growth potential and long-term deployment.

Further, the bond market is highly associated with the stock market. Yuanta Securities Investment Trust will continue to leverage the value derived from the hedging gains allocation. The Yuanta Global Investors Series Bond Umbrella Fund offers short-, medium-, and long-term bond funds, providing investors with free options to accommodate different risk attributes and needs. The balanced allocation of stocks and bonds helps realize asset preservation and wealth growth. Meanwhile, Yuanta Securities Investment Trust has also established a product line subject to complete tenure and dividend frequency to accommodate the needs of investors for stable interest income.

C. Continue the information security infrastructure and enhancement and upgrade thereof :

In response to the “Financial Industry Implementation of Zero-trust Structure” promulgated by the Financial Supervisory Commission, Yuanta Securities Investment Trust encouraged financial institutions to implement a zero-trust structure in 2024. Yuanta Securities Investment Trust has completed the high-risk field survey, maturity evaluation, and differentiated analysis, as well as the implementation plan for the next three years, together with Deloitte Taiwan in December 2024. It will implement and evaluate the same year by year and adopt the realization schedule for adjustment and enhancement on a rolling basis.

(A) Enhanced monitoring and response

Yuanta Securities Investment Trust has implemented the EDR in 2022. It is expected to implement the NDR in 2025. The combination of EDR and NDR is expected to strengthen the early detection and capture of



abnormal events.

- (B) Continued implementation of personal data inventory-taking software  
Yuanta Securities Investment Trust completed the evaluation, survey, and function testing of the individual data inventory-taking software in 2024. The scenarios include database and file inventory-taking. It will continue to implement the operations of the personal data software function in 2025. The implementation is expected to reduce the current human resources, operational hours, and scope of inventory-taking, while ensuring compliance with the Personal Data Protection Act.
- (C) Breach and Attack Simulation (BAS)  
Yuanta Securities Investment Trust plans to implement the automated BAS in 2025. The BAS is an automated tool that can simulate hackers' attack methods to test the effectiveness of information security monitoring and protection mechanisms. The multi-sided attack can help Yuanta Securities Investment Trust understand the vulnerabilities that might be exploited. After each simulated attack, a report will be generated to identify safety vulnerabilities and possible internal attack routes, helping Yuanta Securities Investment Trust understand information security risks and optimize its current structure.

(5) Industry overview

The US economy continued to grow steadily in 2024. Coupled with the rising topics of AI and encrypted currency, the global stock market performed well. The overall domestic public fund scale reached NT\$12.9 trillion by the end of November, reflecting an increase of NT\$3.7 trillion (a growth rate of 39.5%) from the same period in 2023. Additionally, as the Fed ends its tightening monetary policy and starts to raise interest rates, the stock and bond markets are expected to be flooded with massive capital, which will drive the growth of bonds and the TAIEX ETF. Among other things, the overall bond ETF scale increased by NT\$1.3 trillion to NT\$3.1 trillion, representing a growth rate of 69%. The scale of the TAIEX ETF nearly doubled, reaching NT\$2.6 trillion, due to the emergence of new high-dividend products.

After Trump takes office as the US President, the initial trade war might disrupt the financial market and thereby intensify the overall market volatility. Yuanta Securities Investment Trust will continue to monitor the US Fed's interest rate cut schedule, global political and economic developments, emerging technology trends, and the movements and whereabouts of capital. We will make dynamic adjustments to our product development, marketing, and market education in response to the latest market developments and provide customers with comprehensive asset allocation tools.

(6) Research and development

A. Deepen the sustainable development strategy

(A) Optimization of risk management mechanism

Yuanta Securities Investment Trust has established the "Regulations

Governing ESG and Climate Change Risk Management” to set the management indicators for climate change transformation risks, execute the ESG risk management mechanism, monitor climate change transformation risks, and report these to the Risk Management Committee. Meanwhile, Yuanta Securities Investment Trust also disclosed its climate change risk management mechanism in the sustainable development section of Yuanta Securities Investment Trust's official website to improve the transparency of its sustainable development information disclosure. Looking ahead to 2025, it continues to optimize the ESG and climate change-related risk management mechanisms and also intends to keep pace with the times to control and adjust market risk, operating risk, stress testing, and information source management of the funds to further enhance its risk management system and framework.

- (B) Implement enterprises' engagement at home and abroad proactively  
In 2024, Yuanta Securities Investment Trust conducted engagement with six enterprises, two groups, and five overseas companies in order to create a “three wins” situation for investors, investees, and institutional investors, as well as improving ESG engagement through diverse partnerships. In 2024, Yuanta Securities Investment Trust discussed with ISS, an international voting proxy agency, the project to seek analysis and suggestions on motions to be submitted at ESG-related shareholders' meetings of overseas investees, as a reference for investees to carry out the engagement. Looking ahead to 2025, Yuanta Securities Investment Trust will continue to engage in action, aiming to expand its positive influence effectively.
- (C) Practice low-carbon business management
  - a. Continue to conduct the environmental verification management  
Yuanta Securities Investment Trust continues to apply for ISO system certifications, such as ISO 50001 Energy Management System, ISO 14064-1 Greenhouse Gas Inventory, ISO 14046 Water Footprint Inventory, ISO 45001 Occupational Safety and Health, and ISO 14001 Environmental Management System. The implementation of environmental certification helps improve energy efficiency and reduce greenhouse gas emissions. Yuanta Securities Investment Trust may also assess the effectiveness of its energy conservation and carbon reduction practices in order to mitigate potential risks associated with its operational carbon emissions.
  - b. Procurement of renewable energy  
Yuanta Securities Investment Trust officially introduced renewable energy in 2022 and adopted green power at all of its business locations. It plans to purchase more than 390,000 kWh of green power in 2025, which is equivalent to a reduction of carbon emissions by 192 MT per year. It also sets the renewable energy

consumption goal according to the Group's policy in order to achieve the net-zero carbon emissions goal.

c. Expansion of the green procurement

Yuanta Securities Investment Trust prioritizes green procurement, including the eco-friendly or green energy conservation mark, to expand the scope of green procurement and drive the green consumption trend internally. It also follows the ISO 20400 Sustainable Procurement Guidelines to encourage business partners to pay attention to ESG issues, such as human rights protection, environmental sustainability, and social co-prosperity. Additionally, it informs partners about Yuanta Securities Investment Trust's Integrity Management Guidelines and CSR strategies and practices, in order to establish a sustainable business management and service model.

(D) Disclosure of fund carbon emissions information

In order to understand the impact posed by the investments on climate change, Yuanta Securities Investment Trust follows the PCAF methodology and the TCFD to calculate the carbon emissions and carbon intensity of asset management, in order to evaluate the climate risk management of related investments, and post the related disclosures of inventory results on its official website.

B. Implementation of ETF split and reverse ETF split mechanism :

Yuanta Securities Investment Trust completed the reverse split of Yuanta Daily Taiwan 50 Bear -1X ETF (00632R) in 2024, making it the first split/reverse split ETF in Taiwan. Subsequently, Yuanta Securities will also evaluate and plan for the split and reverse split of its products. It is expected that the continued optimization of product structure will lower the threshold for investor participation, implement inclusive financing, and achieve the goal of product sustainability.

C. Enhanced information security action program :

(A) Deployment of the ZTA

In response to the "Financial Industry Implementation of Zero-trust Structure" promulgated by the Financial Supervisory Commission, Yuanta Securities Investment Trust has gradually implemented the three core mechanisms including identity verification, equipment verification and trust determination, coupled with the refined authority control over the network and resources, in order to better respond to the information security protection needs of post-pandemic era and digital transformation.

(B) Implementation of personal data inventory software

In order to verify the personal data of the inventory equipment, Yuanta Securities Investment Trust implemented the personal data inventory system, which may conduct the personal data inventory based on the

personal data or sensitive files on the storage centers, such as the employees' PCs (including CD, floppy disk and USB), Windows/Unix/Linux server and SAN/NAS, and then compile and provide the results to the inventory center, where it can conduct real-time or offline data analysis and export reports.

D. Enhancement of ETF risk management mechanism :

Yuanta Securities Investment Trust established the ETF stress testing management mechanism and regulations in 2024. It conducts regular reviews to manage the risks associated with the growth in scale of medium and large-size ETFs, while strengthening the risk appetite analysis of new fund issuers to protect investors' rights.

(7) Long and short-term business development plans

A. Short-term business

- (A) Yuanta Securities Investment Trust will optimize its flagship ETF - Yuanta Taiwan Top 50 ETF (0050) to implement the inclusive financing and promote product globalization.

0050 is the first domestic Market-cap-weighted index ETF longest established and with the largest scale. As of the end of 2024, the fund size reached NT\$436 billion, and the rate of return after tax has reached 957% since it was established, with the annualized return about 11.8%. Meanwhile, in order to attract more overseas investors to invest in Taiwan ETFs, Yuanta Securities Investment Trust has assisted in the listing of 0050 DR on the Stock Exchange of Thailand in 2024.

In 2025, Yuanta Securities Investment Trust will continue to uphold its core philosophy prioritizing investors' interests, optimize its expense structure, and strive to provide more cost-effective investment options. Besides, in order to implement the inclusive financing policy, Yuanta Securities Investment Trust will conduct the special evaluation and execute the split of 0050, in order to attract investors to participate in the Taiwan stock market value growth at a more affordable price.

- (B) Continued upgrading of active fund performance

Given the deglobalization caused by the awakening of American national consciousness, the uncertainty about the geopolitics and inflation will be increased significantly. In addition to aiming to outperform the index, the active investment team at Yuanta Securities Investment Trust is also more focused on enhancing fund features and adapting to changes in the market. By analyzing national and industry trends through a top-down research method, the active investment team also adopts a bottom-up research method to carefully select the investment portfolio, ensuring that the investment trend is fully understood and the fund performance is further improved.

The bull positions in the stock market benefit from moderate inflationary pressure and the trend of AI. Notwithstanding, given that

market volatility may intensify due to increased uncertainty in 2025, the active team will keep abreast of market conditions by monitoring changes in international policies and will remain alert, adjusting the investment portfolio flexibly to achieve better investment returns.

B. Long-term and mid-term business development plans :

(A) Sprout the cooperation with the Group's subsidiaries

In order to launch innovative products that meet customer needs and expand AUM, Yuanta Securities Investment Trust, as a subsidiary of Yuanta FHC, serves as the product R&D design center. It will act in response to the Group's business strategy to leverage the operational synergy among its subsidiaries and will continue to collaborate with other subsidiaries of Yuanta FHC, which are also important strategic partners, to market and promote key funds, boost the diversified development of ETF product lines, and expand the Yuanta ETF ecosystem. Yuanta Securities Investment Trust will continue to integrate resources across different fields of expertise in the future, such as business model, talent thinking and customer needs.

(B) Scholarship for Talent Cultivation in Rural Areas

Based on the overall growth development strategy centering on "core-building and growth driven," Yuanta Securities Investment Trust's talent training program aims at cultivating and reserving talents in integrated management, diversified functions and asset management. This year's talent cultivation and development focus on the following three aspects :

a. Valuing talent leadership inheritance and caring employees' career development

Through diverse talent leadership inheritance and training methods, the management talent training will focus on the establishment of future management successor plans and financial reserve cadres, while the professional talent training on diversified functions. In the process of recruiting and developing talents, emphasis will be placed on the foundation and practice of their functions, and more employees' risk ethics awareness and obligation of sustainable development will be imposed.

b. Implement a diversified rotation mechanism to continuously cultivate and recruit professional green and digital financial talents.

In response to the digital banking trend and the implementation of Yuanta Securities Investment Trust's driven growth strategy, the Group encourages cross-industry and cross-disciplinary rotation of internal talents, recruitment of external outstanding talents, and continues to encourage employees to obtain finance and ESG licenses, effectively strengthening the career development of professionals at various job ranks, stimulating the development potentials of employees, and cultivating financial talents with

multiple abilities and achievements.

- c. Continue to expand the scope of industry-academia collaboration and cultivate social asset management talents.

In order to build a diverse source of talents, Yuanta Securities Investment Trust continues to sprout the campus and proactively enter into industry-academia collaborations with key universities to cultivate the young generation's knowledge and experience in the asset management industry while fulfilling its corporate social responsibilities at the same time.

## 5. Yuanta Futures

### (1) Main business services

- A. Futures brokerage services
- B. Futures proprietary trading
- C. Futures consulting services
- D. Futures Settlement and Commissioned Settlement
- E. Concurrent engaging in proprietary trading of securities
- F. Concurrent engaging in securities introducing broker business services
- G. Leverage transaction merchant
- H. Other relevant operations approved by the competent authority

### (2) Revenue breakdown :

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Brokerage revenue	3,251,367	94.62	3,774,411	94.04
Proprietary trading revenue	175,167	5.10	231,377	5.77
Counseling service revenue	9,519	0.28	7,664	0.19
Total	3,436,053	100.00	4,013,452	100.00

### (3) Upcoming financial products and services in development

- A. Continue to optimize the digital platform and process experience :

In order to enhance customers' digital service experience, it continues to optimize online service functions and integrate various platforms. Yuanta Futures also expects to establish a "customer management digital platform" in 2025 to strengthen digital marketing and integrate social platforms, media courses, sales elite sections, and other information in order to provide potential customers with direct interaction with sales, enhance the depth of interactions among digital users, and enable them to experience multi-functional services across different browsers and devices, thereby bringing customers a higher quality service experience.

- B. Optimize the information infrastructure, strengthen information security protection capabilities, and mitigate the operational risks :

In view of the frequent cyber threat incidents and unexpected information-related incidents, Yuanta Futures has proactively expanded its data center. In addition to the existing server rack area, the data center in Banqiao was expanded this year. Meanwhile, the core system offline backup planning and construction were completed to mitigate the operational risks and ensure uninterrupted financial services. Further, in order to strengthen the overall information security protection capability, Yuanta Futures proactively plans to strengthen the information security protection projects and optimize measures, improve the information security system-related operating procedures, and regularly conducts information security preparation and information security incident drills to effectively enhance information security protection strength.

C. Expand leverage transaction business scale :

In 2024, the monthly turnover of leveraged trading business reached NT\$156.4 billion, growing by 0.97% from the previous year. Focusing on the growth potential of the leveraged trading business, Yuanta Futures has completed the official website exclusive to leveraged operations and a brand-new trading platform that complies with laws and regulations. Looking forward to 2025, Yuanta Futures will continue to expand its sales team, develop distribution channels, increase active accounts, and develop CFD trading assistance tools to meet the diverse trading needs of customers while protecting their rights and interests, provided that compliance and strict risk controls are in place. This strategy will help distinguish Yuanta Futures from its peers in the industry and promote leveraged trading of CFDs to consolidate its diversified profit engine.

D. Develop the business in the Asia-Pacific region :

In 2025, Yuanta Futures will proactively prepare for the establishment of Yuanta Global (Singapore). Yuanta Futures will form a local business team, expand futures trading and clearing business opportunities, and leverage resources from Taiwan, Hong Kong, and Singapore to develop potential customers in Southeast Asian countries. Additionally, it will expand the leveraged foreign exchange business and physical delivery service for international bulk commodity futures, and build an international trading platform. The focus will also be on strengthening resource integration and business development synergy across various locations of the Group in the Asia Pacific region, while increasing cooperation opportunities with international institutional investors to maintain overseas brokerage and B2B operations, ultimately enhancing the business landscape in the Asia Pacific region.

(4) Business plans for the year

Yuanta Futures consistently strengthens various business management policies by adhering to the principle of stable operation. In 2024, it continued to strengthen the brokerage channel's business momentum, balance the

development of various domestic businesses, improve software and hardware capabilities and information capacity, and comprehensively optimize the overall operating process to provide customers with the most comprehensive and convenient futures trading experience, thereby increasing the brokerage market share and gross profit margin. In terms of business development, in 2024, the futures brokerage market share reached 22.62%, the options brokerage market share was 18.14%, and the buy brokerage service accounted for 26.47%. As of the end of December, the customer margin accounted for 32.89% of the market share, ranking in 1st place in the market and continuing to grow. The overall business performance led the industry and continued to consolidate the foundation of the futures business. In terms of financial performance, it generated a net profit after tax of NT\$2.167 billion, ranking first among fourteen professional futures houses and achieving a historical record. The with an EPS after tax was NT\$7.47 with a rate of return on equity (ROE) after tax of 14.24%, in 2024, demonstrating its excellent business performance.

Further, in terms of business expansion in the Asia Pacific region, the subsidiary, Yuanta Global (Singapore) Pte. Ltd. has obtained the approval letter from the competent authority in Singapore in October. Currently, it is still being prepared for the commencement of business. In the future, Yuanta Futures will leverage the resources of itself, Hong Kong and Singapore to explore potential customers in Southeast Asia, increase opportunities for cooperation with international institutional investors, create synergies for the group, and aim to become a leading international futures commission merchant.

The business plan to be boosted by Yuanta Futures in 2025 is highlighted as follows :

A. Brokerage services :

Take the brokerage as the core business, and domestically maintenance of leading market shares and increase in gross profit margin shall be the first priority; for the overseas markets, namely the business focus, it is necessary to work closely with overseas exchanges. In the face of cut-throat competition among peers in the same trade, Yuanta Futures will provide customers with “heartwarming and real-time” differentiated services through colleagues at 245 business locations (5 direct-sale branches and 240 futures introducing broker locations) throughout Taiwan. In addition to planning various domestic and overseas marketing activities, Yuanta Futures will also collaborate with the research team at Yuanta Securities Investment Consulting to monitor international news and issues, analyze customer patterns based on big data, and ensure compliance with risk management protocols. Yuanta Futures will emphasize fair dealing policies, anti-fraud measures, and customer care to enhance brokerage services and maintain the quality of fee collection.

B. Wholesale services :

Yuanta Futures will further develop its institutional investor customer base at home and abroad, provide services that meet the needs of



institutional investors, and strive to improve the trading volume of its institutional investor brokerage operations. Through a professional division of labor and in response to market trends, it will combine Yuanta FHC's resources and overseas business development with diversified products and excellent trading systems to create synergy and increase its market share in the institutional investor brokerage sector.

C. Leverage transaction merchant trading system :

Focus on the leveraged traders' growth potential, continue to improve the profitability of Yuanta Futures' leveraged business team, research & develop the leveraged trading aided tools, perfect the experience in trading CDFs, and ensure customers' trading risk control and stability; with the professional service team and excellent digital experience, boost the business development and diversified profitability momentum.

D. Proprietary trading :

The core goal of the proprietary trading team is to improve stable income, and proactively optimize the trading system and strengthen risk control capabilities. Based on the dynamic adjustment trading strategy, Yuanta Futures will promote a globally diversified strategy deployment, develop innovative trading modules, and expand the futures and derivatives business. Meanwhile, Yuanta Futures will continue to recruit outstanding talents and improve organizational performance, integrate information technology resources, build a competitive proprietary trading team, and achieve steady growth and long-term value gains.

E. Investment business :

In order to promote the presence in the Asia region, and in response to the expansion of international business scale aimed at by Yuanta FHC, it develops the overseas business locations of Yuanta Futures as the global product trading platform, improves the B2B operations, continues to cooperate with the overseas subsidiaries of Yuanta Securities to establish the brokerage service order placing channel to help the Group's investees, develop new market futures operations and improve the business diversity.

F. Corporate governance and risk control and compliance :

In view of the rapid change of the financial environment and the increasing complexity of risks, Yuanta Futures will adhere to its management philosophy of stability and strengthen its corporate governance and risk control measures to incorporate compliance and legal compliance into its corporate culture. While adhering to the principles of fairness, honesty, and transparency, Yuanta Futures will combine innovation and professionalism, focus on its core business development, strengthen internal risk control and compliance management efficiency, improve product and service competitiveness, and utilize operating resources to continue to optimize the corporate governance culture, in order to achieve the goal of sustainable operation and stable profitability.

#### G. Sustainable Development :

Yuanta Futures has integrated the concept of sustainability into its overall business policies. In the future, it will continue to monitor international sustainability trends and plan concrete actions. The Board of Directors will also strengthen its supervision of the sustainable development, accelerate the penetration of ESG culture from top to bottom, incorporate the concept of sustainable operation into its overall business policy, and promote the corporate sustainable development in terms of six aspects, namely corporate governance, customer care, employee care, social participation, sustainable finance, and environmental sustainability. Additionally, it aims to enhance the brand value of Yuanta Futures, provide customers with a high-quality financial service experience, and become a model of sustainable operations among domestic futures commission merchants.

#### (5) Industry overview

Recalling 2024, the financial market continues to fluctuate, and the geopolitical shadow is still in place. The events, such as the presidential election in the USA, the shift of various central banks' interest rate decision-making and China government's release of liquidity to save the market, are all affecting the growth of energy, interest rate and economy. The Russia-Ukraine War and Israel-Palestine conflict are still pending. The regional instability has caused significant fluctuations in the energy and raw material prices, thereby resulting in the rising risk aversion. The major nations in the world, such as the USA and European countries, have officially entered the interest rate cut cycle, thereby stimulating the stock market to rise and bringing the funds into emerging markets. Meanwhile, after Trump won the US presidential election, he reshaped the supply chain and international trade landscape and thereby brought more uncertainty to the world and resulted in the increase in hedging and trading demands in the futures market. The turnover of global futures and options hit a new high again in 2024. As of the end of 2024, the turnover has reached 206.8 billion lots, increasing by 50.51% from 137.4 billion lots last year.

In terms of the overview of global futures and options trading, according to the FIA's statistics, the turnover of futures grew by 21.43% from last year, while that of options grew by 96.59% from last year. As far as the product types are concerned, the turnover of stocks and ETFs accounted for the largest proportion, i.e. 89.08%, with a YoY of 96.85%, followed by the energy, metal, interest rate and agricultural products, accounting for 51.38%, 49.90%, 36.81% and 17.03%. The turnover of foreign exchange and other product contracts declined from the same period of last year. In conclusion, the world is facing a variety of dynamics and challenges in 2024, and the demand for financial derivatives has increased significantly. Meanwhile, it is gradually concentrated on stocks and index products, reflecting that investors' preferences are changing.

Domestically, in 2024, as the capital market was booming in Taiwan, TAIEX hit a new record, and so did the total trading volume of TAIEX. The

total trading volume of TAIFEX amounted to 395 million lots, surpassing 300 million lots for five consecutive years and growing by 21.53% from 325 million lots last year. On July 29, 2024, TMF was officially listed in accordance with market development trends. As a result, the domestic futures trading volume grew by 36.17%, while options grew by 9.77%, demonstrating that Taiwan's futures market was full of momentum, with night trading accounting for more than 30%. After TSMC futures were included in night trading in January 2024, Taiwanese traders became further connected to the international market, and their participation in night trading became more active. The hot trading products in 2024 were concentrated on WMT, TMF, stock futures and TXO, with TX plus WMT accounting for 45.28% and stock futures for 33.79% of the total traded (individual stock futures+ETF futures). Futures have increased in popularity, with a growth of 30.48% compared to last year, due to the rising TAIEX index. Driven by the TMF, the turnover of WMT grew by 28.54%. Both are potential future products of the futures market. Meanwhile, this year, TAIFEX has listed MIF and additional ETF futures for night trading to provide traders with a variety of product choices. In 2025, it is expected that more individual stock futures will be included in night trading, and the traders' risk detection platform will be optimized, hoping to increase the trading flexibility of TAIFEX and assist traders in implementing adequate risk controls to improve the efficiency of capital utilization.

(6) Research and development

A. After completing the optimization and upgrade of the core account system and hardware in 2021, the Information Department will continue the conversion of settlement and proprietary trading systems in 2025 and complete various front-office trading and back-office accounting systems in response to the launch of new instruments and systems by TAIFEX, in order to develop an account risk information inquiry service for night trading. Meanwhile, in order to ensure uninterrupted operations and provide traders with a faster trading environment, Yuanta Futures expanded its IT data centers proactively in 2024. Therefore, the expansion of the data center in Banqiao and the construction of a remote control room were completed.

In terms of the information security, to protect customers' security in the trading environment, it continued to strengthen the SIEM, optimized the EDR, and identified, tracked, and patched security vulnerabilities through the implementation of an open-source software system and the automation of security testing management to improve the safety and quality of the corporate application system. In 2025, it will continue to conduct ISO 27001 certification, information security health examinations, and risk assessments, while improving its overall information security defense capabilities in response to the "zero-trust structure" promoted by Yuanta FHC, to protect both itself and its customer information assets from network threats and information security vulnerabilities.

B. The Digital Banking Department provides customers with more

comprehensive online services proactively. In 2025, it will continue to converge and optimize the platform functions, as well as promoting the “tablet account opening project” to enhance customers’ efficiency in account opening, in order to improve their online service experience and optimize internal operating procedures. Additionally, “RPA procedure automation” and digital warehousing will help improve overall operating efficiency. Meanwhile, in 2024, in response to the cross-subsidiary FIDO and data sharing promoted by Yuanta Group, futures could provide safer and more convenient identity verification, effectively streamlining the account opening process and improving account opening efficiency. In the future, it will continue to enhance digital financial services by utilizing FinTech, big data analysis, and AI for customer segmentation and precision marketing to improve customer satisfaction.

- C. Yuanta Futures has implemented the TIPS since 2021. In 2024, it has received TIPS A certification from the Institute for Information Industry for four consecutive years. It continued to review and implement the TIPS to enable the employees to unleash the momentum of innovation under a sound system and create intellectual property business opportunities and value.
  - D. In order to protect customer data safety and privacy, Yuanta Futures has implemented the protection mechanism in terms of the three major aspects, including the information system, management system and education & training. Since 2021, it has continued to implement the BS 10012 PIMS international standard certification each year, in order to protect customers’ interests and rights sufficient by establishing comprehensive personal data protection measures.
- (7) Long and short-term business development plans
- A. Short-term business development plans :
    - (A) Focus on core brokerage services, accelerate the development of customers, and increase market share to drive growth : Solid development of niche support, continuous improvement of financial physique, and creation of the strongest order-taking capabilities in the industry; investment in information infrastructure to establish a moat hard to break; consolidation of the core brokerage services and IB channels; implementation of customer relationship management and segmentation management; active improvement of the market share of corporate business and creation of growth for the volume sales; improvement of the awareness of industrial risks and compliance; implementation of risk management and fair dealing policy to consolidate market share and expand the business scale.
    - (B) Here’s a proofread version of your sentence : Expand operations in the Pacific Asia region and simultaneously develop the Group’s overseas layout : Yuanta Futures is proactively expanding its international business, aiming to become a major futures commission

merchant in Asia, build a cross-border trading platform, and strengthen the synergy of the Yuanta Group's overseas operations. In 2024, the subsidiary, Yuanta International (Singapore) Pte. Ltd., has obtained the approval letter from the competent authority in Singapore. Currently, Yuanta Futures is still preparing for the work related to its subsidiary in Singapore. In the future, Yuanta Futures will combine resources from its headquarters, Hong Kong, and Singapore to explore potential customers in Southeast Asia and expand its overseas profit engine.

- (C) Improve digital financial services and optimize customer's trading experience : optimize the mobile trading APP platform's functions, integrate the resources of futures research reports, and provide customers with more complete services; and construct the big data analysis platform to manage customers by group and engage in the precision marketing based on the business strategies driven by the digital analysis, in order to build a trading platform that focuses on satisfying customers' needs.
  - (D) Focus on the leveraged business opportunities and construct the new century trading system : Improve the momentum of the leveraged business team, and promote diversified CFD products to expand the breadth and depth of the customer base; plan to build a professional trading platform at the same time to satisfy traders' demand for flexible operation and hedging, in order to create diversified sources of income; continue to work with various colleges and universities to help it develop potential young customers through simulated trading competitions and seminars.
  - (E) Solidify the proprietary trading performance for the layout based on the strategy of diversification : aim to seek stable profit, enhance the spot futures strategic allocation and exposure level controls, and expand the fixed income to increase sources of income and optimize the entire proprietary trading performance.
  - (F) Implement sustainable development and seize green finance opportunities : Yuanta Futures has incorporated the concept of sustainable development into its business strategies, and has adopted corporate governance and legal compliance, risk management and customer care, fair dealing and friendly service as the foundation of its business activities. It will comprehensively promote green operations and sustainable products, accelerate the digital transformation project, and seize the green finance business opportunities, in order to create the maximum value for employees, customers and shareholders.
- B. Long-term business development plans :
- (A) Transform and upgrade channels to increase diversified income :  
The brokerage service team focuses on enhancing organizational quality and builds a team dedicated to integrating channels through new

products, innovative ideas, and new models. They make every effort to achieve innovation and optimization via new platforms and inter-departmental marketing.

- (B) Develop the international market to join international securities houses : Develop customers for overseas locations actively in response to the international layout by Yuanta FHC to practice consolidated effects. Cultivate Yuanta Futures' overseas locations as the global commodity trading platform to build the complete futures product lines.
- (C) Enhance risk controls and guard customers' assets : Utilize the risk management technologies and expertise accumulated by Yuanta Futures in R&D of FinTech products and services, and combine resources intensively to develop new business lines actively.
- (D) Protect shareholders' equity and pursue ESG development : Uphold the highest ethical management principle and use the best to protect shareholders' equity. Integrate social responsibility into Yuanta Futures's business purposes and service management model, and promote ESG practices and goals through corporate governance, fair dealing, green finance, social participation, and a healthy workplace.

6. Yuanta Venture Capital

(1) Main business services

- A. Provide capital to invested enterprises
- B. Provide corporate operation, management, and consulting services to investee enterprises
- C. Commissioned consultation on business administration
- D. Other relevant operations approved by the competent authority

(2) Revenue breakdown

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Equity in investee income recognized under the equity method	122,740	25.72	444,662	55.34
Net gain or loss on financial assets at fair value through profit or loss	324,969	68.11	324,917	40.44
Dividends revenue	29,455	6.17	33,940	4.22
Total	477,164	100.00	803,519	100.00

(3) Business plans for the year

- A. Achieve the annual budget objective :

Yuanta Venture Capital has successively disposed of the investees of Yuanta Venture Capital and Yuanta I Venture Capital in 2024 to achieve the objective of budget.

- B. Weigh core business and growing business equivalently :

Subject to the conditions, such as markets and industries for the target portfolio, Yuanta Venture Capital's investment business may be divided into two types, namely "Core Business" and "Growing Business." The "Core Business" primarily aims at the industries known better by the investment, or more matured markets, with low risk but stable income. The "Growing Business" aims at pre-matured markets, with higher investment risk but a good chance to seek better returns.

In 2025, the factors of the Russia-Ukraine War, the Middle East conflict, and US trade tariff protectionism continued to affect the global economy, causing economic growth to become sluggish and introducing multiple uncertainties regarding changes in markets and industries. Yuanta Venture Capital's investment strategies in 2025 will continue to solidify the "Core Business" and increase the proportion of the "Growing Business;". Nevertheless, it will select an investment portfolio focused on leading technologies that are certified as a top priority while also selecting investments cautiously to balance risks and returns. The investment strategies are stated as follows :

Investment strategy	Selection strategy	Selected industry	2025 Percentage (%)	2026 Percentage (%)	2027 Percentage (%)
Core business (Existing technology / matured market)	<ol style="list-style-type: none"> <li>1. Lower P/E ratio</li> <li>2. Reasonable dividend yield</li> <li>3. High liquidity (in the case of open trading market)</li> <li>4. Familiar with Yuanta Venture Capital /team</li> </ol>	<u>Internal</u> For example, traditional manufacturing industry, automotive industry, chain store industry (e.g. catering, pharmacy and store), and chemical engineering industry. <u>Overseas</u> For example, traditional industries : light assets manufacturing, and agricultural technology. Domestic demand : chain restaurant, consumer goods, recreational industry	60%	55%	50%
Growing business (Existing technology / pre-matured market)	<ol style="list-style-type: none"> <li>1. Leader in the field or scale of the technology</li> <li>2. Products or services have already been authenticated by the market.</li> <li>3. Lower risk</li> </ol>	For example, electronics and information industry, IC design, AR/VR, FINTECH, e-commerce, AI and big data, Internet of Vehicles, smart factory, smart home, high-end medical materials, medical services, advanced materials, 5G communication, biotechnology and medical care, ESG, and supply chain related to advanced manufacturing processes	40%	45%	50%

C. In line with the major changes in the industry, take the local business opportunities :

The overall global economic environment in 2025 is still fraught with multiple uncertainties, such as the enforcement of tariff policies by the new US president, various countries' monetary policies, geopolitical conflicts,



and the challenges facing China's market economic recovery. Therefore, Yuanta Venture Capital Co., Ltd. will act more cautiously in assessing overseas investment projects. Particularly, the information about Mainland China is not transparent; it is necessary to remain alert in response to the huge crisis, and assessments should be conducted more conservatively. The ecological chain in the semiconductor industry is considered complete in Taiwan. The business opportunities for Silicon Shield have moved from Taiwan to overseas. The emerging technology applications, including high-performance computing, artificial intelligence, and automotive electronics, continue to develop. In the post-pandemic era, medical biotechnology and smart medical care have become increasingly valued. Under 5G, self-driving cars, and IoT trends, Taiwan's information and communication industry has secured a prominent position in the world and is expected to focus on investment opportunities in Taiwan. Based on the cautious assessment result on regional risks and investment conditions, it is planning the following investment areas to be targeted within next three years :

Scope		2025(F) (Add)	2026(F) (Add)	2027(F) (Add)
Internal	Taiwan	90%	83%	83%
Oversea	Mainland China	0%	0%	0%
	Korea	0%	8.5%	7%
	South East Asia / others	10%	8.5%	10%
Total		100%	100%	100%
Projected total investment amount		NT\$300 million	NT\$350 million	NT\$400 million

#### (4) Industry overview

According to the 2021 questionnaire survey performed by Taiwan Venture Capital Association on the venture capitals in 2022, the overview of venture capital market in Taiwan is discussed in terms of domestic venture capital's financing status, investment status, invested industry, investment stages and invested territories :

##### A. Financing Status :

In terms of the venture capital financing status, 33 new venture capital firms were founded in 2024, with a total capital amounting to NT\$12.866 billion. The number of new venture capitals increased by 6, from 27 in 2021, and the total capital also increased by NT\$1.752 billion, from NT\$11.114 billion in 2021.

##### B. Investment status :

In terms of investment status, there were a total of 444 investment projects by venture capital in Taiwan in 2021, increasing by 84 cases from 415 cases in the previous year (2020). The total investment capital was NT\$24.862 billion in 2021, increasing by NT\$12.389 billion from the total investment capital, NT\$12.473 billion, in the previous year (2020). As a

whole, the number of investment projects and total investment capital in 2021 both increased from 2020.

C. Invested industry :

In 2021, Taiwan's venture capital investment amount was NT\$8.991 billion in green energy and environmental protection, NT\$3.995 billion in electronics, NT\$2.995 billion in information technology, NT\$2.618 billion in biotechnology (including new drugs and medical materials), NT\$2.114 billion in service industry, NT\$2.071 billion in manufacturing industry, NT\$620 million in other industries, NT\$441 million in national defense and aerospace industry, NT\$423 million in venture capital industry, NT\$392 million in optoelectronic industry, NT\$118 million in cultural and creative industry, NT\$61 million in communications industry, NT\$19 million in precision agriculture (including smart agriculture), and NT\$4 million in tourism industry.

A comparison of the increase or decrease in the amount of investment between 2021 and 2020 is as follows : Compared to 2020, the green energy and environmental protection industry increased the most by NT\$7.876 billion (NT\$1.115 billion in 2020), followed by the electronics industry, which increased by NT\$2.083 billion (NT\$1.912 billion in 2020), the information technology, which increased by NT\$1.162 billion (NT\$1.833 billion in 2020), the service industry, which increased by NT\$1.004 billion (NT\$1.11 billion in 2020), the national defense/aviation industry, which increased by NT\$353 million (NT\$88 million in 2020), other industries, which increased by NT\$238 million (NT\$382 million in 2020), the optoelectronic industry, which increased by NT\$144 million (NT\$248 million in 2020), the manufacturing industry, which increased by NT\$97 million (NT\$1.974 billion in 2020), and the capital venture industry, which increased by NT\$91 million (NT\$332 million in 2020); the biotechnology industry (including new drugs and medical materials), which decreased the most by NT\$310 million (NT\$2.928 billion in 2020), followed by the communications industry, which decreased by NT\$175 million (NT\$236 million in 2020), the cultural and creative industry, which decreased by NT\$89 million (NT\$207 million in 2020), the precision agriculture (including smart agriculture), which decreased by NT\$42 million (NT\$61 million in 2020), and the tourism industry, which decreased by NT\$38 million (NT\$42 million in 2020).

D. Investment stage :

In terms of the number of cases at various investment stages, in 2021, the proportion of investment by the venture capital business in Taiwan at the following various stages is stated as follows : 214 cases during the expansion stage (48.20%), 112 cases during the maturity stage (25.23%), 79 cases during the foundation stage (17.79%), and 39 cases during the seed stage (8.78%). The proportion of investment amount at the following various stages is stated as follows : NT\$16.857 billion during the

expansion stage (67.80%), NT\$3.992 billion during the maturity stage (16.06%), NT\$3.463 billion during the foundation stage (13.93%), and NT\$551 million during the seed stage (2.22%), but no investment was made in the reorganization stage. In the past years, the proportion of investment by domestic venture capital business at the earlier stages (Seed and Foundation) was about 30%. Such consequence shall result from the government's policy dedicated to promoting the industrial innovation and creativity that caused massive emerging businesses or startups to be founded and become the focus of the venture capitals. In 2021, the domestic venture capitals' investments were centralized in the middle and late stages. The total number of projects or total investment capital would attain 70% or more at the same stages.

E. Invested territories :

According to the statistics, among the investment behaviors by region in 2021, domestic investment was still the largest, and the proportion of cases was 77.25%, increasing by 5.62% from 71.63% in 2020. The distribution of the number of investment outside the domestic region is as follows : Others in the US and the Americas 8.11%, an increase by 2.57% from 5.54% in 2020; Asia 6.98%, an increase by 0.96% from 6.02% in 2020; the US Silicon Valley region 2.25%, an increase by 0.80% from 1.45% in 2020; other regions (such as the Middle East and Africa) 3.60%, a decrease by 3.39% from 6.99% in 2020; and Europe 1.80%, an increase by 0.84% from 0.96% in 2020.

(5) Research and development

A. Actively seek out and identify quality investment targets :

Yuanta Venture Capital will focus on the investment portfolio in the territories of Taiwan primarily, followed the semiconductor, biotech, smart healthcare, high-performance computing, AI and information and communications industries, control the business opportunities arising locally, and develop overseas markets secondarily.

B. Strengthen employee training :

Yuanta Venture Capital will improve employee training and continue to refine its operational competence.

(6) Long and short-term business development plans

Yuanta Venture Capital's short-term business development plans consist of the following : A. Review the investment portfolio, control risks, and upgrade profitability; B. Deploy mid-term and long-term investment projects; C. Focus on the investment in industries that are likely to be booming in the future, including IC design, information & communications, high-performance computing, AI and smart healthcare. Permanently, Yuanta Venture Capital will work hard to upgrade profit and achieve the objective for ROE more than 14.73%.

## 7. Yuanta Asset Management

### (1) Main business services

- A. Acquisition and disposition of secured NPL by financial institutions
- B. Acquisition and disposition of non-secured NPL by financial institutions
- C. Succession to and auction of real property
- D. Urban renewal and dangerous old services
- E. Other relevant operations approved by the competent authority

### (2) Revenue breakdown :

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Disposition of NPL	305,189	73.27	391,145	67.11
Disposition and lease of real property	36,547	8.78	189,050	32.43
Real estate management and maintenance	74,770	17.95	0	0.00
Urban renewal and dangerous old services	0	0.00	2,667	0.46
Total	416,506	100.00	582,862	100.00

### (3) New financial products and services in development

Considering that the competent authority has approved and adjusted some business lines that may be undertaken under the amendments to the “Operation Principles of Investment in AMC by Financial Holding Companies and Banks” approved by the competent authority in 2023, Yuanta Asset Management has started to research the relevant operating model. For the time being, it still focuses on the acquisition, integration and de-stocking of urban renewal, reconstruction, creditor’s right and right in rem :

#### A. Urban renewal and reconstruction cases :

In order to promote the reuse of old buildings, revive urban functions, improve urban landscapes, and provide a high-quality and safe living environment, Yuanta Asset Management will develop urban renewal and reconstruction projects proactively, and provide owners with the full urban renewal and reconstruction professional services to inject capital into the operating revenue of Yuanta Asset Management.

#### B. Acquisition and integration of creditor’s rights :

With Yuanta Asset Management’s professional core competency, it will primarily proceed with the integration relying on the completeness of debt and single large debt to create the potential value of integration of credit and debit. For NPL management practical operations, debtors are frequently troubled and restricted by tremendous and complicated debts. If Yuanta Asset Management will, with its expertise and practical attitude, move in

the direction of debt integration, under well-founded plan, professional negotiation, and sufficient funding.

C. Acquisition and integration of right of things :

Yuanta Asset Management will start from the integration of creditors' rights secured by real estate valuable for development and make improvements on real estate where appropriate to create gains. Most of the collaterals required by financial organizations refer to real estate. However, it is frequently impossible to dispose of the same amicably subject to different banks or creditors and, therefore, the potential value cannot be exerted or the realized price depreciates drastically. Therefore, if by integrating creditor's rights and then integrating real estate, added value of the real property will be increased accordingly.

(4) Business plans for the year

A. Urban renewal, reconstruction, creditor's right and right in rem business activity plan :

(A) Selected Urban Renewal and Reconstruction Cases

In accordance with the (AMC) operating principles and the amendments and relaxations, diversified urban renewal and reconstruction cases are implemented and promoted, in order to achieve the goal of business diversity. Meanwhile, it selects and evaluates the urban renewal or reconstruction projects in the market with good redevelopment benefits and the owners' high willingness to reconstruct or rebuild, in order to provide professional redevelopment services and create the highest value for the owners.

(B) Sprout and de-stock secured cases

Improve the existing traditional method, and flexibly utilize diversified approaches to seek income, and seek the most advantageous models after reviewing each case carefully. By means of court auction, sale of creditor's rights, bid and debt clearance negotiation.

(C) Fulfill the management of unsecured cases

Given the shrinkage of NPL market and restrictions imposed by the competent authority on NPL, there is almost no new NPL bids offered in the market now. Therefore, Yuanta Asset Management will streamline and flexibly allocate the collection personnel and aim to achieve the all hands on deck to improve the collection strength and raise the recovered amount. Yuanta Asset Management also provides preferential treatment and implements social welfare for the disadvantaged groups, such as the elderly and disabled people, in order to achieve the annual goals. Operate in coordination with objective management, warehousing management, performance management, and audit operation.

(D) Bidding and disposition of real estate

Yuanta Asset Management will select the projects likely to derive

remarkable rate of return and added value subject to the real estate market condition, product types and regional difference for evaluation, and take part in the bidding for real property in the auction market in a timely manner. Yuanta Asset Management will evaluate any marketing projects subject to the target price and profitability of the object.

B. Urban renewal and dangerous old cases :

Amend the extend part in accordance with the AMC operating principles, select and evaluate the urban renewal or reconstruction projects in the market with good redevelopment benefits and the owners' high willingness to reconstruct or rebuild, and report the urban renewal and reconstruction cases which may be attended in a timely manner.

C. Diversified business models :

Yuanta Asset Management's plan will be oriented toward multiple developments, transform the traditional one internally and turn to the model of diversified income. Externally, it will contact the competent authority voluntarily, strive to offer domestic and foreign asset management services and research the operating model for new business lines.

(5) Industry overview

Due to the fact that the competent authority requires various banks that unless in the case of NPL more than 3%, sale of NPL will be forbidden, AMC will reduce the sources of acquisition of NPL sharply and the room for profitability will be reduced accordingly. Given this, the competent authority has approved the amendments to allow the business lines related to urban renewal and reconstruction under the AMC operating principles on October 5, 2023. This should be helpful for the promotion of the urban renewal and reconstruction business line of AMC.

For the time being, the domestic leading AMCs are primarily engaged in the bidding for real property in the auction market as one of their business lines. To deal with the sharp shrinkage of NPL release in the financial market, AMCs will tend to develop business in a diversified manner to seek profit in the future.

(6) Research and development

A. Research and evaluation on urban renewal and reconstruction cases :

Yuanta Asset Management will expand the urban renewal and reconstruction cases proactively. In addition to promoting the progress of contracted projects, it will also update the urban renewal case database to promote business development by group, evaluate the data management and sharing, and submit proposals and briefs to enhance the recognition from high-quality customers to expand the management business based on the spillover effects. Furthermore, it will research and develop related measures for injecting funds from the urban renewal and reconstruction cases, purchase of real estate, and advanced payment, in order to increase the mid-term and long-term income of Yuanta Asset Management.

B. Research and evaluation of bidding for real estate :

Yuanta Asset Management shall participate in the bid for court-auctioned properties and acquire collateral secured under NPLs and real property auctioned by governmental entities in a timely manner, subject to the real property market trend. It bids for investment-linked real property with investment potential, and also enhances the activation and disposal of real estate to increase operating revenue.

C. Debt and collateral consolidation :

Yuanta Asset Management will start from the integration of creditors' rights. It will expand into the improvement of right of thing and create potential value for creditors' rights and property rights so as to generate the best possible profits for the group.

D. Future plans :

Yuanta Asset Management will continue developing bids for court-auctioned properties, public tender invited by government entities, urban renewal cases (including reconstruction cases) and NPL market, keep in touch and communicate with the competent authority fairly, and research any potential products and services as a part of Yuanta Asset Management's long-term and mid-term business development.

For the time being, Yuanta Asset Management is researching extension of peripheral business based on urban renewal and reconstruction, NPL, real estate capital gains and rents, enhanced disposal of real estate, court-auctioned real properties and public tender invited by government entities, in hopes of enhancing the drive for new products and services with its existing experience, technology and human resource and by integrating the Group's abundant resources.

(7) Long and short-term business development plans

A. Short-term business development plans :

- (A) Achieve the annual financial budget objective.
- (B) Selected Urban Renewal and Reconstruction Cases.
- (C) Deepen disposition of existing assets.
- (D) Fulfill management of NPLs.
- (E) Lean assessment on auctioned real property.

B. Long-term business development plans :

- (A) Development and promotion of urban renewal and reconstruction cases  
Yuanta Asset Management will develop urban renewal and reconstruction cases proactively. It will update the urban renewal and reconstruction case database and submit proposals and briefs to expand high-quality customer bases, so that it may better understand their needs and provide professional service solutions. Meanwhile, it will improve the experience and ability in developing urban renewal and reconstruction cases, thereby helpful to inject funds from the urban renewal and reconstruction cases, purchase real estate and provide advanced payment services in the future.

- (B) Support the financial holding group's need, provide the assessment on real estate and select the best assessment report on real estate :

Yuanta Asset Management has engaged in processing secured NPLs primarily. Therefore, it is very experienced concerning assessment of real estate collateral and disposal of the collateral. With its experience in real estate, it expects to provide various subsidiaries of Yuanta FHC with a consultation platform for bidding, assessment and planning of real estate and activation and management of property, and then participate in development, improvement and addition of value of real estate together.

- (C) Communicate with the competent authority to develop new business lines

In the future, Yuanta Asset Management will continue to communicate with the competent authority to seek the new business lines, which meet AMC, so as to enable Yuanta Asset Management to manage more diversified business lines.

- (D) Be in line with the Group's entire planning and help participation in new business lines

In recent years, various financial organizations have been in line with the government's financial liberalized and internationalized policies and promotion of urban renewal, and have provided assistance to meet the need for overseas development. Yuanta Asset Management will also be in line with the Group's internal business planning, help the Group with development of new business lines overseas, innovation and sale of financial instruments, and verification of the supervision highlights, related laws & regulations and risk control of the supervision authorities in various countries, in order to upgrade Yuanta FHC' competitiveness overseas.

## 8. Yuanta Securities Investment Consulting

### (1) Main business services

- A. Securities investment consulting services
- B. Futures consulting services
- C. Other relevant operations approved by the competent authority

### (2) Revenue breakdown :

Unit : NT\$1,000; %

Item \ Year	2023		2024	
	Operating revenue	Percentage (%)	Operating revenue	Percentage (%)
Consulting fees revenues	242,026	100.00	268,407	100.00
Periodical revenue	3	0.00	0	0.00
Total	242,029	100.00	268,407	100.00

### (3) New financial products and services in development



In response to customer needs, Yuanta Securities Investment Consulting has expanded its securities consulting services to various trading markets globally and continued to improve the content of its research reports, providing a variety of required customer services. As part of its financial development and business diversification strategies, it has also established a futures consulting business from December 16, 2024, in order to provide more comprehensive services to customers.

(4) Business plans for the year

A. Provide in-depth and well-written securities research and analysis reports in both Chinese and English :

Yuanta Securities Investment Consulting continues to provide customers with consulting services for securities traded on the Tokyo Stock Exchange, Nagoya Stock Exchange, Hong Kong Stock Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, New York Stock Exchange, NASDAQ Stock Exchange, and NYSE Euronext. It also offers customized services, adopting AI to improve research and analysis efficiency, and applies an ESG-backed analysis system, including Chinese and English versions of reports on domestic TWSE/TPEX-listed companies and targets traded in overseas securities markets, ETF, industry & topical, overseas stock review, and macroeconomic reports, providing our customers with a comprehensive range of information. In addition, it publishes analysis reports on specific major global events, providing a prompt service to both domestic and international customers.

Meanwhile, Yuanta Securities Investment Consulting has also built an asset allocation model to meet demand from various clients, such as helping financial institution clients to improve financing quality of their core businesses when it comes to business expansion, as part of our comprehensive client services.

B. Development of a futures consulting service

Yuanta Securities Investment Consulting has also begun to provide futures consulting as one of its services, providing customers with consulting reports on domestic and international futures markets, including pre-market and post-market analysis of the Taiwan Index Futures (in Chinese), Metals Daily, Daily Futures Commentary, China and Hong Kong Futures Daily Flash, as well as ad hoc special reports and news updates, in order to deliver the most up-to-date information and complete research for customers.

C. Continue to strengthen services and communications with customers :

Arrange interactions with customers through the organization of speeches, educational training, or live streams from time -to-time, and also continue to strengthen services and communications. Also, provide meetings for high-net-worth investors or high-turnover customers as needed, and offer related information in response to demand for customization.

D. Youtube channel program “Yuanta Investment Frontline” :

In response to FinTech innovation, Yuanta Securities Investment Consulting has self-produced the “Yuanta Investment Frontline” program on the video streaming platform to provide diversified economic and teaching units. By offering daily market analysis as well as inviting on experts from authoritative agencies and financial celebrities, combined with professional analysis, graphics, and interpretations ranging from simple to advanced, the program enhances investors’ understanding of market trends and various financial investment products, and promotes inclusive financial services. This, in turn, improves investors’ risk management awareness and wealth management planning ability.

E. Continuing to optimize the online signing of consulting service agreements : In response to the trend of e-commerce development, Yuanta Securities Investment Consulting has permitted customers to enter signatures online, in addition to executing instruments in writing, upon the approval of the FSC. It will also continue to optimize the signing procedure to provide customers with faster and more convenient options.

(5) Industry overview

The Securities Investment Trust & Consulting Association of the R.O.C. has a total of 88 members registered as of the end of 2025. Among them, 77 members were from the investment trust industry, trust industry, securities firms, and futures securities concurrently engaged in securities investment consulting business. Categorized by operation, there were 14 investment consulting enterprises engaged in the general agency of offshore funds, and 20 investment consulting enterprises engaged in discretionary investment business.

The Chinese National Futures Association has a total of 34 futures consulting members registered as of the end of 2024.

(6) Research and development

A. Research team :

Yuanta Securities Investment Consulting is staffed with teams of researchers experienced in the analysis of macroeconomics, industries, individual stocks and futures. Apart from continuing to pass on skills to assistant researchers, it also strengthens the competencies of the entire research team and proactively supports the Group’s related businesses to expand securities investment consulting and futures consulting services.

B. Digital services :

Following the mobile communication, big data and cloud technology trends, in order to increase convenience and satisfy diversified consumer needs, Yuanta Securities Investment Consulting will continue to provide real-time, diverse, and up-to-date market information along with theme-based investment portfolios via mobile communication software.

(7) Long and short-term business development plans

In order to support the Group's FinTech transformation endeavors, Yuanta Securities Investment Consulting will implement the following development plans :

- A. Continue to digitalize existing operations to improve the efficiency of services provided for domestic & overseas clients.
- B. Provide a research report database to help clients better understand our content and to make research reports more accessible.
- C. The video streaming platform channel show "Yuanta Investment Frontline" provides a variety of financial information to help investors stay on top of market trends and understand various financial investment products, in order to promote financial inclusion.
- D. Continue to integrate ESG into corporate culture and operational strategies.

Looking forward into 2025, Yuanta Securities Investment Consulting will continue to develop FinTech, and will provide customers with a full range of services after the addition of futures investment consulting services. With respect to macroeconomic themes, industrial trends, research reports for TWSE/TPEX-listed companies, futures market analysis, and professional educational training programs, it will uphold the utmost standards of professionalism and diligence to offer real-time market information and sound evaluation services for customers, in order to maximize client value and satisfaction. Meanwhile, in addition to the Group's existing clientele, Yuanta Securities Investment Consulting will also strive to cooperate with other corporations, subject to business development, in order to expand the reach of its services, enhance the quality of client services, and orient itself toward an increasingly diversified client base, so as to be the first choice securities investment consulting company for domestic and international investment institutions.

## II. Cross-Selling and Joint Marketing

The subsidiaries of Yuanta FHC include Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Futures, Yuanta Securities Investment Trust, Yuanta Securities Investment Consulting, Yuanta Venture Capital, and Yuanta Asset Management, etc. Since November 2019, the subsidiary, Yuanta Bank, has set up banking counters in the business places of Yuanta Securities' subsidiaries to provide the service for opening an account in NTD (including conversion of digital securities accounts into the general securities deposit accounts). As of the end of 2024, it has set up the joint marketing and account opening services on behalf of banks at 146 subsidiaries and Brokerage Department of Yuanta Securities. Since October 2022, the subsidiary Yuanta Securities has offered joint marketing and account opening services for securities brokerage operations, including overseas sub-brokerage operations, at Yuanta Bank's branch locations. Until the end of 2024 it has set up the joint marketing and account opening services on behalf of banks in 148 branches of Yuanta Bank. The cross-selling via the Group's own marketing channels accounted for 63.8% of Yuanta Life's First year premium of 2024.

Since Yuanta FHC was incorporated, it has kept sprouting the development of Taiwan and expanding overseas, hoping to become the "Best Financial Services Provider in the Asia Pacific Region." By integration of the Group's resources, it provided complete cross-industry and cross-border financial services, satisfied customers' needs for comprehensive financial services, such as wealth management, and practiced "living locally and managing wealth globally."

## III. Market and Business Overview

### (I) Territories where the main products (services) of financial market are sold (provided)

Main products (services) of financial market	Territories
Banking services	Taiwan, Hong Kong, Korea, Philippines
Securities services	Taiwan, Hong Kong, Korea, Thailand, Vietnam, Indonesia, Cambodia, Singapore
Securities finance services	Taiwan
Futures services	Taiwan, Hong Kong, Singapore
Investment trust business	Taiwan
Life insurance business	Taiwan

### (II) Future supply & demand in the market

Looking forward to 2025, although the global economy is expected to maintain a moderate growth pace, the current US President's economic and trade policies are highly uncertain and thereby lead to uncertainties in the countermeasures of various countries. Meanwhile, the geopolitical risks still exist. The US-China relations are unclear. And, given the unfavorable factors, including China's economic recession, the risk of economic downturn has increased.

For the securities industry, the varying pace and magnitude of national monetary policies, the impact of US economic and trade policies that have introduced uncertainties

to the outlook of various countries' economies, the slow recovery of China's economy, and other factors might lead to increased volatility in the global financial market and affect the performance of Taiwan's stock market. The service providers must utilize their strengths in the capital market and launch differentiated wealth management products and services to seize opportunities for wealth management transformation, as well as for high-net-worth customers and institutional investor services.

For the banking industry, while interest rate cuts will help stimulate demand for lending, they may depress net interest income performance if the banking industry continues to face high funding costs due to tight liquidity in the market. Besides, it is still necessary to note the quality of loans to SMEs and overseas loan. The service providers shall deal with the situation with stable capital structure and careful post-loan management policies to mitigate potential bad debt losses. For the non-interest revenue, in consideration of the emerging corruption by sales representatives dedicated to wealth management and deposits and remittance services in recent years, the competent authority has strengthened its supervision on wealth management products and sales. The banks shall take response measures at the same time when they are developing business, in order to mitigate the adverse effect posed to their operations therefor.

In the life insurance industry, the steepening of yield rates has helped to improve post-hedging recurring yields, but stock and foreign exchange market turbulence may add to profitability uncertainty. By the same token, the product transformation and changes in the regulatory environment also pose continuing effects to the life insurance business and make the insurance recover the essence of insurance protection. In order to be in line with the IFRS 17 successfully, the competent authority released a series of regulatory policy toward finance and business. The relevant reform will slow down the asset growth speed, but will also help mitigate certain capital needs and risks to ensure the life insurance business's long-term stable operations.

### **(III) Yuanta FHC' business strategies and objectives**

The core values upheld by Yuanta FHC are "Seize opportunities and create client wealth", "Enhance performance and promote employee welfare", and "Create value and increase shareholders return". While developing the financial business thoroughly and creating profit, Yuanta FHC also values the positive development in such areas as corporate governance, customer rights and interests, employee care, environmental sustainability and social welfare, in hope of moving forward in achieving the objective of "Best Financial Services Provider in the Asia Pacific Region" through the concept of sustainable business operation.

In implementation of sustainability, Yuanta FHC will be dedicated to practicing the three major concepts, namely sustainable finance, environment friendly and society's mutual prosperity, into the corporate culture and business practices, by offering more diversified financial products, greener financial services, and better customer care, and urging its business partners to focus on the issue of sustainability, so as to gradually establish a sustainable business management and service model, with the goal of being continuously included by Dow Jones Sustainability Index (DJSI).

Yuanta FHC's long-term and mid-term development strategy will continue to maintain the overall growth development strategy centering on "core- building and growth driven".

In addition to solidifying the core businesses, and continuing to develop its competitiveness, Yuanta FHC will also focus on the setting up and management of businesses, markets and customers with growth potential, as well as to leverage the Group's cross-industry or cross-border integration growth to stabilize and upgrade its profitability effectively.

#### **(IV) Yuanta FHC' development advantages and disadvantages**

##### **1. Factors driving growth and competitive strengths :**

- (1) The complete financial domain covers securities, banking, life insurance, securities investment trust, futures, investment trust, investment consulting, venture capital and asset management. The dense business locations and about ten thousand financial service attendants throughout the nation may provide customers with omnibus financial services.
- (2) Recognized as the benchmark in corporate governance by professional organizations : it has been selected by the "Dow Jones Sustainability Indices (DJSI) World Index" and "DJSI Emerging Markets Index" for five consecutive years, and received many corporate governance honors and recognitions to become the industry benchmark in corporate governance practices.
- (3) Balanced business and income structure : Yuanta FHC adopts the business model balanced securities, banking, life insurance, securities investment trust and futures businesses. Given the diversified profit structure, Yuanta FHC would be affected less from single-industry events.
- (4) The leading securities brand : Yuanta Securities, Yuanta Securities Investment Trust and Yuanta Futures all secure the relevant market leadership and construct strong research teams capable of winning high brand awareness and recognition from customers, and extensively developing diversified and differentiated products and services to create a higher service value.
- (5) Yuanta Securities has taken the initiative to start its overseas layout among peer companies : It extends its business in China, Hong Kong, Korea, Thailand, Vietnam, Cambodia, Indonesia and Singapore, etc. By integrating the financial services in the various capital markets, it may create more opportunities to promote the cross-border business.
- (6) Upon consolidation of Yuanta Bank and Ta Chong Bank, the Bank's asset scale amounted to more than one trillion NT dollars. The business carried out by the Bank also reached the economic scale. Apparently, the consolidated effects have been benefited more.
- (7) With the low liability cost, stable investment and strong capital structure for insurance policy, the protection-type and long-term products as the focus of the product strategy, and additional investment-linked products, Yuanta Life will be able to effectively grasp the business opportunities of customer investment and wealth inheritance.

##### **2. Obstacles to development and competitive weaknesses :**

- (1) Considering that the operating revenue from securities operations is subject to

the fluctuation of the securities market of Taiwan and the e-trading proportion is increasing year by year, the commission from brokerage service is declining accordingly. Yuanta Securities will continue to open up new customers and activate dormant customers, develop the wealth management business, increase overseas business operating revenue and control the opportunities brought by the opening of new business lines to diversify the sources of operating revenue and mitigate the fluctuation in earnings.

- (2) Taiwan's banking industry is affected by increased volatility in the financial market, and the performance of investment positions may be affected. Yuanta Bank will continue to implement prudent and steady risk control policies to balance risk and rate of return.
- (3) Yuanta Life maintains a small asset scale. Given the few in-house sales representatives, Yuanta Life's sales primarily depend on the financial channels and traditional insurance brokers and agents' channels. Yuanta Life Insurance Co., Ltd. works with the channels proactively to provide the differentiated products and services satisfying the target customer bases' requirements, subject to the characteristics of the demand of the channels' customer bases.
- (4) In the post-epidemic era, affected by geopolitics, severe inflation and strong interest rate hikes, the uncertainty in the global economy remains high and the international exchange and stock markets' fluctuation expanded accordingly. The Group owns the strict risk control organization and system, which help evade or reduce the loss caused by risk incidents effectively.

## IV. Employee Information for the Most Recent Two Years Up to the Publication of this Annual Report

### (I) Information about the general employees

As of January 31, 2025

Year		2023	2024	As of January 31, 2025
Number of employees	Yuanta Financial Holding Co., Ltd.	245	264	258
	Yuanta Securities Co., Ltd.	5,150	5,207	5,220
	Yuanta Commercial Bank Co., Ltd.	4,527	4,852	4,861
	Yuanta Life Insurance Co., Ltd.	706	738	737
	Yuanta Futures Co., Ltd.	396	396	399
	Yuanta Securities Investment Trust Co., Ltd.	286	303	304
	Yuanta Securities Investment Consulting Co., Ltd.	91	97	96
	Yuanta Asset Management Co., Ltd.	45	24	24
	Yuanta Venture Capital Co., Ltd.	17	17	17
	Total	11,463	11,898	11,916
Average age (Note 1)		40.38	41.25	41.75
Average years of service (Note 1)		7.03	7.66	7.91
Academic background (Note 1)	Doctorate	1.22%	1.13%	1.16%
	Master degree	53.87%	53.78%	51.55%
	University/college	42.85%	42.79%	44.95%
	Senior high school	2.06%	2.30%	2.34%
	Less than senior high school	0%	0%	0%
Professional certificate and license held by employees (Note 1)	Associate, Life Management Institute (ALMI)	1	1	1
	Azure Microsoft Database Administrator Technician	1	1	1
	BS 10012 Lead Auditor	1	1	1
	BS 10012 Personal Information Management System Constructor	1	1	1
	Certified Anti-Money Laundering Specialist (CAMS)	7	11	11
	Cisco Certified Design Professional (CCDP)	1	1	1
	Cisco Certified Network Associate (CCNA)	1	2	2
	Cisco Certified Network Professional (CCNP)	1	1	1
	Certificated Ethical Hacker (CEH)	3	3	3
	Chartered Financial Analyst (CFA)	1	1	1
	Certified Financial Service Auditor (CFSA)	1	-	-
	Certified Internal Auditor (CIA)	2	3	3
	Certified Information System Auditor (CISA)	1	1	1
	Certified Information Security Manager (CISM)	1	1	1
	CISSP Information Security System Expert	1	1	1
	Comp TIA Security+ International Network Information Security Certification	-	1	1
	EC-Council CHFI	-	1	1
	EC-Council CHFI Cyber Security Assessment & Investment Expert Certification	2	2	2
	EC-Council ECIH - Information Security Crisis Management Officer	-	1	1
	Fellow, Life Management Institute (FLMI 1)	4	4	4
	Financial Risk Manager (FRM)	4	6	6
	Associate of Society of Actuaries (FSA)	-	1	1



Year		2023	2024	As of January 31, 2025
Professional certificate and license held by employees (Note 1)	ISO 27001 Information Security Management Systems Auditor/ Lead Auditor	10	11	11
	ISO 29100 Privacy Framework Leading Auditor	1	1	1
	Certified professional in ITIL information	-	1	1
	Juniper Networks JNCSP-ENT	1	1	1
	Juniper Networks JNCSP-SEC	1	1	1
	Microsoft Certified Professional (MCP)	1	-	-
	Microsoft Certified Solutions Associate (MCSA)	2	1	1
	Microsoft Certified Systems Engineer (MCSE)	2	2	2
	Microsoft Certified Technical Specialist (MCTS)	-	1	1
	Network Security Packet Analysis Class C	1	1	1
	OCP database professional certification	-	1	1
	Project Management Professional (PMP)	1	1	1
	Retirement Financial Advisor (RFA)	2	1	1
	SAC securities exchange fund	-	1	1
	VMware VCP Data Center Virtualization	-	1	1
	Level-B technician for employment service	1	1	1
	Level-B Labor Safety Manager	1	1	1
	Personal Insurance Agents	-	1	1
	Life insurance representative	52	56	55
	Life insurance representative's sale of foreign currency non-investment-oriented insurance products	9	11	11
	Personal Insurance Broker	-	1	1
	Professional Civil Engineer	1	1	1
	Estate Agent	2	1	1
	Assistant real estate brokers	2	1	1
	Actuary of the Republic of China	-	2	2
	Futures practitioners in China	1	-	-
	Internal Auditor	1	2	2
	Level-C Labor Safety Manager	1	1	1
	Level-A Labor Safety Manager	1	4	4
	Sustainable Finance Certificate/License - Advanced Ability - Business Development Competency	-	1	1
	Corporate internal controller	6	7	7
	Land administration agent	1	-	-
	Certified Professional in Corporate Sustainability Management (CPCS)	-	1	1
	Sales representative of margin trading and short sale for the trading of securities	2	2	2
	Investment-linked insurance products	1	1	1
	Investment-linked insurance representative	9	12	11
	Fire fighting management personnel	-	1	1
	Staff dedicated to anti-money laundering/countering of terrorism financing	12	12	12
	Basic proficiency test for international banking personnel	9	9	9
	Basic proficiency test for banking lending personnel	18	17	16
	Compliance officers	14	15	15

Year		2023	2024	As of January 31, 2025
Professional certificate and license held by employees (Note 1)	Stock affairs personnel	5	6	6
	Financial Auditor	1	1	1
	Financial Management Associate (FMA)	2	2	2
	Trust operations personnel	72	66	64
	Trust supervising personnel	1	2	2
	Trust management personnel	9	9	9
	LOMA Associate Customer Service (LOMAACS)	-	1	1
	First aid personnel	8	6	6
	Financial derivatives sales personnel	6	9	10
	Hong Kong securities and futures practitioner	1	-	-
	Financial Risk Manager (FRM)	1	-	-
	Property Insurance Representative	23	29	28
	Property Insurance Agent	1	1	1
	Property Insurance Broker	-	1	1
	Sales representatives of wealth management	8	7	7
	Eldercare Financial Planning Consultant	1	2	2
	Domestic attorney-at-law	6	8	8
	Domestic accountant	4	4	4
	Foreign attorney-at-law	1	1	1
	Procurement professionals - basic	-	-	1
	Financial planner	15	19	18
	Bill finance specialist	4	6	6
	Occupational safety and health management personnel	-	2	2
	Futures Trading Analyst	2	1	1
	Salesperson of futures trust fund sales agent	-	1	1
	Futures specialist	49	49	48
	Futures Input Clerk	1	1	1
	Sales representative of structured notes	6	6	6
	Advanced credit officer	-	1	1
	Bond specialist	4	4	4
	Debt-collection personnel	-	2	2
	LOMA Associate, Life Management Institute (LOMAALMI)	-	1	1
	Asset securitization personnel	-	1	1
	Bank internal controller	21	22	22
	Bank internal controller and internal auditor	46	45	46
	Securities investment trust and consulting professional	29	34	31
	Securities investment analyst	2	1	1
	Securities clerk	3	3	3
	Senior securities specialist	65	60	55
	Securities house qualification for capital adequacy ratio advanced calculation method	-	1	1
	Securities specialist	36	37	36

Note 1 : Information on average age, average years of service, academic background, and professional credentials held by employees does not include data from Yuanta FHC' subsidiaries.

Note 2 : In consideration of the special business attributes, the basis for calculation of the number of persons of Yuanta Life excluded the contracted insurance sales representatives.

**(II) License/certificate acquired by Yuanta FHC's personnel related to financial transparency**

As of January 31, 2025

Certificate Name	Persons	
	Financial Accounting	Auditing
Certified Anti-Money Laundering Specialist (CAMS)	-	4
Certified Internal Auditor (CIA)	1	1
ISO 27001 Information Security Management Systems Auditor/ Lead Auditor	-	1
SAC Securities Investment Fund	-	1
Domestic accountant	2	-
Life insurance representative	1	7
Life insurance representative's sale of foreign currency non-investment-oriented insurance products	1	2
Sales representative of margin trading and short sale for the trading of securities	1	-
Investment-linked insurance representative	-	2
Staff dedicated to anti-money laundering/countering of terrorism financing	-	3
Basic proficiency test for international banking personnel	-	4
Basic proficiency test for banking lending personnel	1	5
Compliance officers	-	3
Trust operations personnel	4	7
Trust supervising personnel	-	1
Trust management personnel	-	6
Financial derivatives sales personnel	-	3
Sales representative of structured notes	-	2
Property Insurance Representative	2	5
Sales representatives of wealth management	1	-
Bill finance specialist	-	2
Financial planner	1	6
Futures specialist	4	6
Advanced credit officer	-	1
Bank internal controller	-	8
Bank internal controller and internal auditor	2	-
Financial Auditor	-	1
Internal Auditor	1	1
Securities investment trust and consulting professional	4	5
Senior securities specialist	5	7
Securities specialist	2	1
First aid personnel	-	1
Level-B Labor Safety Manager	-	1
Level-C Labor Safety Manager	-	1

## V. Corporate Social Responsibilities and Ethics

Yuanta Cultural and Educational Foundation (hereinafter referred to as “Yuanta Foundation”) was involved in organizing 704 events in 2024, and received multiple honors from the public sectors, including “Enterprise-Aided Charity and Education Business Gold Award,” “Enterprise-Aided Charity and Education Business Silver Award” and “Certificate of Merit for Enterprise-Aided Charity and Education Business” by the Ministry of Education. A total of 2,685 volunteers participated in the events, which benefited more than 720,000 participants. Aiming at the six major dimensions, including “Involvement in Volunteers Public Welfare Platform,” “Aid for Disadvantaged Group and Caring for Children and Juvenile,” “Educate and Train Youth’s Independence,” “Inclusive Financing/Innovation & Cultivation,” “Healthcare and Care for the Elderly” and “Community Service & Environmental Protection,” it fostered rural area education, community care, healthcare, and various public welfare and educational activities in depth and breadth. The enterprise’s volunteers also participated in and responded to activities, incorporated their expertise in finance into public welfare and care extension activities, and proactively invested in diverse educational resources to make its public welfare operations more dynamic.

Since Yuanta Foundation was founded 22 years ago, it has adhered to the philosophy of “the public welfare should refer to continuous contribution.” It constructs the “Charity Public Welfare Platform” proactively to build a bridge for care. It also works with various public welfare partners to innovate activity types and combines the current trends and integrates resources from multiple parties, in order to make the power of dreams stronger. It devotes itself to thriving and connecting happiness together to make love everlasting. “Education” refers to an important path leading to dreams. “Accompanying” is considered the key principle for warming one’s life. It will continue to make selfless contribution and communicate warm hope and light to make love and care more powerful, and also to share the care and kindness of Yuanta at every corner of the society for blooming everywhere!

In the process of construction of the “public welfare platform,” it works with like-minded partners and volunteers to move on. By investing the extensive channels and abundant human resources in the public welfare operations, Yuanta Group uses its best to promote various volunteer services and create the new activity types with its public welfare partners jointly. “Yuanta Happiness Day” refers to a representative self-organized event by the Yuanta Foundation. This year, it will continue to visit remote areas and resource-deprived areas in Taiwan to strengthen its efforts in extending care through semiconductor applications, utilizing knowledge in astronomy, technology, and environmental sustainability, and to send tailor-made “Happiness Gift Bag” to children. Since the activities started in 2012, it has organized more than 47 charity events, inviting over 8,000 schoolchildren to participate in these educational entertainment activities. Also, it called on 2,208 volunteers inside and outside the Group to provide escorting services.

In addition to the economic aids, the “Yuanta Wealth Management Day” combined the public welfare and expertise in finance. Since 2018, it has trained professional volunteer trainers to collaboratively research and develop innovative wealth management teaching materials and to practice inclusive finance education goals. By means of the teaching materials, children are taught about the investment concept and market information to “learn by doing” in life and

managing their own finance from childhood.

Based on the “Insistence on Dream and Brave to Move Forward” philosophy, it firmly believes that as long as one embraces his original intent and moves towards the goal and act honestly, he may transform the power of good into greater momentum, like the sun delivering warmth and shining on each corner of the society! On the road to public welfare, it combines Yuanta Group’s vast channels and abundant human resource to promote the public welfare and the recruitment of like-minded volunteer partners to work with it proactively. It also innovates and reforms the activities in line with the trend, and practices the real intent of service, care and contribution. It spreads the seed of hope extensively to reclaim the sustainable forest for the “Deed of Good.”

## **(I) Involvement in Volunteers Public Welfare Platform**

### **1. Dream Big Yuanta Social Welfare Plan**

The “Dream Big Yuanta Social Welfare Plan” was initiated since 2016, which combines the fund of Dream Big and human resources and materials from volunteers inside/outside Yuanta FHC to support schools and social welfare groups, and jointly promote the innovative education plan applicable to the service recipients not limited by specific ethnic group, gender and age.

Yuanta volunteers are the most solid support for the Dream Big plan. Through meticulous and diversified escort, they work with the Dream Big plan to realize the plan’s big dreams step by step. The volunteer mission combines professional financial functions. They also impress people with their versatile services, such as handicrafts, drama shows, community table hosting, food and agriculture, community painting, literature and history interpretation, filming and editing, and the organization of activities. In the past 8 years, it has worked with 52 groups to realize their dreams, involving 9,085 volunteers and benefiting 236,895 individuals.

### **2. Charity Public Welfare Platform**

In order to practice the spirit of helping the disadvantaged act independently, the Yuanta Public Welfare Platform has donated funds to various sheltered workshops for many years. School-age children with disabilities are given the opportunity for employment and the chance to work at various caring sites. The works created by the sheltered children are designed as cultural and creative products, such as eco-friendly shopping bags, folders, account books, and pen holders, to provide these children with more substantial opportunities to do what they excel at. In 2024, in cooperation with the Yilan County Autism Association, it selected drawings created by autistic patients and printed them on piggy banks. These piggy banks were then given to schoolchildren in rural areas to promote wealth management services. Additionally, tote bags and water bottle bags were purchased from the Association of Inspiring Rehabilitation Youth in Tainan City as charity gifts to support workshops. This initiative aimed to maximize the benefits of the charity platform, introduce the works of these children to more schools and charity partners, and assist the workshop in expanding publicity channels to increase its presence.

## **(II) Aid for Disadvantaged Group Caring for Children and Juvenile**

## 1. Aid for Disadvantaged Group

### (1) Yuanta Happiness Day

“Yuanta Happiness Day” was initiated in 2012. It insists that “every child should have his own gift.” It was organized once per year at the very beginning. Later, it was expanded and organized in North, Middle and South Taiwan, respectively, once per year. In the past 13 years, it has organized a total of 47 educational entertainment activities to help expand the schoolchildren’s vision. It has called on 2,208 volunteers to provide the escorting service, and sent the tailor-made-concept “Happiness Gift Bag” to 8,649 schoolchildren, which contained brand new sportswear, pants and shoes, in order to provide the children with the happiness exclusive to them.

In order to deepen the contents of activities and improve the interaction of activities, the Foundation made some adjustments and streamlined the large-scale event into a small- and medium-size event attended by no more than 100 guests. This year, the Foundation invited the schoolchildren to visit the Taipei Children's Amusement Park and Little Ding-Dong Science Theme Park, in order to enable the children to enjoy the amusement facilities and learn about science. Meanwhile, the children also visited the Dali Plaza Wonder Newland in Taichung City, Tainan Astronomical Education Area, and COO in Chiayi County to learn knowledge about technology and environmental sustainability.

“Yuanta Happiness Day,” as the starting point of love, links the power from the Department of Education and Department of Social Welfare of the county/city government to keep the education bright and growing. In 2024, it has given a total of 881 gift packages to 29 different schools and units throughout Taiwan. Yuanta, as the strongest backup for schoolchildren on their way to learning, hopes that all of these children may feel the heartwarming gifts, work hard to learn, and act bravely to pursue their dreams. Through the warm company of Yuanta volunteers, the “Happiness Gift Bag” was delivered to the schoolchildren in rural areas. They kept the warmth persistent with practical actions.

### (2) TFCF Outstanding Children and Juvenile Annual Award Ceremony

Taiwan Fund for Children and Families organized the “2024 TFCF Outstanding Children Annual Award Ceremony,” and selected 23 “Outstanding Children” who never gave up pursuing their dream even in the difficult time to accept the commendation. Yuanta Foundation exclusively sponsored the event by offering 23 children the fellowship and desk lamps for study, in order to encourage them to learn persistently.

## 2. Caring for Children and Juvenile

### (1) Train Local Teachers by Kids’ Bookhouse in Taitung

“Kids’ Bookhouse” has set up 10 bases in Taitung so far, in order to aid 200 children from economically disadvantaged families in Taitung and provide diversified learning services. Yuanta Foundation has sponsored “Kids’ Bookhouse” in Taitung for 14 years consecutively to help it hire the local youth to act as the cram school teachers and encourage college graduates to return to

their hometown to provide services.

### **(III) Educate and Train Youth's Independence**

#### **1. Yuanta Dreams Take Flight**

To fulfill our corporate social responsibility obligations, Yuanta Foundation actively participates in various cultural, educational and social welfare events. Adhering to the expectations represented by the slogan, "People-Oriented, with the Wish that My Existence Be Another Person's Blessing", Fu Jen Catholic University worked with Yuanta Foundation to activate the "Yuanta Dreams Take Flight" program to keep introducing resources into the rural areas stably. Fu Jen Catholic University has worked with Yuanta Foundation for the 14th year on the "Yuanta Dreams Take Flight" initiative. The Ministry of Education recognized the Yuanta Foundation's long-term concern for disadvantaged groups in remote areas and its extension of charitable events, awarding the Foundation the "Enterprise-Aided Charity and Education Business Gold Award" in 2024.

##### **(1) Scholarship to Train Talents in Rural Areas**

Yuanta Foundation worked with Fu Jen Catholic University to boost the "Yuanta Dreams Take Flight Scholarship" program. A total of 218 students' applications for the scholarship of college/university students, high school/high vocational school/five-year junior college students were approved upon review in the second semester of the school year 2023 and the first semester of the school year 2024. The students primarily came from 10 organizations, including Taoyuan Municipal Luo Fu Senior High School, New Taipei Municipal Qinxian Junior High School, Tzuchi Da-Ai Village in Shan-Lin District of Kaohsiung City, Chiayi Municipal Fu Jen Catholic High School, Keelung Fu Jen Sacred Heart Senior High School, National Jhuo-Lan Senior High School, Taoyuan Municipal Xin Wu Senior High School, Zhudong Station of Rerum Novarum Center, Hualien Yuli Book House and Kaohsiung Huayuan Child Service Center. Until 2024, the "Yuanta Dreams Take Flight" Program has trained 168 excellent undergraduates and 8 graduate students. A total of 2,315 persons have been awarded the scholarship. The Program also encourages "Yuanta Children" to apply for participating in public welfare volunteer activities to pass on the heartwarming power for "cycles of good deeds" by turning palms up to palms down, providing diversified escort and caring services, and training educational seeds. Unlike past large-scale sessions, the 2024 growth camp was organized regionally in steps to ensure that schoolteachers and students had zero distance from the care provided by Yuanta and Fu Jen Catholic University.

##### **(2) Care for rural areas and promotion of tangible activities - Tangible Diversified Courses, Project Kangaroo and Juvenile Career Diversified Program**

Yuanta Foundation and Fu Jen Catholic University have collaborated to offer the Tangible Diversified Courses in the rural area. Among other things, by upholding and respecting the core cultural values of each region, the Rural Area Education and Care Team of Fu Jen Catholic University had university students arrange diverse, tangible courses according to the needs of the service unit or

schoolchildren, in order to ensure that the children learn with happiness. The “community juvenile after-school guidance program - Project Kangaroo” trained the children in their identity and respect for their own lives and the lives of others, helping them understand and cherish learning resources to develop a fair attitude and a sense of responsibility. This ensures that children in the community can continue their studies without interruption during winter and summer vacations, alleviating the pressure on their parents so that children in rural areas may enjoy the same opportunities to learn. As of the first semester of the school year 2024, the number of participants in the physical diversified courses has reached 21,819 persons.

(3) Online Tutor for Schoolchildren

Yuanta Foundation and Fu Jen Catholic University have collaborated to launch an online tutoring program that supports 20 to 25 disadvantaged schoolchildren from the urban area each semester. The plan recruits students from Fu Jen Catholic University and collaborates with after-school care locations in the urban area to provide one-on-one support for students. The big study buddies from Fu Jen Catholic University also plan and produce diverse and rich teaching materials for the children in order to improve their interest in learning, self-confidence, and motivation. Additionally, they aim to help train university students' social awareness, inspire them to assist the weak, and support the poor. Since 2014, 397 children have received the services, and a total of 4,399 class sessions have been held.

2. Yuanta Excellent Talents Scholarship

“Yuanta Excellent Talents Scholarship” aims to help the disadvantaged yet exceptional population and enable students to study without worry. For the past 9 years, it has been awarded to 582 students to help them pursue their dreams. Among other things, 11 students joined the Yuanta Group to practice their expertise. It begins with the selection of senior high school students and extends to undergraduates and master's students in business and law-related fields, as one of the few companies offering talent cultivation scholarships for students ranging from senior high school to master's level in the same disciplines. The excellent students recommended by schools need to pass the documentary review and interview conducted by the examiners, who are comprised of the Group's officers. It focuses on the selection of students who excel in education and potential, are dedicated to their studies and growth, and practice Yuanta Group's commitments to education and talent cultivation.

In recent years, it has also invited students who have won the award back to Yuanta to attend talent exchange meetings, helping them understand the wealth management pyramid and investment tool planning. Meanwhile, it also establishes a solid foundation for the students' future success and encourages them to continue learning and bravely pursue their dreams. Among other things, more than 113 students in total have recognized Yuanta's public welfare value and have proactively participated in the Foundation's volunteer activities. It expects that students may realize the intent of contribution and provide feedback to society.



#### **(IV) Inclusive Financing/Innovation & Cultivation**

##### **1. Yuanta Wealth Management Volunteer Activity**

In order to mitigate the divide between urban and rural areas, as well as between the rich and the poor, it practices the concept of inclusive finance. Since 2018, it has combined the Group's expertise in finance and worked with the schools in rural areas and public welfare partners of the Foundation to promote the "Yuanta Wealth Management Day." In the past 7 years, it has organized 32 wealth management volunteer activities to share correct financial concepts with 1,062 schoolchildren and teach them to plant the seed for wealth management to prepare for transforming their lives. It plans to implement the "Yuanta Wealth Management Day" in a total of 852 elementary schools in rural areas of 19 cities/counties throughout Taiwan, in order to practice the targets promoted by the basic wealth management education.

The "Yuanta Wealth Management Day" calls on the Group's colleagues to form wealth management volunteer groups to prepare Yuanta's exclusive wealth management teaching materials and design three wealth management board games, namely "Little Investors," "Ideal Life", and "Treasure Island". This initiative aims to enable students to experience investments and transactions and feel the fluctuations of market prices through the games, guiding them to take their first steps toward wealth management through online entertainment games. The curriculum teaches schoolchildren to identify their needs and wants, encourages them to practice bookkeeping and saving to avoid impulse buying, and combines current affairs with the philosophy that wealth management and life are inseparable from daily issues. It also adjusts and customizes the teaching materials according to the local characteristics and cultures of the cooperative unit, using different teaching methods for different students to guide these children in becoming smart consumers.

In the past two years, the program has expanded to include the "Yuanta Wealth Management Camp," guiding students to explore the campus of Asia University. Combined with financial education and breakthrough scavenger hunt activities, it incorporates the concepts of savings, bookkeeping, foreign exchange, and smart consumption into various activities, allowing students to learn about finance in a fun and engaging way. It built the special bank scene and set up the counter. The employees of Yuanta Bank were invited to process the applications for account openings and foreign exchange for the students, allowing them to experience the banking business firsthand. In addition to fulfilling the friendly financial concept through the interaction in the game, it also encourages students to dream bravely, use their best effort to complete themselves, read more, make friends, and pursue their dreams.

##### **2. Corporate Governance Summit Forum**

The "20th Term Corporate Governance International Summit Forum" sponsored by Yuanta Foundation and organized by Taiwan Corporate Governance Association invited domestic and foreign experts and scholars to share their experiences for reference by corporate governance in Taiwan. The Forum chose the topic "Focusing on Governance and Expelling the Talent Advantage" for the discussion and focused on the issues of corporate governance and enhanced directors' functions in order to

explore how corporate governance practices the sustainable environmental development.

Yuanta FHC has made outstanding achievements in the promotion of environmental, social, and corporate governance sustainability, and has been ranked among the global benchmark companies. In order to implement the best example of corporate governance, Yuanta FHC has been selected by the “DJSI World Index” of the Dow Jones Sustainability Index (DJSI) and “DJSI Emerging Markets Index” for six consecutive years from more than 13,000 participating companies. Additionally, it was included in the S&P Global Corporate Sustainability Assessment (CSA), and ranked first among more than 600 peers in the integrated finance group, demonstrating its outstanding achievements in corporate governance.

## **(V) Healthcare, Care for the Elderly**

### **1. Healthcare**

#### **(1) Yuanta Blood Donation Day**

The “Yuanta Charity Blood Donation” has been organized since 2011, and is held three times per year. Yuanta Foundation especially invited the colleagues from all of the subsidiaries and branches throughout Taiwan to donate blood at the blood donation stations in various counties/cities. More and more employees have donated their blood or become volunteer workers. As of 2024, Yuanta FHC, together with its subsidiaries, has contributed 28,000 bags of blood, and has been honored by Taipei Blood Center, TBSF as a “Blood Donation Excellent Enterprise” for 8 years consecutively. The Group gathers the colleagues throughout Taiwan to respond to the blood donation, amplifies its social influence and works with neighborhood/village chiefs surrounding the business locations to invite the residents from neighborhood communities to join the donation, and extend the charity service together with its suppliers through physical actions.

### **2. Care for the Aged**

#### **(1) Volunteer Workers’ Stay With the Hualien Mennonite Christian Hospital Aged**

Yuanta Foundation has worked with Mennonite Christian Hospital for 19 years to care the aged people residing in East Taiwan on the festivals, such as Mid-Autumn Festival, Double Ninth Festival and year-end parties, and help the permanently hospitalized patients who had no way to return home to have reunion with family members feel a heartwarming festival. A total of 1,150 persons were benefited from the event organized by Yuanta Foundation and Mennonite in 2024.

## **(VI) Community Service & Environmental Protection**

### **1. Community Service**

#### **(1) “Good Neighbor in Child Protection” Campaign Organized by TFCF**

Yuanta and the Taiwan Fund for Children and Families are long-term public welfare partners in the area of care for children and juveniles. Since 2012, Yuanta has co-organized the “Wraparound Project” and become a “Good Neighbor in Child Protection.” In order to enable the public to better understand the claim for

protection of children and enhance the presence of child protection promotions, Yuanta continued to respond to the TFCF's campaign. In 2024, Yuanta FHC, Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust and Yuanta Futures were invited to join the team dedicated to protecting children and juveniles, promote the idea about child protection at a total of 311 channels/business locations, and call on the voluntary care for children and invite the public to build dense safety networks together, via LED, official websites, social media, ATMs and credit card statements of account.

(2) Assist After-Care's Return to Society

Yuanta has been promoting rehabilitation care for more than 10 years, in order to assist friends and their families in need of social support. For the past 10 years, it has been working with the Department of Corrections, Ministry of Justice, and the Taiwan Rehabilitation and Protection Association to organize the "Sand Painting Workshop" and the "Bronze Sculpture Skills Class" for the learning of skills, train the employability and assist in starting a new business and construct a social reintegration mechanism.

## VI. Number of full-time non-managerial employees, average and median salaries of full-time non-managerial employees, and the difference between the aforementioned three and the same numbers of the previous year

Year	2024	2023	Difference from the previous year (%)
Full-time non-managerial employees			
Number of full-time non-managerial employees (person)	9,828	9,480	3.67
Average salary (NT\$ : 1,000)	1,648	1,368	20.47
Median salary (NT\$ : 1,000)	1,397	1,160	20.43

Note : 1. In line with TWSE regulations, non-managerial employees of a financial holding company include the domestic banking, insurance, and securities subsidiaries of the of the merged entity, but exclude overseas branches as stipulated in Article 4 of the Financial Holding Company Act.

2. The above statistical standards are handled in accordance with the instructions for the declaration of salary information for full-time non-managerial employees jointly compiled and released by the Taiwan Stock Exchange and the Taipei Exchange.

## VII. Information Technology and Facilities

The information facilities of the Group is mainly composed of Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Futures, Yuanta Securities Investment Trust and other subsidiaries. The contents are described as follows :

### (I) Main Information System Hardware/Software Configuration and Maintenance

The information systems of major subsidiaries Yuanta Securities, Yuanta Bank and Yuanta Life are constructed on system architecture efficiency and business maintenance considerations. In addition to the full-time IT staffs dedicated on system maintenance and operation, the companies also signed the maintenance contract with relevant software and hardware vendors to ensure the systems' availability. Stated as follows :

#### 1. Yuanta Securities

The main application systems for securities, including Mr. Yuanta, Yeswin, eWinner, Strategic Platform, Clear Winner, Web Trading, IVR system, sub-brokerage overseas stock trading , official website, performance bonus, wealth management, proprietary warrants market making and hedging, market data, order/trade report, shareholders service agent, securities lending, TWSE/TPEX and emerging stock brokerage trading, emerging stock market making, custodian bank for foreign institutional investors, proprietary trading-equity securities management, proprietary trading-fixed income management, OTC derivatives-related systems and brokerage backoffice system are equipped with the hosts for different operating systems, including AIX, Linux and Windows.

2. Yuanta Bank

Yuanta Bank's NTD deposit/loan, remittance, cross bank service, foreign exchange, trust, accounting, data warehouse, wealth management and credit card authorization, are configured in the various operating system servers, such as IBM p-Series, IBM AS/400 i-Series, Oracle T7, EMC Greenplum, Solaris, Linux, Windows x86.

3. Yuanta Life

Yuanta Life's main information systems, including the life insurance administrative core system (including the administrative support for new contract, conservation, renewal, benefit claim, 080, accounting, finance, actuary and re-insurance) and business development system (including the business support for agency sales channels, Banca & Securities Insurance channels, insurance broker and agent channels, and e-commerce), and accounting, financial and investment systems, are equipped with the security, monitoring and hardware equipment of different level. The operating system servers including IBM i (POWER SYSTEM), AIX (POWER SYSTEM), Linux and Windows x86.

## **(II) Development and procurement projects in 2025**

1. Yuanta Group

- (1) Yuanta FHC Cloud Backup Construction
- (2) Yuanta FHC data center network equipment replacement in Xinyi
- (3) Yuanta FHC virtualized platform equipment replacement
- (4) Yuanta FHC Network flow analysis reporting equipment replacement
- (5) The Group's Mail APT System replacement

2. Yuanta Securities

- (1) Continue new brokerage front-office core system
- (2) Continue Mr. Yuanta APP AP version (middle office)
- (3) Continue Brokerage back-office transaction related fee calculation function optimization
- (4) New architecture of secured borrowings for unlimited purposes
- (5) Online futures account opening system supports securities account opening
- (6) The external tablet securities account opening system adds credit trading, stock lending, unlimited purpose loan and other credit business account opening
- (7) Developing new trading strategies of conditional order platform for retail clients

- (8) Adjust the calculation method of Taiwan stock inventory cost, deduct dividend income
- (9) Taiwan Stock Shortage Inquiry
- (10) Electronic trading of structured investment
- (11) Overseas structured notes platform - optimization
- (12) The Sub-brokerage overseas stock trading system supports fractional share order
- (13) Developing and customizing the VIP version of Web trading
- (14) Shareholders service system upgrad
- (15) E-trading platform (Mr. Yuanta, Yeswin, eWinner) virtual server and storage equipment upgrading
- (16) Shareholder service agency system host upgrading
- (17) New brokerage trading core system construction
- (18) Backup data keeps in the cloud
- (19) Sub-brokerage and OMS system database server upgrading
- (20) Database audit software and hardware update and replacement
- (21) CRM/EIS system database server upgrading
- (22) Xinyi data center local stagger construction
- (23) Upgrading of the router of the cable assembly route in Taiwan and Hong Kong
- (24) Banqiao data center backbone network upgrading
- (25) Xinyi data center e-trading platform core switch and Internet access upgrading
- (26) Internet connection update and replacement for electronic trading platform of Banqiao data center
- (27) Upgrading, update and replacement of Internet access firewalls for employees
- (28) Network Detection and Response (NDR)
- (29) Security Orchestration, Automation, and Response (SOAR)
- (30) Breach and Attack Simulation (BAS)
- (31) Construction of Situation Center

### 3. Yuanta Bank

- (1) NTD core system local active-active framework construction project
- (2) Foreign Exchange System Upgrading Project
- (3) Firewall Policy Auditing Software Construction Project
- (4) Branch ATM firewall EOS update and replacement project
- (5) OA line frequency bandwidth speed-up project
- (6) Central data center core network switch update and replacement project
- (7) Dual center network infrastructure construction
- (8) Computer Security Configuration Management Platform (FCB Financial Security Configuration)
- (9) Windows 2016 OS and database EOS upgrading project
- (10) Core storage area network equipment update and replacement project
- (11) SWIFT System Upgrading Project
- (12) New Foreign Exchange System Construction Project
- (13) Message platform construction project (2nd Stage)
- (14) Automated voice quality inspection system construction project
- (15) Overdue document reminder image function construction project

- (16) Overdue account collection management platform 2.0 construction project
- (17) New gold passbook system construction project
- (18) Private bank system construction project
- (19) Shareholding trust upgrading project
- (20) Customer care management platform construction project
- (21) Hardware randomization equipment upgrading project
- (22) Enterprise Application Integration (EAI) system upgrading project
- (23) APIM construction project
- (24) New Capital Requirement (2nd stage) Construction Project
- (25) Yuanta Payment Pass APP system construction and cloud development project
- (26) Project for expanding the number of members
- (27) Digital track follow-up project
- (28) Personal Internet banking system consolidation project
- (29) Anti-corruption system - 2nd stage
- (30) Digital channel system local active-active database upgrading project
- (31) Internet banking micro-service framework upgrading project
- (32) Data middle office expansion project
- (33) Generative AI application project
- (34) Private cloud project
- (35) Information security incident response and automated response

#### 4. Yuanta Life

- (1) Middle office - (Claims, Security, and New Contract Module)
- (2) 0800 customer service system update and replacement
- (3) Mobile service platform
- (4) Fund balance allocation platform
- (5) Financial information integration system
- (6) AML customer risk management system
- (7) Budget contract management system
- (8) Core system communication framework (MQ) replacement
- (9) Authority management automation - quarterly inventory of authority
- (10) Authority management automation - new/transferred employees
- (11) Continued offline backup
- (12) Continue to replace personal computer equipment (Win11)
- (13) Continue information infrastructure network equipment optimization
- (14) Continue update and replace EOS equipment in line with the requirements for equipment safety
- (15) API security management platform
- (16) PowerSystem mainframe hardware replacement
- (17) Cloud data backup planning
- (18) Multi-function office control

#### 5. Yuanta Securities Investment Trust

- (1) Procurement and replacement of Yuanta FHC network equipment
- (2) Cloud backup

#### 6. Yuanta Futures

- (1) TAIFEX 2025 IT Project
- (2) Continued foreign futures core accounting back-office update and replacement project
- (3) Enhanced remote backup data center construction project (2nd stage) core system landing and construction
- (4) Banqiao data center core network equipment update and replacement
- (5) Yuanta Futures' tablet account opening system development and construction project

### **(III) Emergency Backup and Security Protection Procedure**

In order to maintain the high security and availability of the information systems, Yuanta FHC and main subsidiaries planned and created the emergency backup and security protection mechanisms based on their own business needs. The mechanisms are including following items :

1. Physical environment in the data center : The standard operating procedures for access control, fire protection, power supply, network and data security, equipment installation and removal, system monitoring, personnel control, system and data backup shall follow the guidelines and manuals of respective companies or the information security standards under ISO27001.
2. Business continuity : According to the property and the importance of the application systems, each company created their local and remote systems failover and backup procedures, perform the disaster recovery drill and stress test periodically and retain the relevant records to ensure the validity of the procedures.
3. Business continuity backup : In response to the remote/work from home (WFH) model prompt by the epidemic, various companies plan their own remote office or remote access programs, and lift certain restrictions adequately subject to their business attributes, in order to ensure that the backup system may be activated rapidly once any natural calamity occurs simultaneously, so as to strengthen Yuanta FHC's digital resilience and mitigate the impact posed to business thereby.

## **VIII.Cyber security management**

### **(I) Cyber security risk management framework and mechanism**

The Board of Directors is the supreme decision-making unit in charge of Yuanta FHC's information security management. Yuanta FHC already set forth the "Information Security Policy," which should be subject to the authorization of the Board of Directors, in order to build the information security management systems for itself and its subsidiaries, and also serve as the basis for the enactment of related information security management regulations and procedures. Yuanta FHC' information security policy is based on the protection of shareholders' interests. It aims to "protect the information asset security" and "keep business operating to achieve the corporate sustainability."

In order to improve the strength in making decisions on information security issues, Yuanta FHC and its main subsidiaries have appointed their own chief information security officers to consolidate information security policies and boost coordination and allocation of resources. It also established the information security dedicated or responsible unit to

take charge of planning, supervising and executing the information security management operations, and report the information security execution status for the previous year to the Board of Directors to strengthen the information security regulation. Yuanta FHC has assigned 14 information security officers to the information security dedicated unit. Meanwhile, the report on information security management has been submitted at the 35th meeting of the 9th Board of Directors on January 20, 2025.

In order to coordinate the information security management, Yuanta FHC establishes the cross-department “Information Security Team.” The president designates the convener and vice convener to convene the information security meeting and management review meeting periodically (a total of 6 meetings were held in 2024) and research the information security management operations and information security matters, in order to enhance the overall information security protection capability.

## **(II) Concrete management program and invested resources**

In order to achieve the information security policy and goals and establish a comprehensive information security protection, the specific management plans and resources invested are specified as follows :

### **1. Implementation of international security management standards and acquisition of certification**

In order to improving the governance system with respect to information security continuously, all information operations are required to satisfy domestic and foreign information security laws and regulations. Meanwhile, Yuanta FHC, Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust and Yuanta Futures also implemented the ISO 27001 : 2022 ISMS standards. Thereafter, they were required to complete the annual review and the recertification every three years. In 2024, they have passed the certification by British Standards Institution (BSI) to maintain the validity of the certificate, and also kept strengthening the information security management and control via the PDCA (Plan-Do-Check-Act) cycle. In view of the the International Standards Organization (ISO) officially released a new version of the standard ISO 27001 : 2022 on October 25, 2022. Yuanta FHC has also been certified by the British Standards Institution for the new version in November 2023. The certificate of Yuanta FHC is valid from December 2023 until December 2026.

In response to the Financial Supervisory Commission’s “Financial Information Security Action Plan” and enhancement of business continuity management momentum, Yuanta Bank, Yuanta Life, Yuanta Securities and Yuanta Securities Investment Trust have implemented the ISO 22301. The certification shall be renewed each year. All of them passed the certification in 2024. The certificate remains effective. On a risk-oriented basis, it combines various resources at the business side and system side, in order to ensure that the business level may be maintained under any circumstance, so as to mitigate the risk over business interruption and enable the organization to possess stronger resilience in recovery.

### **2. Information security protection mechanism and inspection**

In order to upgrade the network and information system protection ability, establish the multi-layer defensive architecture, including network firewalls, software application firewalls, intrusion detection systems, spam filtering, email APT, online



behavior management, anti-virus systems, anti-phishing websites and fake APP monitoring mechanisms, endpoint information security protection platform (EDR), network detection and response (NDR) and other systems to ensure the security of information systems.

In order to ensure the stability and safety of information systems, and completeness and effectiveness of the existing control measures, Yuanta FHC and its main subsidiaries periodically complete the vulnerability scanning, penetration test, DDoS drills, social engineering drills and computer system information security assessment via an independent third party.

3. Information security intelligence and joint defense control

In response to the rapid development of FinTech, information security has become an important risk management issue for the organization. In order to verify the emerging information security data and information security trends, Yuanta FHC and its main subsidiaries join the Financial Information Sharing and Analysis Center (F-ISAC) and participate in the Financial Security Operation Center (F-SOC) cross-border defense and sharing of information security incidents, in order to strengthen the entire information security defense effectively. Meanwhile, it has also implemented the Security Information and Event Management (SIEM) to ensure the effectiveness of the information security protection monitoring.

In order to enhance the timeliness and effectiveness of detecting and warning against abnormal network behavior, and in response to the “Financial Information Security Action Plan” of the FSC, Yuanta FHC and its subsidiaries have commissioned a third-party professional organization to establish the SOC. Through 24/7 real-time monitoring, maintenance, and operation, the SOC can provide early warning intelligence before an event, real-time threat warnings during an event, and threat analysis and recommendations after the event, thereby improving information security incident response capabilities and achieving joint defense and collaborative performance. Meanwhile, it installed the information security management and monitoring dashboard to keep track of changes in information security risk indicators, such as computer viruses, hacker intrusions, and data breaches, in order to achieve the Group’s goal of joint defense in information security.

4. Information security offensive and defensive exercise and major information security incident drills

In order to practically evaluate the vertical defensive ability and in response to the execution measures according to the Financial Supervisory Commission’s “Financial Information Security Action Plan,” it organized the Group’s blue and red teams’ offensive and defensive exercises and contracted a professional third party to use hackers’ attack methods and adopt a goal-oriented information security exercise, ensuring that operations are not affected. This was to verify the effectiveness of information security protection, monitoring, and defense, improve colleagues’ ability to respond to new types of attacks, and take remedial or compensatory measures against vulnerabilities discovered during the drills. Further, it conducted feasibility assessments and planned corresponding measures for the recommendations provided in order to strengthen Yuanta FHC’s information security defense and mitigate the impact of information security incidents.

Major information security incidents often affect more than one organization. In order to enhance information security risk control and joint defense, and in response to the execution measures according to the Financial Supervisory Commission's "Financial Information Security Action Plan," it contracts a third-party institution to process the Group's major information security incident reporting and response drill, which may improve the operating mechanisms and abilities of horizontal reporting, response, and support within the Group.

5. Information security education and training

In 2024, Yuanta FHC and its main subsidiaries have completed the 3-hour information security training with respect to the general staff, and 15-hour information security professional training program with respect to dedicated information security personnel, in order to improve their ability of information security. Meanwhile, they also organized the email social engineering drill periodically, in order to raise the whole staff's awareness toward information security.

**(III) Important cyber security incident management**

Yuanta FHC and its major subsidiaries have expressly formulated the information security event reporting and resolution procedure, and according to the level of event, and corresponding report and resolve it does. The information unit needs to eliminate and resolve the matter within the limited time, and proceed with analysis upon resolution of the matter to prevent the same from occurring repeatedly.

As the time is of essence for the response to major information security incidents, Yuanta FHC established the "Computer Information Security Incident Response Team." Yuanta FHC's President as assume the office of the convener to control and support the response to any important information security incidents suffered by Yuanta FHC and its subsidiaries, in order to mitigate the damages caused by the incidents.

No important cyber security incident was cause impairment to customers' interest and right or affect the organization's robust operation has been found in the most recent year and until the date of publication of the annual report.

**IX. Relations between laborers and employer**

**(I) Employee benefit plans, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests**

1. Employee benefit plans and status of the implementation thereof

Yuanta FHC uses its best efforts to build a friendly and high-quality workplace for the employees and provide fine-quality safety and care. By virtue of the fair remuneration and performance appraisal system, diversified educational training, and sound employees' welfare and retirement system, Yuanta FHC builds the professional and responsible enterprise culture, hoping to make all employees enjoy their work and practice what they are good at.

Yuanta FHC pays remuneration under multiple packages, including basic salary, allowances, bonuses, holiday bonus, employee compensation, and shareholding trust, in addition to the benefits such as vacation, insurance, cultural and recreational

activities, to construct a complete salary, bonus and remuneration structure. The salary is authorized per the personnel's expertise, job responsibilities and functions, based on the criteria referred to in the pay roll. The salary will not vary depending on gender. Yuanta FHC uses its best efforts to build a working environment upholding equal pay for equal work, so as to practice the philosophy about the gender equality in employment.

In addition to the labor insurance and national health insurance required under laws, Yuanta FHC also funded employees' enrollment into any group insurance programs and allowed their dependents to enroll into the same insurance at a preferential rate, including term life insurance policy, accident insurance, catastrophic illness insurance, cancer insurance and hospitalization insurance. Meanwhile, Yuanta FHC also provided employees taking business trips with the group insurance. These employees could enjoy the all-risk travel insurance, accident insurance etc., at its expense.

Yuanta FHC has established the Employee Benefits Committee to contribute the Employee Benefit Fund on a monthly basis. The Fund is independently managed and utilized by the Employee Benefits Committee. There are also social subsidy methods to encourage employees to set up various clubs that are beneficial to physical and mental health and promote sharing and communication. The Employee Benefits Committee has reached agreements for discount and special offer benefits with contracting merchants and often provides employees with the most up-to-date information on special offers through Yuanta FHC's internal website, thus providing employees with greater convenience and quality of life. According to the Employee Benefits Committee's subsidy regulations, employees are entitled to bonuses for three major festivals, birthday gift money, marriage subsidy, childbirth subsidy, hospitalization subsidy, funeral subsidy, emergency relief fund, and employee child scholarship, etc.. Additionally, the subsidy for professional licenses (including international financial license and English proficiency certificates, etc.), health checkup and preferential loan rate are also available to the employees to help them achieve a perfect balance between their life and work.

To encourage employees to accumulate long-term savings, Yuanta FHC established an employee shareholders' association in August 2003. When employees set aside a certain amount of money each month for stock purchases, Yuanta FHC will match the employees' contributions, encouraging employees and to be shareholders of Yuanta FHC. Employee shareholding not only helps safeguard employees' lives after retirement or leaving Yuanta FHC, but also boosts solidarity between Yuanta FHC and employees, thereby enhancing their work participation and sense of value to share Yuanta FHC's operating results. According to the statistics gathered by Yuanta FHC and each of its subsidiaries in 2024, the number of employees participating in the employee shareholders' association was 11,281 persons, representing 345,238 thousand shares, The number of shares purchased by employees increased by 12,380 thousand shares, or 3.72% from 332,858 thousand shares in 2023.

## 2. Pension system and implementation thereof

In order to take care of the laborers' retirement life, Yuanta FHC set forth the

Pension Management Guideline requiring the contribution of the pension reserve, equivalent to 2% of the employees' total salary, to the exclusive account at Bank of Taiwan on a monthly basis. Meanwhile, it established the Labor Pension Supervisory Committee responsible for auditing contribution, deposit and disbursement of the pension reserve and payment of pension fund in order to protect labors' interest and right. Until the end of 2024, Yuanta FHC' pension fund has accumulated until NT\$7,805 thousand. Following the promulgation of the Labor Pension Act on July 1, 2005, Yuanta FHC has made monthly payment of the pension fund equivalent to 6% of the insured value maintained by the individual employee into the employee's personal labor pension account. In 2024, Yuanta FHC contributed a total of NT\$13,313 thousand.

3. Status of labor-management agreements and measures for preserving employees' rights and interests

Yuanta FHC agrees and supports various international human rights conventions, including United Nations' Universal Declaration of Human Rights, strictly complies with labor laws and regulations, and establishes its own human right policy and issues the declaration of human rights therefor, in order to protect employee rights and interests. It also organizes the labor-management meeting periodically to provide diversified communication channels and value employees' opinions. The labor-management relationship is maintained harmoniously. Additionally, in order to improve labor-management harmony and maintain a stable labor-management relationship with trade unions, both Yuanta FHC and the trade unions upheld the spirit of labor-management autonomy and ethical management during the negotiation process for the initiation of the collective agreement. Through sufficient communication and negotiation, both parties reached an agreement and executed the collective agreement on September 2, 2024.

**(II) Losses as a result of labor disputes during the latest fiscal year up to the date of the publication of this annual report**

Company	Competent Authority	Date of Decision	Decision No.	Violated Laws & Regulations	Contents of Violation
Yuanta Bank	Kaohsiung City	2024.02.16	Kaohsiung City -Lao-Tiao-Zi No. 11330655400	Paragraph 2, Article 32 of the Labor Standards Act	Extend working hours beyond the statutory hours
Yuanta Bank	Taipei City	2024.07.17	Taipei City -Lao-Dong-Zi No. 11360197421	Paragraph 2, Article 32 of the Labor Standards Act	Extend working hours beyond the statutory hours

**(III) Working environment and employee safety**

We use the best effort to promote and maintain the workplace safety and employees' health. In order to ensure a healthy and safe workplace environment and facilitate the labor-management communication, we adopt the Occupational Safety and Health Work Rules, Occupational Safety and Health Management Program, Automated Inspection Program, Implementation Directions for Operating Environment Testing, and Regulations Governing Occupational Safety and Health Training, and publishes and enforces the same, in accordance with the "Occupational Safety and Health Act" and related sub laws.

Meanwhile, Yuanta FHC continues to improve its related practices and implement them effectively. In 2024, the Board of Directors approved the establishment of the Group's occupational safety and health policy to improve management performance, create a zero-disaster workplace, and protect the safety and health of employees, suppliers, and contractors.

Yuanta Securities Co., Ltd. and Yuanta Commercial Bank Co., Ltd. both have established the occupational safety and health committees pursuant to laws, which consist of 7-11 members including the employer, workers' representatives and unit heads, and convene at least one meeting each quarter to review the prevention of occupational diseases, occupational safety and health management operations, employees' health and working environment safety-related issues, and follow up the same periodically. The employees may feed back any suggestions about optimization of occupational safety and health issues via the labor union or labor-management meetings.

Meanwhile, in order to construct the gender-equality workplace and protect employees' human rights in the workplace, Yuanta FHC pays attention to gender and workplace diversity issues, formulates gender ratio goals and short-term, medium-term and long-term plans for employees and management, and takes practical actions to promote gender balance. In 2024, the proportion of female employees reached 63.40%, and the proportion of female supervisors was up to 54.39%. Meanwhile, Yuanta FHC has set forth the "Workplace Sexual Harassment Prevention Measures and Guidelines Governing Complaints and Disciplines" to strictly prohibit any sexual harassment, discrimination or violence, threat or intimidation. It will also organize the sexual harassment prevention promotional and educational training program periodically each year. The suppliers include contractors. Yuanta FHC will organize the suppliers meeting in response to the ESG issue each year, in order to provide educational training and communication channels, and improve the maintenance of occupational safety and business competitiveness.

Yuanta Financial Holding Co., Ltd. and its subsidiaries provide the medical specialist's on-site health consulting services pursuant to laws. They hire dedicated professional occupational safety and health management personnel, Labor health service nurses and contracted occupational specialists. Meanwhile, employees are allowed to seek professional medical consulting service during the working hours. In addition to developing personal skills, employees are also provided with a supportive environment. With respect to the analysis on normal diseases and the top ten abnormal items for the employees' health checkup, Yuanta FHC also provides the healthcare information and health consulting services, promotes preventive medicine and disease prevention, and strengthens employees' health awareness, in order to achieve the purposes of health life and health promotion.

It organizes the regular "Appointment with Health" on a monthly basis, in order to provide employees with regular "Appointment with Health," to provide employees with free blood oxygen, blood pressure, weight, and body fat measurement services, and then has the labor health service nursing personnel assess their health risks and provide health education. Further, it also provides the technology-based physical fitness test and various sports lectures, in order to improve the employees' knowledge about health and perceive the trends about health information.

All of Yuanta FHC and its five subsidiaries (Yuanta Securities, Yuanta Bank, Yuanta

Life, Yuanta Securities Investment Trust and Yuanta Futures) have passed the certification (renewal) by ISO 45001 Occupational Safety and Health Management System in 2024. Additionally, the Group continues to maintain a conducive operating environment for employees and protect their personal safety through the cyclical quality management process (Plan-Do-Check-Action) to improve occupational safety and health in the workplace.

In order to mitigate the hazards posed by the working environment to employees' safety and health, Yuanta FHC implements protective measures (such as fire risk identification in unfavorable situations and key disaster reduction measures). The implementation status is stated as follows :

1. Formulate an emergency response plan, including regular fire response drills and automatic fire extinguishing system testing with the fire team.
2. Fire extinguishing equipment, emergency escape guide, and disaster prevention information are made available at the workplace.
3. Automatic inspection plans are established for electrical equipment, firefighting facilities, and the operating environment. The potential hazardous factors are actively identified to effectively control the occurrence of risks and prevent possible safety hazards.
4. Emergency personnel are delegated and personnel re-training is conducted in accordance with the regulations.
5. Yuanta FHC values the safety protection in the workplace and the traffic safety during commute, and organizes occupational safety and health education and training courses periodically each year, in order to strengthen colleagues' occupational safety and health awareness.

In order to continue promoting the occupational prevention and health promotion (Prevent metabolic syndrome, i.e. chronic diseases such as high blood sugar, high blood lipids, high blood pressure, obesity, etc.), ensure that the workplace may become a peaceful and healthy work site, and train physically and mentally health employees, we adopt the three-section and five-level concept about public health to execute the workplace health management plan, and also include the Ottawa Charter for Health Promotion to promote the workplace health promotion program and continue to provide the systematic and cyclic quality management employee health protection plan.

The policies for workplace health management and occupational disease prevention are implemented in the following manners :

1. Yuanta FHC and its subsidiaries provide employees with regular health checkups that are superior to those prescribed by law and arrange for their management to undergo a full physical checkup at National Taiwan University Hospital each year. Meanwhile, since 2025, the Group has conducted annual health checkups for all employees, increased the frequency from once every two years, arranged for nighttime and shift workers to undergo specific health checkups, provided consulting services regarding the health checkup reports, monitored employees' health conditions, and notified employees with abnormal results to encourage them to complete a follow-up visit at the hospital voluntarily.
2. Prevention plan for illness driven by abnormal workload : In response to the annual health checkup analysis result, conduct risk analysis in the form of questionnaire to

identify the abnormal workload risk over the colleagues working overtime more than 45 hours a month averagely, and nighttime workers and shift workers, and then grade the risk and adopt related prevention policies.

3. Ergonomic hazard prevention plan : Conduct the conscious musculoskeletal symptoms survey on employees, promote the sore and occupational hazard prevention, respond to the on-site physician's consulting service, provide colleagues with the suggestions about improvement of the workplace environment and habits.
4. Female employees' health protection plan : Conduct the comprehensive environmental risk assessment, and complete the "Mother's Health Risk Assessment Form" upon awareness about any employee's pregnancy, in order to assess the employees' workplace environment, the impact to mother's health rendered by the work and protect the employees' occupational safety and health during their pregnancy.
5. Plan to prevent infringement suffered during the performance of job duty : Regularly conduct hazard identification and risk assessment analysis at the workplace, and organize related seminars and events to strengthen the colleagues' ability to respond to and mitigate operational risks, and improve operational safety at the workplace.

The efforts spent by Yuanta FHC and its subsidiaries in the occupational safety and employees' healthcare are well recognized by various sectors. The awards and certifications already received by Yuanta FHC are stated as following :

1. Yuanta FHC and its subsidiaries including Yuanta Securities, Yuanta Bank and Yuanta Life already received the Peaceful Workplace Certification from the Ministry of Health and Welfare.
2. Yuanta FHC and its subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, and Yuanta Futures already received the Sport Enterprise Certification from Sports Administration, Ministry of Education.
3. Yuanta FHC and its subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, Yuanta Futures, Yuanta Asset Management and Yuanta Venture Capital already received the "Health Workplace Certification Mark" awarded by the Health Promotion Administration, Ministry of Health and Welfare.
4. Yuanta FHC and its subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust, and Yuanta Futures worked together to plan the entire occupational safety and health management development, promote fair environment in workplace, and well protect employees' work environment and personal safety.
5. Yuanta FHC and its subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trust and Yuanta Futures all passed the renewed (re-issued) certification of ISO 45001 occupational safety and health management system in 2024.
6. The subsidiaries including Yuanta Venture Capital, Yuanta Asset Management, Yuanta Securities Investment Consulting and the branch of Yuanta Futures already received the Health Startup Mark from the Ministry of Health and Welfare.
7. The subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life and Yuanta Futures already received the Excellent Breastfeeding Room Certification from

Department of Health, Taipei City Government.

8. The subsidiaries including Yuanta Securities, Yuanta Bank (a total of 7 office buildings) and Yuanta Life already received the Peaceful Workplace Certification from the Ministry of Health and Welfare.
9. In 2023, the subsidiary, Yuanta Bank, was awarded the first “Elderly-Friendly Enterprise for the Middle Age and Elderly People” by the Department of Labor, Taipei City Government.
10. The subsidiary, Yuanta Futures, was awarded the “Little Giant” digital label of the “CHR Citizens” by CommonWealth Magazine.
11. The subsidiary, Yuanta Securities, was awarded the Work-Life Balance Award-Caring Company Award by the Ministry of Labor.
12. The subsidiary, Yuanta Bank, was awarded the “Dementia Friendly Supporter” label by the New Taipei City Government in 2024.

#### **(IV) Employee Code of Ethics**

Yuanta FHC has drafted the Code of Ethics in order to guide employees to act in line with ethical standards and uphold aggressive, serious and responsible attitude, abandon parochialism, value teamwork and strictly comply with the principle of good faith when performing job duties, which are also disclosed in the “Corporate Governance Section” of CSR on the official website. Meanwhile, Yuanta FHC has stepped up its ethics education programs and implementation in order to create a highly self-disciplined and trustworthy business climate.

Yuanta FHC has a comprehensive set of rules and regulation relating to ethics. It also emphasizes the need for professional skills and work ethic at all company’s meetings and education and training.

#### **(V) Employee continuing education and training**

Yuanta FHC upholds the philosophy of “satisfying the finance industry and group business development needs” to continue training talents specialized in finance. Yuanta FHC has established diversified development system for talents holding management function and professional function, and offered the training courses and provided learning resources by the five major frameworks including the management school, professional school, license school, life school and sustainability school.

The talent training system for Yuanta FHC consists of the following elements :

1. Training and development system for diversified talents holding management function and professional function

The management of Yuanta FHC find out and reserve the management and professional talents needed by the financial industry’s and Group’s development through talent identification, and train talents through training, project task assignment, participation in projects, participation in meeting and job rotation. Meanwhile, Yuanta FHC also encourages its employees to access various financial areas of the Group and learn the diversified functions voluntarily to help Yuanta FHC and employees respond to the rapid changes in the finance industry and also hold the knowledge, technology and competency keeping up with the time.



2. Share the digital training platform and promote self-learning

Since 2003, Yuanta Financia Holdings has established the digital learning platform, “Yuanta e-Learning.” Yuanta FHC communicates tactic knowledge and transfer practical experience via its self-made courses available on the digital learning platform, “Yuanta e-Learning”. The digital contents released on a weekly basis are intended to communicate the global industrial development trend, case study on enterprises and experience, and new knowledge and application of management, as the important knowledge treasury for the Group’s employees to engage in self-learning and develop diversified functions.

Based on the thought about learning curation, in line with the hit subjects in the global financial industry and the Group's business focus, Yuanta FHC periodically releases “Yuanta e-Learning/Learning Weekly” to trigger employees’ learning motive, urge employees to engage in self-learning “anytime, anywhere, on-demand.” to continue enhancing the employees’ professional ability and reserve their competitiveness for their future careers.

Yuanta FHC encourages employees to participate in workshops and training sessions. They may be assigned by Yuanta FHC to attend the programs or workshops or attend the programs or workshops authorized by Yuanta FHC. Yuanta FHC will cover the full expenses. Moreover, Yuanta FHC promulgates the incentive system to encourage employees to attend international financial professional course certification, English proficiency certification and sustainable development basic competence certification so that they may have a chance to enhance their competence or reserve the competence needed in the future.

3. Provide the chance for post transfer in the Group and encourage cross-functional transfer for development

Yuanta FHC makes good use of the strength in diversified financial industry of its subsidiaries to arrange the intracompany post transfer subject to the operating need periodically, and encourages employees to apply for internal job rotation, so as to boost the exchange of talents in the Group and encourage employees to develop in a diversified manner, drive the reproduction of inter-company success and improve efficiency.

Summary of Yuanta FHC’s implementation of 2024 education and training :

Year	2024
Disclosure	
Total Cost of education & training	NT\$73.91 million
Total Number of education & training courses	4,347 courses
Total hours of education & training	699,266 hours
Number of education & training trainees	444,689 attendances

Yuanta FHC upholds the sustainable management philosophy and keeps declaring the important ESG issues and international development trends to directors/supervisors and senior management, communicating the ESG philosophy, trend, contents and benchmarking cases to all employees, and providing various professional personnel with ESG professional skill training programs, including the professional practices on SDGs, such as GHG accounting, climate risk management

and pressure test, internal carbon pricing management, responsible investment, fair dealing, information security, friendly workplace, in order to deepen the sustainable finance knowledge and skills and practice the talent sustainable development. In 2024, it has organized a total of 1,223 sustainable finance-related courses, and 263,241 persons completed the training, accumulating a total of 302,622 training hours, i.e. 43.28%.

In response to the digital financial trend and continued fulfillment of the Group's driving of growth strategies, Yuanta FHC continued to boost the Group personnel's transformation and diversified functional training programs in 2024, including financial certificate/license qualification training, financial product research, and product sales training, etc. The programs took a total of 211,484 hours, i.e. 30.24% of the total training hours, and were attended by 67,636 persons.,

Yuanta FHC periodically organizes the life school's course series, promotes the Employee Assistance Programs (EAPs), and combines Yuanta FHC club activities, in order to help employees maintain a lifestyle balanced physically and mentally and practice comprehensive physical and mental care for employees. In 2024, the life school launched health promotion series, including health seminars, Peaceful Workplace, gender equality programs, sports seminars, physical fitness programs, healthy weight management classes, and periodic health consulting services of medicine specialists by contract on site, attended by a total of 25,206 persons, for 27,298 training hours, i.e. 3.90% of the total training hours.

Yuanta FHC and its seven(7) subsidiaries (Yuanta Bank, Yuanta Life, Yuanta Securities Investment Trusts, Yuanta Futures, Yuanta Venture Capital, Yuanta Securities Finance, Yuanta Asset Management) were awarded the "Health Workplace Certification Mark" by the Health Promotion Administration, Ministry of Health and Welfare. Yuanta FHC and its five subsidiaries including Yuanta Securities, Yuanta Bank, Yuanta Life, Yuanta Futures and Yuanta Securities Investment Trust were already awarded the "Sports Enterprise Certification" by the Sports Administration, Ministry of Education.

## X. Important Contracts

### (I) Yuanta FHC

As of January 31, 2025

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Equipment room lease service contract	Data communications branch, Chunghwa Telecom Co., Ltd.	Effective from December 1, 2009 to November 30, 2014. Unless either party notifies the other party not to renew the contract by giving a written notice at least 3 months prior to expiration of the contract, the contract shall be renewed for another year automatically, and so on.	Leasing of Xinyi equipment room.	If either party to this contract fails to perform its contractual obligations due to a reason attributable to that party, and it fails to make corrections after being notified by the other party to do so within a limited time period, the non-defaulting party may notify the defaulting party terminate this contract with one month prior written notice, and may request a penalty of NTS1,000,000.
Real estate lease contract	Yuanta Financial Holding Co., Ltd. Yuanta Commercial Bank Co., Ltd.	April 11, 2024 - April 10, 2029	A part of the occupied areas at 5F, 6F, 10F, 13F and 16F-20F, No. 157, Sec. 3, Renai Rd., Daan Dist., Taipei City (rented).	None
Real estate lease contract	Yuanta Financial Holding Co., Ltd. Yuanta Life Insurance Co., Ltd.	From November 10, 2020 to November 9, 2025	A part of the occupied areas at 11F, No. 77, Sec. 2, Nanjing E. Rd., Taipei City (rented).	None

### (II) Yuanta Securities

As of January 31, 2025

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Securities investment consultant appointment	Yuanta Securities Co., Ltd. Yuanta Securities Investment Consulting Co., Ltd.	Effective from January 1, 2024 to December 31, 2024	To appoint Yuanta Securities Investment Consulting Co., Ltd. provide consulting services about the domestic and international issuer of equity securities.	None
Securities investment consultant appointment	Yuanta Securities Co., Ltd. Yuanta Securities Investment Consulting Co., Ltd.	Effective from January 1, 2025 to December 31, 2025	To appoint Yuanta Securities Investment Consulting Co., Ltd. provide consulting services about the domestic and international issuer of equity securities.	None

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Endorsement/guarantee contract	Yuanta Securities Co., Ltd. PT Yuanta Sekuritas Indonesia	The contract was signed on June 5, 2018 and indefinite (until PT Yuanta Sekuritas Indonesia pays off all debts owed to PT Bank HSBC Indonesia and all contracts concerned are terminated).	Yuanta Securities Co., Ltd. provides the guarantee only with respect to the debt arising from the facility sought by PT Yuanta Sekuritas Indonesia from PT Bank HSBC Indonesia within the limit of the principal, US\$3.5 million.	None
Endorsement/guarantee contract	Yuanta Securities Co., Ltd. Yuanta International Investment (Hong Kong) Ltd.	The contract was executed on February 25, 2021, and no date of expiration specified for the contract (until termination of the domestic mandatory contract signed between Yuanta Securities Co., Ltd. and Yuanta International Investment (Hong Kong) Ltd.)	Yuanta Securities Co., Ltd. acted as the domestic agent and guarantee organization of the offshore structured notes issued by Yuanta International Investment (Hong Kong) Ltd. in Taiwan to provide the corporate guarantee within the limit of US\$50 million.	None
IT Hardware purchase contract	SYSTEX Corporation	May 2024 ~ May 2029	Brokerage back-office account system database server hardware procurement.	None
Information software license agreement	SYSTEX Corporation	May 2024 ~ May 2029	Brokerage back-office account system database software licensing and procurement.	None
Information software maintenance contract	M-Power Information Co., Ltd.	January 9, 2025 ~ January 8, 2027	Oracle database maintenance and procurement from 2025 to 2026.	None
Information software license agreement	SYSTEX Software	January 1, 2024 ~ December 31, 2026	Microsoft EA licensing from 2024 to 2026.	None
Information software license agreement	Fortune Information Systems Corp.	January 1, 2025 ~ December 31, 2027	Subscription licensing and maintenance service for Vmware from 2025 to 2027.	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Financial Holding Co., Ltd.	November 11, 2022 ~ November 10, 2025	10F, 12F & 13F, No. 66, Sec. 1, Dunhua S. Rd., Taipei City, occupying an area of about 934.32 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Securities Finance Co., Ltd.	November 11, 2022 ~ November 10, 2025	12F., No. 66, Sec. 1, Dunhua S. Rd., Taipei City, occupying an area of about 272.24 ping (landlord).	None

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Venture Capital Co., Ltd.	November 11, 2022 ~ November 10, 2025	10F., No. 66, Sec. 1, Dunhua S. Rd., Taipei City, occupying an area of about 113.27 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Venture Capital Co., Ltd.	October 21, 2024 - November 10, 2025	10F., No. 66, Sec. 1, Dunhua S. Rd., Taipei City, occupying an area of about 35.66 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Life Insurance Co., Ltd.	September 1, 2023 - August 31, 2025	7F.-1, 7F.-2 & 7F.-3, No. 55, Zhongzhen 3rd Rd., Kaohsiung City, occupying an area of about 431.12 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Commercial Bank Co., Ltd.	February 16, 2023 - February 15, 2028	3F.-1, No. 300, Sec. 4, Zhongxiao E. Rd., Taipei City, occupying an area of about 102.94 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Foundation	April 16, 2021 - April 15, 2026	10F., No. 66, Sec. 1, Dunhua S. Rd., Taipei City, occupying an area of about 2 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Commercial Bank Co., Ltd.	October 21, 2024 - October 20, 2029	A part of 2F. & 3F., No. 420, Fuxing N. Rd., Taipei City, occupying an area of about 383.73 ping (landlord).	None
Real estate lease contract	Yuanta Securities Co., Ltd. Yuanta Life Insurance Co., Ltd.	August 1, 2024 - November 9, 2025	A part of 10.F, No. 77, Sec. 2, Nanjing E. Rd., Taipei City, occupying an area of about 162.63 ping (tenant).	None
2nd Addendum to the tenancy agreement	Yuanta Securities Co., Ltd. Yuanta Life Insurance Co., Ltd.	October 10, 2023 - November 9, 2025	A part of 2F., 6F., 7F., 8F., 9F., a part of 10F., a part of 11F., 12F. & 14F., No. 77, 79, Sec 2, Nanjing E. Rd., Taipei City, occupying an area of about 2,793.01 pings (tenant).	None
3rd Addendum to the tenancy agreement	Yuanta Securities Co., Ltd. Yuanta Commercial Bank Co., Ltd.	April 11, 2024 - April 10, 2029	A part of 3F. & 5F, No. 157, Sec. 3, Ren'ai Rd., Taipei City, occupying an area of about 221.06 ping (tenant).	None
3rd Addendum to the tenancy agreement	Yuanta Securities Co., Ltd. Yuanta Commercial Bank Co., Ltd.	April 11, 2024 - April 10, 2029	5F., No. 157, Ren'ai Rd., Taipei City, occupying an area of about 84.3 ping (tenant).	None
Real estate trading contract	Yuanta Securities Co., Ltd. Natural person	March 28, 2024 (the date of execution)	2F, 2F-1, 2F-2, B1, and B2, No. 210, Sec. 3, Chengde Rd., Taipei City (sold).	None

### (III) Yuanta Bank

As of January 31, 2025

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Equipment room lease service	Corporate Services Office, Chunghwa Telecom Co., Ltd.	December 1, 2024 ~ November 30, 2025 Unless either party notifies the other party not to renew the contract by giving a written notice at least 3 months prior to expiration of the contract, the contract shall be renewed for another year automatically, and so on.	Leasing of Xinyi equipment room.	If either party to this contract fails to perform its contractual obligations due to a reason attributable to that party, and it fails to make corrections after being notified by the other party to do so within a limited time period, the non-defaulting party may notify the defaulting party in writing to terminate this contract after one month, and may request a penalty of NT\$1,000,000.
Contract for creation of superficies of national non-public use land	The R.O.C. (Northern Region Branch, National Property Administration, MOF)	From September 12, 2018 to September 11, 2088	Superficies for the eighteen lots of Land Nos. 114-1, Sub-section 2, Huaisheng Section, Daan District, Taipei City.	No superficies shall be rented or lent to another person for the purpose of construction projects. If the superficies or on-ground buildings are rented or lent to another person for non-construction purpose, the last day for the person's occupation thereof shall be never later than the last day of the valid term of the superficies.

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Engineering contract	Chung-Lu Construction, Co., Ltd.	Effective from July 31, 2020 and terminated after the occupation license is obtained and the inspection and acceptance is completed upon completion of the construction project.	New construction project for the headquarters.	The related data and information provided by either party to the other party shall be identified as the party's business secrets, which the other party shall be obligated to keep confidential. The other party shall not disclose, publicly re-state, give or re-sell the information, documents or messages, in writing, verbally or in any other manners, or engage in any other activities injuring the other party. Whether either party breaches the non-disclosure obligation and thereby causes injury to the other party, the breaching party shall bear the relevant damages.
Building interior decoration design commissioning and engineering contract	RICH HONOUR INTERNATIONAL DESIGNS CO., LTD.	From September 1, 2023 Until : One year upon acceptance of the project.	The interior decoration engineering and design of Yuanta Financial Plaza's "public space."	The related data and information provided by either party to the other party shall be identified as the party's business secrets, which the other party shall be obligated to keep confidential. The other party shall not disclose, publicly re-state, give or re-sell the information, documents or messages, in writing, verbally or in any other manners, or engage in any other activities injuring the other party. Whether either party breaches the non-disclosure obligation and thereby causes injury to the other party, the breaching party shall bear the relevant damages.

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Building interior decoration_ Design commission and engineering contract (office space A)	CHEN-JIA INTERIOR DECORATION ENGINEERING CO., LTD.	From : October 27, 2023 Until : One year upon acceptance of the project.	The interior decoration engineering and design of Yuanta Financial Plaza's "office space" (1F-3F and 20F).	The related data and information provided by either party to the other party shall be identified as the party's business secrets, which the other party shall be obligated to keep confidential. The other party shall not disclose, publicly re-state, give or re-sell the information, documents or messages, in writing, verbally or in any other manners, or engage in any other activities injuring the other party. Whether either party breaches the non-disclosure obligation and thereby causes injury to the other party, the breaching party shall bear the relevant damages.
Building interior decoration_Design commission and engineering contract (office space B)	CHEN-JIA INTERIOR DECORATION ENGINEERING CO., LTD.	From : October 27, 2023 Until : One year upon acceptance of the project.	The interior decoration engineering and design of Yuanta Financial Plaza's "office space" (4F-19F).	The related data and information provided by either party to the other party shall be identified as the party's business secrets, which the other party shall be obligated to keep confidential. The other party shall not disclose, publicly re-state, give or re-sell the information, documents or messages, in writing, verbally or in any other manners, or engage in any other activities injuring the other party. Whether either party breaches the non-disclosure obligation and thereby causes injury to the other party, the breaching party shall bear the relevant damages.



Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Engineering contract	ENTERPRISE BUSINESS GROUP, CHUNGWA TELECOM CO., LTD.	From : October 23, 2023 Until : Four years upon acceptance of the project.	Yuanta Financial Plaza new phone exchange construction and Yuanta FHC building upgrade construction project engineering and maintenance and warranty.	The related data and information provided by either party to the other party shall be identified as the party's business secrets, which the other party shall be obligated to keep confidential. The other party shall not disclose, publicly re-state, give or re-sell the information, documents or messages, in writing, verbally or in any other manners, or engage in any other activities injuring the other party. Whether either party breaches the non-disclosure obligation and thereby causes injury to the other party, the breaching party shall bear the relevant damages.

#### (IV) Yuanta Life

As of January 31, 2025

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
House lease agreement (Lessee)	Yuanta Life is referred to as the Lessee. Quan Yi Construction Co., Ltd. and Fu Tai Construction Co., Ltd. are referred to as the Lessor	Both parties signed the Agreement on August 25, 2021. The lease shall be effective from September 1, 2021 until August 31, 2026 for five years	Without the Lessor's prior consent, the premises shall not be subleased, sublet or assigned, or otherwise make available, to any third party, in whole or in part. The premises shall be used in accordance with laws and prohibited from being used for illegal purposes or storing any hazardous goods that affect the public safety.	General legal principles.
Engineering contract	Yuanta Life contracted Fu Tsu Construction, Co., Ltd. To complete the building construction project	Both parties signed the Engineering contract on February 21, 2022	<ol style="list-style-type: none"> <li>1. Yuanta Life solicited the tender for foundation of Songjiang Building at south and north sides on December 23, 2021. As a result, FU TSU CONSTRUCTION CO., LTD. won the contract with its tender offer amounting to NT\$3,325,800,000.</li> <li>2. Both parties signed the Engineering contract on February 21, 2022.</li> <li>3. The construction period for the north foundation commences from December 30, 2021. The occupation permit is expected to be received on February 29, 2024.</li> <li>4. The construction period for the south foundation commences from February 25, 2022. The occupation permit is expected to be received on May 15, 2025.</li> </ol>	General legal principles.
Equipment lease agreement	Data communications branch, Chunghwa Telecom Co., Ltd.	July 1, 2018 ~ (with automatic renewal upon expiration)	Lease agreement for control room (including the remote backup control room) and network equipment of CHT and maintenance thereof.	None
Re-insurance contract	Central Reinsurance Corporation	October 1, 1992 ~	Life re-insurance services.	None
Re-insurance contract	Swiss Re-insurance Company	October 1, 1992 ~	Life reinsurance, health reinsurance and accident reinsurance.	None
Re-insurance contract	Reinsurance Group of America, Incorporated	September 1, 1999 ~	Life reinsurance, health reinsurance and accident reinsurance.	None
Re-insurance contract	Munich Reinsurance Company	March 2, 2015 ~	Life reinsurance, health reinsurance and accident reinsurance.	None
Re-insurance contract	General Reinsurance AG	May 12, 2014 ~	Life reinsurance, health reinsurance and accident reinsurance.	None
Re-insurance contract	SCOR	December 18, 2017 ~	Life reinsurance, health reinsurance and accident reinsurance.	None

Note : Unless it refers to the reinsurance policy for a catastrophe contract, it shall renew automatically each year if neither party raises any objection.

## (V) Yuanta Futures

As of January 31, 2025

Contract type	Counterpart	Contract beginning and ending date	Chief contents	Restrictive terms
Hardware purchase contract	DYNASAFE TECHNOLOGIES, INC.	May 23, 2024 - November 20, 2025	Hardware procurement contract for the network visualized netscout performance analysis platform project.	None
Hardware purchase contract	Sanfran Technologies Inc.	August 1, 2024 - September 20, 2029	Procurement of high-frequency trading network equipment for IDC machine room of Banqiao.	None
Software purchase contract	SYSTEX Software	January 1, 2024 - December 31, 2026	Microsoft EA Licensing Procurement.	None
Hardware purchase contract	Sanfran Technologies Inc.	May 15, 2023 - December 15, 2028	Remote backup data center network equipment procurement project.	None
Hardware purchase contract	Sanfran Technologies Inc.	May 20, 2022 to May 31, 2028	Foreign Institutional Investor Dept. switch and firewall equipment procurement project.	None
General purchase and sale agreement	Mr. Watt Co., Ltd.	From December 1, 2022 to December 1, 2027	Renewable energy electricity retailing and license contract.	None
Hardware purchase contract	Hwacom Systems Inc.	February 18, 2021 to July 31, 2025	Procurement of Cisco equipment for relocation of network equipment of Yuntai Plaza.	None
Real estate lease agreement (Lessee)	Yuanta Life Insurance Co., Ltd.	From November 10, 2020 to November 9, 2025	Yuntai Plaza tenancy agreement.	None

## Five. Discussion and Analysis of Financial Status and Financial Performance, and Risk Management

### I. Comparative Analysis of Financial Conditions

#### (I) Consolidated Balance Sheet of the Company and Its Subsidiaries

Unit : NT\$1,000

Accounting title \ Year	2024/12/31	2023/12/31	Increase/Decrease	
	Amount	Amount	Amount	(%)
Cash and cash equivalents	83,226,254	81,869,960	1,356,294	2
Due from Central Bank and call loans to other banks	98,990,404	83,110,140	15,880,264	19
Financial assets	1,618,018,599	1,506,911,815	111,106,784	7
Investments in bills and bonds under resale agreements	85,047,944	99,644,104	(14,596,160)	(15)
Receivables - net	342,512,890	273,092,919	69,419,971	25
Bills discounted and loans - net	1,280,633,452	1,086,526,760	194,106,692	18
Equity investments accounted for under the equity method - net	2,260,465	3,089,373	(828,908)	(27)
Investment property - net	14,705,836	11,307,517	3,398,319	30
Property and equipment - net	28,974,811	27,352,156	1,622,655	6
Right-of-use assets - net	10,804,544	13,011,575	(2,207,031)	(17)
Intangible assets - net	30,531,049	30,728,678	(197,629)	(1)
Other assets - net	120,023,556	82,014,823	38,008,733	46
Total assets	3,715,729,804	3,298,659,820	417,069,984	13
Deposits by the Central Bank and other banks	2,310,340	12,387,393	(10,077,053)	(81)
Financial liabilities	359,272,647	294,394,110	64,878,537	22
Bills and bonds payable under repurchase agreements	273,112,894	251,838,703	21,274,191	8
Commercial paper payable -net	154,619,336	83,155,165	71,464,171	86
Payables	177,196,786	180,210,063	(3,013,277)	(2)
Deposits and remittances	1,684,724,042	1,548,770,818	135,953,224	9
Bonds payable	111,032,794	104,904,691	6,128,103	6
Other borrowings	63,585,186	48,439,167	15,146,019	31
Reserve for liabilities	391,867,186	376,640,823	15,226,363	4
Lease liabilities	5,941,224	6,191,253	(250,029)	(4)
Other liabilities	156,214,042	83,351,488	72,862,554	87
Total liabilities	3,379,876,477	2,990,283,674	389,592,803	13
Share capital	129,428,640	126,890,824	2,537,816	2
Additional paid-in capital	38,198,040	38,188,103	9,937	-
Retained earnings	138,498,008	116,980,378	21,517,630	18
Other equity	8,113,916	4,947,633	3,166,283	64
Non-controlling interests	21,614,723	21,369,208	245,515	1
Total equity	335,853,327	308,376,146	27,477,181	9

Explanation of significant changes :

1. The increase in receivables - net was primarily a result of the increase in securities lending receivable, securities financing receivable and interest receivable.
2. The decrease in investment accounted for under the equity method - net was primarily a result of the disposal of the investment accounted for under the equity method.
3. The increase in investment property - net was primarily a result of the acquisition of investment property.

4. The increase in other assets - net was primarily a result of the increase in the margin for securities lending.
5. The decrease in deposits from Central Bank and other banks was primarily a result of the decrease in interbank lending.
6. The increase in financial liabilities was primarily a result of the increase in futures traders' equity.
7. The increase in commercial paper payable - net was primarily a result of the increase in the commercial paper payable.
8. The increase in other borrowings was primarily a result of the increase in short-term borrowings.
9. The increase in other liabilities was primarily a result of the increase in deposit of securities borrowing margin and customers' equity in the dedicated ledgers.
10. The increase in other equity was primarily a result of the increase in gain on valuation of financial assets at fair value through other comprehensive income.

## (II) Balance Sheet of Individual Entity of Yuanta FHC

Unit : NT\$1,000

Accounting title	Year	2024/12/31	2023/12/31	Increase/Decrease	
		Amount	Amount	Amount	Amount
Cash and cash equivalents		2,314,855	2,819,922	(505,067)	(18)
Financial assets at fair value through other comprehensive income		73,138	63,875	9,263	15
Receivables - net		3,513,769	2,553,463	960,306	38
Current income tax assets		2,591,632	2,591,632	0	-
Equity investments accounted for under the equity method - net		354,768,324	321,901,762	32,866,562	10
Property and equipment - net		54,240	40,291	13,949	35
Right-of-use assets - net		327,137	82,425	244,712	297
Intangible assets - net		17,255	13,643	3,612	26
Deferred income tax assets - net		54,447	46,509	7,938	17
Other assets - net		19,579	20,020	(441)	(2)
<b>Total Assets</b>		<b>363,734,376</b>	<b>330,133,542</b>	<b>33,600,834</b>	<b>10</b>
Commercial paper payable -net		1,396,622	0	1,396,622	-
Payables		8,188,496	6,555,791	1,632,705	25
Current income tax liabilities		3,867,709	2,861,055	1,006,654	35
Bonds payable - net		35,650,000	33,600,000	2,050,000	6
Reserve for liabilities		14,685	12,403	2,282	18
Lease liabilities		360,274	84,893	275,381	324
Other liabilities		17,986	12,462	5,524	44
<b>Total Liabilities</b>		<b>49,495,772</b>	<b>43,126,604</b>	<b>6,369,168</b>	<b>15</b>
Share capital		129,428,640	126,890,824	2,537,816	2
Additional paid-in capital		38,198,040	38,188,103	9,937	-
Retained earnings		138,498,008	116,980,378	21,517,630	18
Other equity		8,113,916	4,947,633	3,166,283	64
<b>Total equity</b>		<b>314,238,604</b>	<b>287,006,938</b>	<b>27,231,666</b>	<b>9</b>

Explanation of significant changes :

1. The increase in payables - net was primarily a result of the increase in other payables linked tax system.
2. The increase in property and equipment was primarily a result of the increase in procurement of computer equipment and leasehold improvement.
3. The increase in right-of-use assets - net and lease liabilities was primarily a result of the new lease of office premises.
4. The increase in intangible assets - net was primarily a result of the increase in procurement of computer software.
5. The increase in commercial paper payable - net was primarily a result of the increase in the commercial paper payable.
6. The increase in payables was primarily a result of the other payables-payable linked tax system of the subsidiary.
7. The increase in current income tax liabilities was primarily a result of the increase in income tax payable.
8. The increase in other liabilities was primarily a result of the increase in the retirement refund payable and temporary receipts.
9. The increase in other equity was primarily a result of the increase in gain on valuation of financial assets at fair value through other comprehensive income.

## II. Analysis of Financial Performance

### (I) Consolidated income statement of Yuanta FHC and its subsidiaries

Unit : NT\$1,000

Accounting title	Year	2024	2023	Increase/Decrease	
		Amount	Amount	Amount	(%)
Net interest income		33,122,767	30,332,080	2,790,687	9
Net non-interest income		87,576,915	67,757,803	19,819,112	29
Net profit		120,699,682	98,089,883	22,609,799	23
Provision for bad debt expenses, commitment and guarantee policy reserve		(2,174,270)	(472,519)	(1,701,751)	360
Net change in provision for insurance liabilities		(12,605,146)	(14,470,939)	1,865,793	(13)
Operating expenses		(60,168,145)	(49,160,774)	(11,007,371)	22
Income from continuing operations before income tax		45,752,121	33,985,651	11,766,470	35
Income tax expense		(7,439,717)	(5,457,422)	(1,982,295)	36
Net Income for the Period		38,312,404	28,528,229	9,784,175	34
Other comprehensive loss (net of tax)		4,582,855	13,678,215	(9,095,360)	(66)
Total comprehensive income		42,895,259	42,206,444	688,815	2

Explanation of significant changes :

1. The increase in net non-interest income was primarily a result of the increase in net income on service charges and commission and exchange gains and losses.
2. The increase in provision for bad debt expenses, commitment and guarantee policy reserve was primarily a result of increase in bad debt expenses for discount and loan.
3. The increase in operating expenses was primarily a result of the increase in employee welfare expenses.
4. The increase in income tax expenses was primarily a result of the increase in net income before tax.
5. The decrease in other comprehensive loss (net of tax) was primarily a result of the decrease in profit or loss on the valuation of debt instruments at fair value through other comprehensive income.

### (II) Entity income statement of Yuanta FHC

Unit : NT\$1,000

Accounting title	Year	2024	2023	Increase/Decrease	
		Amount	Amount	Amount	(%)
Revenue					
Share of the profit or loss of associates and joint ventures accounted for under equity method		38,590,297	28,175,994	10,414,303	37
Realized gains on financial assets at fair value through other comprehensive income		1,574	1,405	169	12
Other revenues		129,073	91,580	37,493	41
Subtotal		38,720,944	28,268,979	10,451,965	37
Expenses and losses					
Operating expenses		(1,880,414)	(1,329,591)	(550,823)	41
Other expenses and losses		(447,641)	(367,014)	(80,627)	22
Subtotal		(2,328,055)	(1,696,605)	(631,450)	37
Income from continuing operations before income tax		36,392,889	26,572,374	9,820,515	37
Income tax expense		(562,975)	(6,176)	(556,799)	9,016
Net Income for the Period		35,829,914	26,566,198	9,263,716	35
Other comprehensive (loss) income		5,349,806	13,896,301	(8,546,495)	(62)
Total comprehensive income		41,179,720	40,462,499	717,221	2

Explanation of significant changes :

- 1.The increase in share of the profit or loss of associates and joint ventures accounted for under the equity method was primarily a result of the increase in subsidiaries' earnings.
- 2.The increase in other incomes was primarily a result of the increase in exchange gains.
- 3.The increase in operating expenses was primarily a result of the increase in employee welfare expenses.
- 4.The increase in other expenses and losses was primarily a result of the increase in the interest expenditure.
- 5.The increase in income tax expenses was primarily a result of the increase in tax levied on undistributed earnings.
- 6.The decrease in other comprehensive loss from the previous period was primarily a result of the recognition of the decrease in profit or loss on the valuation of debt instruments at fair value through other comprehensive income of the subsidiary.

### III. Analysis of Cash Flow

#### (I) Analysis of liquidity in the previous two years

##### 1. Yuanta FHC and its subsidiaries

Item \ Year	2024	2023	Increase (decrease) %
Cash flow ratio (%)	(12.27)	(4.74)	158.86
Cash flow adequacy ratio (%)	(78.42)	108.04	(172.58)
Cash reinvestment ratio (%)	(14.75)	(5.92)	149.16
Explanation of ratio changes :			
1. The variance in cash flow ratios of the two periods was a result of the decrease in net cash flow from operating activities.			
2. The difference between the two periods of cash flow adequacy ratio was primarily a result of the decrease in net cash flow from operating activities in the most recent five years.			
3. The difference between the two periods of Cash reinvestment ratio was a result of the decrease in (net cash flow from operating activities - cash dividends).			

##### 2. Yuanta FHC

Item \ Year	2024	2023	Increase (decrease) %
Cash flow ratio (%)	74.01	98.49	(24.86)
Cash flow adequacy ratio (%)	95.05	105.56	(9.96)
Cash reinvestment ratio (%)	(0.25)	(0.23)	8.70
Explanation of ratio changes :			
The difference between the two periods of cash flow ratio was primarily a result of the increase in current liabilities.			

#### (II) Analysis of liquidity in the coming year

##### 1. Analysis of liquidity of Yuanta FHC and its subsidiaries

Unit : NT\$1,000

Initial cash balance	Net cash flow from operating activities for the year	Cash flow for the year	Cash balance	Corrective measures against insufficient cash position	
				Investment plans	Financing plans
209,193,785	90,557,444	(67,676,474)	232,074,755	-	-

##### (1) Analysis of cash flow in the coming year :

- A. Operating activities : 90,557,444
- B. Investment activities : (6,722,302)
- C. Financing activities : (60,954,172)

##### (2) Analysis of liquidity and corrective measures against projected insufficient cash

position : N/A.

## 2. Analysis of liquidity of Yuanta FHC

Unit : NT\$1,000

Initial cash balance	Net cash flow from operating activities for the year	Cash flow for the year	Cash balance	Corrective measures against insufficient cash position	
				Investment plans	Financing plans
2,314,855	17,454,088	(17,538,522)	2,230,421	-	-

### (1) Analysis of cash flow in the coming year :

- A. Operating activities : 17,454,088
- B. Investment activities : ( 1,598,827)
- C. Financing activities : (15,939,695)

### (2) Analysis of liquidity and corrective measures against projected insufficient cash position : N/A.

## IV. Major capital expenditures in the most recent year : Yuanta FHC did not have any major capital expenditures in the most recent year.

## V. Investment strategies, causes for investment gains and losses, and planned improvements for the most recent year and the investment plan for the coming year

### (I) Investment strategies, causes for investment gains and losses, and planned improvements

Yuanta FHC will uphold the stable development policy to plan the Group's reinvestment policy. It will plan the Group's optimal investment strategies and portfolio by taking into consideration the growth potential and complementation of various business lines, as well as such financial factors as financial solidness, funding cost and rate of return on investment, insofar as it complies with related laws and regulations, in hopes of upgrading Yuanta FHC's long-term profit and stability, increasing its ROE, and maximize shareholders' equity.

For the overview of operations and business plan for various subsidiaries of Yuanta FHC, please see "Four. Overview of Operations/I. Operations/(II) Business services of subsidiaries".

### (II) Investment plan for the coming year

Upon completion of the acquisition and merger of Polaris Securities and Ta Chong Bank, Yuanta Securities and Yuanta Bank have attained considerable domestic business sales. In the future, the Group's investment plan will focus on construction and expansion of its overseas business in order to continue to move forward toward the objective for the "Best Financial Services Provider in the Asia Pacific Region." Yuanta Life has achieved stable growth in recent years. It will emphasize spontaneous growth in the future.

Yuanta FHC will continue to monitor developments in the domestic and foreign markets, and remain open and flexible to deal with potential M&A opportunities. However,



the ultimate goal is to enhance shareholders' value, and comprehensively consider the significance of strategic development, business synergies, asset and liability risks, and future profitability, etc. before proceeding with relevant procedures in accordance with the law. Meanwhile, the Group will also pay close attention to the development of FinTech and will never rule out the control over emerging technologies and business opportunities through investment or business cooperation.

## **VI. Risk management**

### **(I) Risk management structure and policy of Yuanta FHC and each of its subsidiaries**

#### **1. Risk Management structure**

Yuanta FHC's risk management structure consists of the Board of Directors, Audit Committee, Risk Management Committee, senior management, and three lines of defense for risk management.

The Board of Directors shall be supreme decision-making body for Yuanta FHC's risk management, whose functions include approves the risk management policy, important risk management system and annual risk limits as well as supervises the execution of the risk management system.

The Risk Management Committee in supervising the operation mechanism related to risk management and perform the main duties including reviewing risk management policies and systems, reviewing annual risk limits and monitoring indicator thresholds, reviewing risk management implementation reports, supervising the management of existing or potential risks over Yuanta FHC and assisting the Board of Directors in supervising the implementation of risk management decisions.

The senior management shall review all risks pertaining to operating activities and make sure that Yuanta FHC's risk management system can be completely and effectively executed.

Each business unit shall be responsible for identifying and managing the risk arising from its functions or business scope, and designing and executing the effective internal control procedures subject to the characteristics of the risk to cover the risk management functions of related business activities.

The risk management unit, compliance unit and other risk management risks shall establish the management mechanisms subject to various major risk types, supervise the overall risk tolerance and risk profile, and report the monitoring execution status.

The internal audit unit shall independently audit and assess whether the risk management and related internal control system keep operating effectively, and provide the suggestions about improvement in a timely manner.

#### **2. Risk Management Policies**

In order to establish Yuanta FHC's risk management standards and ensure the completeness, validity and reasonableness of the risk management, the "Risk Management Policy" has been formulated as Yuanta FHC's highest guiding principle for risk management. Adequate risk management systems shall be defined based on the policy, attributes of various risks, and effects imposed by the risks to the Yuanta FHC's operating stability and capital safety.

Yuanta FHC's risk management policy has covered the main business risks

throughout Yuanta FHC, including the financial risk (market risk, credit risk, market liquidity risk, capital liquidity risk, asset-liability matching risk, overview of large risk exposure, insurance risk, and operational risk), business risk (information security risk, human resource risk, emerging risk, integrity risk, reputation risk and strategic risk), compliance & legal risk (compliance risk, legal risk, and ML/TF risk) and climate change risk (investment and financing climate change risk and self-operation climate change risk). Subsidiaries shall establish their own risk management systems that meet their business portfolio, business scale and capital scale, according to Yuanta FHC's risk management policy and the local competent authority's requirements, in order to manage various risks they're dealing with effectively.

Each subsidiary has set up its adequate risk management policy, subject to its business portfolio, business scale and capital scale. Yuanta FHC will continue to review each subsidiary's risk management policy to ensure that it may manage the various risks effectively.

## **(II) Methods of risk evaluation and control used by the Company and each of its subsidiaries, and risk exposure information**

### **1. General qualitative disclosures**

- (1) Yuanta FHC's and subsidiaries' risk management principles are stated as follows :

Yuanta FHC and its subsidiaries has established various risk management mechanisms based on the board-approved risk management policy, which is stated as below :

#### **A. Market risk :**

Market risk refers to the risk of losses in Yuanta FHC's positions arising from movements in market variables like prices and volatility. The market price includes index, stock price, interest rate, foreign exchange rate, commodity or credit spread. Yuanta FHC's and subsidiaries have set up early warning indicators, risk limits and value at risk (VaR) based on risk tolerance to estimate potential losses in order to control market risk effectively.

#### **B. Credit risk :**

Credit risk refers to the risk over loss resulting from the following circumstances :

- (A) Where the bond (bill) issuer, lender, counterparty or custodian breaches contract, goes bankrupt or is liquidated and fails to perform its obligation pursuant to the terms and conditions as agreed and thereby causes risk.
- (B) Where the bond (bill) issuer, lender, counterparty or custodian breaches contract, goes bankrupt or is liquidated and fails to fulfill its liability of warranty pursuant to the terms and conditions as agreed and thereby causes risk.
- (C) Where the strength of the financial instrument-linked is weakened,

credit rating is degraded, or there is any circumstance constituting breach of the financial instrument contract.

Yuanta FHC and its subsidiaries shall define the credit risk management measurement based on business nature.

- (A) Loans and credit business : Classify the existing credit cases into groups by ratings or rating model. Enhance quantitative mechanism of credit risk to assure the quality of loan assets. Apply an early warning mechanism integrated with the mid-term management platform to timely conduct the post-loan control over borrowers and take responsive measures as well as reduce the potential loss caused by default.
  - (B) Financial position : To monitor and control Yuanta FHC's and its subsidiaries' credit exposures, the internal credit rating system has been established. Meanwhile, the early warning mechanism and reporting procedures have been implemented so as to proactively response to credit events.
- C. Market liquidity risk :
- Market liquidity risk arises when assets are sold or unwinded because of consecutive low trading volume in the market or disorder in the market resulting in a significant reduction of the trading volume, if any. To mitigate the risk, Yuanta FHC and its subsidiaries have set up separate standards on limits of liquidity position and potential loss for different business and the nature of financial products to ensure sufficient market liquidity for all positions.
- D. Funding liquidity risk;
- The funding liquidity risk means the risk arising from the financial structural imbalance caused by inadequate fund-raising planning or the inability to acquire sufficient funds in a timely manner by virtue of sale of assets or applying for loan with another bank and failure to repay the matured debt due to the significant changes in the overall economy or financial market. In order to avoid liquidity risk, Yuanta FHC and its subsidiaries set forth the measurement indicators for liquidity risk, based on the liquidity characteristics of each currency, including business scale, business characteristics, asset/liability structure, capital allocation strategy, and diversity of capital sources, aiming to ensure that Yuanta FHC has sufficient liquidity as a whole.
- E. Asset and liability matching risk :
- The asset and liability matching risk refers to the risk over disadvantageous changes in Yuanta FHC's overall income, net interest income or net worth caused by the changes in interest rate or foreign exchange rate, if any, due to the difference in the currency denominating assets and liabilities with interest and the method of interest computing or expiry date thereof. Yuanta FHC and its subsidiaries take into account the

risk attributes of assets and liabilities and the complexity of the business, and establish appropriate asset and liability management indicators, in order to control the unfavorable factors caused by mismatched asset and liability structures effectively.

F. Overview of large risk exposure :

Large exposures arises when a company has its business concentrated on specific risk factors, such as the same person (enterprise), enterprise group, industry and country. It might cause significant loss if unexpected changes occur to those factors. Yuanta FHC and its subsidiaries have set up the large exposure management system to adequately control the positions of credit, investment and trading.

G. Insurance risk :

Insurance risk means the risk over claims and expenses made or provided pursuant to the contract suffering loss caused by unexpected changes after collecting the insurance premium to assume the specific risk transferred by the insured. The insurance risk management shall cover the risk over product design and pricing, underwriting, reinsurance, catastrophe, claims and reserve fund.

In order to manage the insurance risk effectively, Yuanta Life has established the standard operating procedures and management mechanisms with respect to various insurance risks to strengthen the risk control function through a monitoring mechanism.

H. Operational risk :

Operational risk refers to the risk of direct or indirect losses arising from negligence or errors in internal operations, staff or systems, or from external events. Yuanta FHC and its subsidiaries have implemented standard operating procedures and control activities, regularly conducted risk and control self-assessments and reported operational risk incidents.

I. Information security risk :

The Information security risk refers to the risk caused by intention, negligence or natural calamity and resulting in unfair use, breach, tampering or destruction of the information assets, thereby damaging the business-related information system's normal operation. Yuanta FHC and its major subsidiaries have established information security monitoring indicators to manage the information security risk effectively.

J. Human resource risk :

The human resource risk refers to that related to employees' human rights issues and development and management of Yuanta FHC's human resources, such as solicitation for, retention, and development of human resources. Yuanta FHC and its major subsidiaries have established human resources risk monitoring indicators to manage the human resources risk effectively.

K. Emerging risk :

Emerging risk refers to a new business line or new risk type, for which no risk identification or assessment is conducted, thereby causing adverse effects to the future business operations. Yuanta FHC and its major subsidiaries have established emerging risk monitoring indicators to manage the emerging risk effectively.

L. Ethical management risk :

The ethical management risk refers to that caused by the unjustified benefits provided, promised, requested or accepted, or any activities against ethics, laws or fiduciary duties conducted by Yuanta FHC's directors, supervisors, managers, employees, or any persons with substantial controlling interests, directly or indirectly, when engaging in any business conduct, in order to keep or seek interests. Yuanta FHC and its major subsidiaries have established ethical management risk monitoring indicators to manage the ethical management risk effectively.

M. Reputation risk :

The reputation risk refers to the risk over the loss arising from business termination or interruption caused by the negative comments from the media or public. Yuanta FHC and its major subsidiaries have established reputation risk monitoring indicators to manage the reputation risk effectively.

N. Strategic risk :

The strategic risk refers to the risk arising from inadequate strategies or changes in the business environment. Yuanta FHC and its major subsidiaries have established strategic risk monitoring indicators to manage the strategic risk effectively.

O. Compliance risk :

Compliance risk means the risk of potentially being punished by the competent authority for failure to comply with the related laws and regulations when carrying out various businesses, thereby causing the significant financial or goodwill impairment risk. Yuanta FHC and its major subsidiaries have established compliance risk monitoring indicators to manage the compliance risk effectively.

P. Legal risk :

Legal risk arises when a contract has no binding effect, or the contract involves any act beyond the authority, omits some provisions, or is defective in definitions of the contract and thereby makes the contract invalid, and risk over potential loss arises. Yuanta FHC and its major subsidiaries have established legal risk monitoring indicators to manage the legal risk effectively.

Q. ML/TF risk :

The ML/TF risk refers to that caused by abuse of the business operations in ML or TF activities. Yuanta FHC and its major subsidiaries

have established the indicators for monitoring money laundering and financing terrorism risks to manage the money laundering and financing terrorism risks effectively.

R. Climate change risk :

The climate change risk refers to the potential risk arising from climate changes or in order to mitigate the climate changes, including investment and financing climate change risk and self-operation climate change risk. Yuanta FHC and its major subsidiaries have established climate change risk monitoring indicators to manage the climate change risk effectively.

(2) Information covered in risk report and frequency & procedure of risk report

- A. The level, contents and frequency of Yuanta FHC's and its subsidiaries' risk report shall be adjusted subject to attributes of the risk and the impact rendered by the risk against Yuanta FHC's business, income and net worth.
- B. The Risk Management Department shall report the following (including but not limited to) risk management affairs to the management, Risk Management Committee and Board of Directors periodically :
  - (A) Overview of market risk;
  - (B) Overview of market liquidity risk;
  - (C) Overview of credit risk;
  - (D) Overview of funding liquidity risk;
  - (E) Overview of interest rate risk;
  - (F) Overview of insurance risk;
  - (G) Overview of operational risk;
  - (H) Overview of large exposure concentration risk;
  - (I) Overview of capital adequacy ratio;
  - (J) Other significant risks.

(3) The policy for hedging and mitigation of risk, strategy, and procedure for monitoring the persistent effectiveness of the risk hedging and mitigation tools

Yuanta FHC and each of its subsidiaries define the risk limit, hedging tools and hedging operation mechanism based on their risk acceptance, so as to effectively limit the risk to the extent as approved, via the reasonable hedging mechanism.

To execute the hedging, the risk structure and level for the entire position shall be adjusted until the risk is acceptable, by employing adequate financial instruments, subject to the market condition, business strategies, product characteristics, and risk management regulations. Yuanta FHC will also periodically continue to measure and control the validity of the hedging tools dedicated to hedging and mitigating risk.

## 2. Quantitative information on risk exposure

### (1) Yuanta FHC

#### A. Capital adequacy ratio

	2024/12/31	Average	Lowest	Highest
Capital adequacy ratio	134.06%	136.43%	132.59%	144.07%

#### B. Value at risk over trading position

Unit : NT\$1,000

Risk category	2024			
	2024/12/31	Average	Lowest	Highest
Interest rate risk	254,323	200,858	125,096	284,228
Equity risk	390,150	322,853	155,686	873,961
Foreign exchange risk	99,343	143,663	94,223	194,355
Commodity risk	21,032	15,455	5,542	76,781
Less : Diversification benefit	(425,424)	(359,906)	-	-
Total VaR	339,424	322,923	166,253	788,108

Note : Under value at risk (VaR) measurement model, the possible maximum potential loss over the exposure on the next trading day should be estimated at a 99% confidence level.

### (2) Yuanta Securities

#### A. Capital adequacy ratio

	2024/12/31	Average	Lowest	Highest
Capital adequacy ratio	406%	390%	352%	451%

#### B. Ratio of equivalent risk amount

As of December 31, 2024

Item	Ratio of equivalent risk amount
Market Risk	56.92%
Credit Risk	19.44%
Operational risk	23.64%
Total	100.00%

### (3) Yuanta Bank

#### A. Capital adequacy ratio

	2024/12/31	Average	Lowest	Highest
Capital adequacy ratio	13.87%	14.22%	13.87%	14.73%

B. Exposure and accrued capital charge upon risk reduction under credit risk standardized approach

As of December 31, 2024

Unit : NT\$1,000

Type of Risk Exposure	Risk Exposure after Risk Mitigation	Accrued capital charge
Sovereigns	313,781,767	0
Non Central-Government Public Sector Entities	20,641,869	330,270
Banks (Including multilateral development banks and centralized settlement counterparties)	158,871,502	4,304,133
Corporates(Securities firms and insurance companies included)	496,920,759	32,754,446
Retailed credit	128,123,799	7,759,547
Residential Property	807,277,084	37,331,823
Equity-securities investment	11,600,616	1,490,198
Equity securities investment in funds and venture capital businesses	1,401,563	151,369
Other assets	44,933,129	2,869,488
Total	1,983,552,088	86,991,274

C. Market risk - accrual capital charge and risk weighted assets of market risk

As of December 31, 2024

Unit : NT\$1,000

Type of Risk	Accrued capital charge	Risk weighted assets (Note)
Interest rate risk	2,343,123	29,289,038
Equity risk	190,065	2,375,813
Foreign exchange risk	146,387	1,829,837
Commodity risk	0	0
Total	2,679,575	33,494,688

Note : The amount stated is the accrued capital charge multiplied by 12.5.



#### D. Liquidity risk - asset liability maturity analysis

##### Structure analysis of time to maturity(NT\$)

As of December 31, 2024

Unit : NT\$1,000

	Balance until maturity					Total
	0 - 30 days	31 days - 90 days	91 days - 180 days	181 days - 1 year	Over 1 year	
Primary funds inflow upon maturity	456,980,588	254,700,623	121,875,452	200,337,114	843,854,484	1,877,748,261
Primary funds outflow upon maturity	252,089,389	357,780,487	362,095,783	394,453,228	937,091,500	2,303,510,387
Gap	204,891,199	(103,079,864)	(240,220,331)	(194,116,114)	(93,237,016)	(425,762,126)

Note : This table only includes NT\$ (not foreign currencies) held by the Head Office, domestic and overseas branches.

##### Structure analysis of time to maturity (US\$)

As of December 31, 2024

Units : US\$1,000

	Balance until maturity					Total
	0 - 30 days	31 days - 90 days	91 days - 180 days	181 days - 1 year	Over 1 year	
Primary funds inflow upon maturity	2,000,854	354,178	434,843	255,760	5,275,579	8,321,214
Primary funds outflow upon maturity	2,754,379	2,221,869	1,406,836	2,215,977	1,262,408	9,861,469
Gap	(753,525)	(1,867,691)	(971,993)	(1,960,217)	4,013,171	(1,540,255)

#### (4) Yuanta Life

##### Capital adequacy ratio

	2024 first half of the year	2024
Capital adequacy ratio	368.05%	395.59%

#### (5) Yuanta Futures

##### Alternative net capital (ANC)

	2024/12/31	Average	Lowest	Highest
Alternative net capital (ANC)	50.6%	56.0%	46.6%	69.9%

### (III) Impact on Yuanta FHC's financial standing and business operations due to changes in domestic or foreign policies and laws, and corresponding countermeasures to such changes :

The relevant department staffs of Yuanta FHC and its subsidiaries analyze all major changes to policies and laws at home and abroad before they occur and assess their impact on all business operations; relevant internal business strategies and operational procedures are also adjusted in a timely way to respond to such changes. For example, in response to the amendments to the "Money Laundering Control Act," in 2024, "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies," "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and

“Corporate Governance Best Practice Principles for Financial Holding Companies,” Yuanta FHC has reviewed and amended relevant internal regulations for the compliance of all units.

**(IV) Impact on Yuanta FHC’s financial standing due to technological (including communication security risk) or industrial changes, and corresponding countermeasures :**

The digital technology develops constantly, such as AI, blockchain, cloud computing and big data analysis. The digital transformation of industries based on emerging technologies and sustainable transformation are accelerated accordingly to provide financial services through innovative business models. The FSC also released the “FinTech Development Roadmap (2.0)” to guide financial innovation and development, including establishment of AI guidelines for the financial industry, launch of the financial FIDO V2 plan, promotion of the green FinTech, and application of digitalization of the wholesale banking. Meanwhile, the “Financial Market Development and Innovation Division” was established in 2025 to support the domestic FinTech development fully. Meanwhile, considering that the constant innovation of FinTech not only brings new opportunities but also causes new risks, such as the risks over network security, privacy protection and authentication & authorization. The Financial Supervisory Commission has also been active in encouraging financial firms to incorporate sustainability into the core value of financial technology and practices, while at the same time upholding the strict governance to be followed by the FinTech and also ensuring that data security and privacy protection are properly protected. In order to maintain the confidentiality, completeness and availability of the information operations and to prevent the information security issues, such as disclosure of data and hacker’s invasion, from damaging Yuanta FHC’s finance and goodwill, and also customers’ interests and rights, Yuanta FHC continues to enhance the information security control mechanism, train digital and information security talents, and improve the “digital literacy and ability to apply technology” to respond to the effects and challenges arising from the FinTech development adequately.

The cyber security protection measures include improvement of internal self-inspection, external voluntary detection, disaster response drills and management. Meanwhile, Yuanta FHC has actively implemented various automated detection and behavior check systems to control the real-time monitoring and blocking of external threats, access control of internal data, operations and segmentation of equipment, in order to prevent any illegal or malicious activities by the multiple separation and filtration mechanism, in order to respond to the cyber security risk threats and improve the entire information security defense abilities.

In response to the development of FinTech rapidly, information security has become an important risk management issue for the organization. In order to verify the emerging information security data and information security trends, Yuanta FHC and its main subsidiaries join the Financial Information Sharing and Analysis Center (F-ISAC) and participate in the Financial Security Operation Center (F-SOC) cross-border defense and sharing of information security incidents, in order to respond the risk threat and enhance the entire information security defense effectively.

Before implementing any emerging technological applications, Yuanta FHC and its

main subsidiaries will assess the security of the aspects including framework review, compliance, data protection and access control, and technological applications, in response to the impact posed by changes in technologies (including cyber security risk) and industrial changes to Yuanta FHC's business and finance.

**(V) Impact of changes in the corporate identity of crisis management of the company and its subsidiaries, and corresponding countermeasures :**

Yuanta FHC serves its corporate and individual customers under the banner of honesty and conducts all its business operations under the principles of "Security, Liquidity and Profitability". Yuanta FHC has long enjoyed the trust and support of its customers, and also looks forward to upholding these ideals in serving its customers in the future, while building a good corporate image based on sound and stable management. Should there be unfounded reports about the financial status or other related operations of the Group that are likely to severely affect the Group's corporate identity, Yuanta FHC will issue a press release or post important information on the website of the Market Observation Post System to clarify the situation and let the truth be known.

**(VI) Expected benefit(s), possible risk(s) and response action(s) of merger and acquisitions :**

1. Yuanta FHC pursues mergers and acquisitions as part of its overall growth strategy and ultimately for achieving the following four (4) goals :
  - (1) Leverage economies of scale;
  - (2) Create competitive barriers;
  - (3) Expand scope and territories of business;
  - (4) Enhance the operating performance.
2. Associated risks are detailed below :
  - (1) Because asymmetric information, it might be difficult to control the real operating status of the merged and acquired prior to the merger & acquisition and to reflect the factors to the transaction price and thereby Yuanta FHC had to bear unexpected asset & liability risk;
  - (2) Given that the profitability of the merged and acquired is less than the expectation or certain adverse changes arise, the value of merger & acquisition is overestimated;
  - (3) The integration of enterprise culture and organizational framework results in loss of human resource and business and the declination or deferred production of merger & acquisition benefit;
  - (4) The overseas merger & acquisition projects shall bear the risk over the local economic and political changes and variance in the governing laws.

Yuanta FHC has strictly followed the standard operating procedures for the decision-making process of mergers and acquisitions (Yuanta FHC' Guideline and SOP for Merger & Acquisition). During the valuation process, consultants and lawyers are retained to conduct due diligence and the knowledge and expertise of the Group is enlisted to ensure careful evaluation before the merger & acquisition. Upon merger and acquisition, the Group would reduce the potential risk and loss related to the merger & acquisition through well-

founded integration plans and thorough execution to have the merger & acquisition benefit exerted fully. Therefore, the Group's control over the risk related to merger & acquisition shall be considered adequate.

**(VII) Risk and response action from concentrated operations :**

Yuanta FHC and each of its subsidiaries cover a wide range of activities including securities, banking, insurance, futures, investment trust, venture capital, investment consulting, and asset management. With diversified operations, the concentration risk may reduce continuously. Each subsidiary has established and revised large exposure limits on a yearly basis with board approval to appropriately diversify potential risk, which in compliance with relevant regulations and Yuanta FHC's risk management mechanism.

**(VIII) Impact or risk associated with large transfers or changes in shareholdings by directors or major shareholders holding over 1% :**

Yuanta FHC and each of its subsidiaries are run by professional managers, and have established a full set of regulations on the empowerment of managers as well as the scope of powers at each level of the managerial hierarchy to expressly define the division of labor and responsibilities. Therefore, there will be no significant impact on Yuanta FHC in the event of transfers or changes in shareholdings by a director or major shareholder holding a stake of more than 1%.

**(IX) Effect and risk caused by the changes of the right to manage to the Company, and the countermeasures thereof :**

Yuanta FHC and each of its subsidiaries are run by professional managers, and have established a full set of regulations on the empowerment of managers as well as the scope of powers at each level of the managerial hierarchy to expressly define the division of labor and responsibilities. Therefore, there will be no significant impact on Yuanta FHC in the event of the changes of the right to manage.

**(X) Litigation and non-litigation matters :**

1. Material litigation, non-litigious or administrative court cases, adjudicated or pending, involving Yuanta FHC or its subsidiaries :

As of January 31, 2025

Unit : Dollar (NT\$/KRW/HK\$/US\$/THB)

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
Pentagon City claimed that Yuanta Savings Bank Korea Co., Ltd., a subsidiary of Yuanta Bank, violated the restriction on the threshold (10%) of shareholdings in unlisted companies under the Mutual Savings Bank Act (old version) of the Republic of Korea and, therefore, filed the civil action claiming a refund of the unjustified enrichment (KRW 19,599,160 thousand) with respect to the capital reduction amount in excess of the 10% threshold received by Yuanta Savings Bank Korea Co., Ltd. from Pentagon City.	KRW 19,599,160 thousand	September 2018	Plaintiff : Pentagon City  Defendant : Yuanta Savings Bank Korea Co., Ltd.	1. Yuanta Savings Bank Korea Co., Ltd. (formerly known as HanShin Bank) granted the loan to Pentagon City from 2006 to 2008 and exercised the pledge several times to acquire 33.3% of the shares in Pentagon City. Given the exceptional nature of the case, the restriction of the threshold (10%) of shareholdings in unlisted companies held by a savings bank under the Mutual Savings Bank Act (old version) of the Republic of Korea shall not apply. Besides this, the relevant regulations under said Mutual Savings Bank Act (old version) of the Republic of Korea served merely as a restriction on certain actions, which would not render the relevant actions void. The related transactions shall still be held effective. Therefore, the claim raised by Pentagon City is groundless.  2. The Seoul Central District Court rendered the judgment in favor of Yuanta	Upon evaluation, no material effect would be produced to Yuanta Bank's operation or shareholders' equity.

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
				<p>Savings Bank Korea Co., Ltd. in the first instance on June 20, 2019. Pentagon City disagreed with the judgment and filed an appeal on July 8, 2019. The Seoul High Court dismissed the appeal on November 3, 2020. Yuanta Savings Bank Korea Co., Ltd. won the case in the second instance.</p> <p>Notwithstanding, Pentagon City, still disagreed with the ruling and filed an appeal for the review of the third instance on November 18, 2020. The Korean Supreme Court issued a judgment on June 17, 2024 in favor of Yuanta Savings Bank Korea Co., Ltd. for the third instance. Yuanta Savings Bank Korea Co., Ltd. prevailed in the case in its entirety. The judgement is final and conclusive.</p>	
7 Yuanta Futures' leverage transaction merchant customers, including Mr. Li, engaged in the leveraged trading. They attributed their losses to Yuanta Futures' increase in the margin and prohibition of the trading of ZAR products and initiated the civil action against	1st instance : NT\$36,843,042	March 31, 2022	Plaintiffs : 7 persons including the customer, Mr. Li Defendant : Yuanta Futures	<ol style="list-style-type: none"> <li>1. The Taiwan Taipei District Court rendered the judgment in favor of Yuanta Futures in the first instance.</li> <li>2. All 7 customers filed an appeal with the Taiwan High Court for the review of the second instance. The appeal is pending trial by the Taiwan High Court.</li> </ol>	Upon evaluation, no material effect would be produced to Yuanta Futures's operation or shareholders' equity.

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
Yuanta Futures to claim compensation.					
Anbang Group Holdings Co. Limited and Anbang Life Insurance Co., Ltd. (now known as Dajia Insurance Group Co., Ltd.) filed a counterclaim against Yuanta Securities (Korea) and the other four parties in an arbitration proceeding. A petition for recognition and enforcement of arbitral award was filed subsequently.	About KRW 127,436 million	June 2017	Yuanta Securities (Korea) and the other four parties as respondents, and Anbang Group Holdings Co. Limited and Anbang Life Insurance Co., Ltd. (now known as Dajia Insurance Group Co., Ltd.) as the claimants, in the counterclaim filed in the arbitration proceeding.	The arbitration tribunal rendered the arbitral award on August 24, 2020, holding that the five parties including Yuanta Securities (Korea) should pay Anbang Group Holdings Co. Limited and Anbang Life Insurance Co., Ltd. (now known as Dajia Insurance Group Co., Ltd.) KRW166,600 million as the compensation, and the related expenses and interests. As a result, Anbang petitioned with the Seoul Central District Court for recognition and enforcement of the arbitral award. On December 17, 2021, Yuanta Securities (Korea) received the Court's judgment that recognized the arbitral award to allow Anbang to enforce its claims in the amount of about KRW131,801 million plus interests accrued thereon. Notwithstanding, both Yuanta Securities (Korea) and Anbang filed an appeal against the court's judgment. On May 26, 2023, Yuanta Securities (Korea) received the Seoul High Court's judgment that recognized the arbitral award to allow Anbang to enforce its claims in the amount of KRW127,436 million, and arbitration costs amounting to KRW22,278	Upon evaluation, no material effect would be produced to Yuanta Securities (Korea)'s operation or shareholders' equity for the time being.

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
				million plus interests accrued thereon. Yuanta Securities (Korea) filed a re-appeal against said judgment. Yuanta Securities (Korea) received the Korean Supreme Court's ruling dismissing the re-appeal on November 28, 2024. Anbang is entitled to enforce the arbitration award in its full amount against Yuanta Securities (Korea), as recognized by the conclusive judgment of the Seoul High Court. Subsequent to being notified by Anbang to pay the full amount, Yuanta Securities (Korea) paid approximately KRW191,125 million (including the costs of the re-appeal procedure and after deducting amounts previously recovered from other sellers by Anbang) to Anbang on December 20, 2024. However, Yuanta Securities (Korea) can claim compensation against other sellers pursuant to the Korean law for any payment exceeding the proportional amount for which Yuanta Securities (Korea) shall be liable.	
1,246 investors initiated the class action against Tong Yang Securities (now known as Yuanta Securities (Korea)) for the dispute over sales of financial products.	About KRW 113,007 million	July 2014	1,246 investors and Tong Yang Securities (now known as Yuanta Securities (Korea))	The original claim amounted to about KRW492,565 million. The plaintiffs petitioned with the first-instance court to reduce the claim to KRW113,516 million on November 16, 2022. The 1st-instance court	Upon evaluation, no material effect would be produced to Yuanta Securities (Korea)'s operation or shareholders' equity for the time being.



Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
				dismissed the plaintiffs' claim on January 19, 2023. The plaintiffs filed an appeal on February 9, 2023 with a claim amount of KRW113,007 million. The court of the second instance dismissed the appeal filed by the plaintiffs on January 24, 2024. Notwithstanding, the plaintiffs filed an appeal on February 15, 2024. After the plaintiffs filed an appeal to the third instance, Yuanta Securities (Korea) learned that the Seoul High Court issued a ruling dismissing the plaintiffs' appeal on April 16, 2024 on the grounds that the plaintiffs failed to pay the court costs. The ruling in favor of Yuanta Securities (Korea) was subsequently finalized on May 1, 2024, and the case was closed.	
Yuanta Securities (HK) raised a litigation proceeding against its account executive, claiming the guarantee liability owed by the account executive.	About HK\$135 million	June 2017	Yuanta Securities (HK) and its former account executive	The court of the first instance rendered a summary judgment on February 22, 2021, holding that the account executive should take the full responsibility and the counterclaim brought by the account executive should be dismissed. Notwithstanding, the account executive has appointed an attorney-at-law to file an appeal with the High Court of the Hong Kong Special Administrative Region Court of Appeal.	Upon evaluation, no material effect would be produced to Yuanta Securities (HK)'s operation or shareholders' equity.

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
The former employee of Yuanta Securities (Thailand) (formerly known as KK Trade Securities Co., Ltd.) was suspected of committing a fraud. The clients filed a civil lawsuit against Yuanta Securities (Thailand) and the former employee for defendants' joint liability to pay the compensation.	About THB 149 million	August 2017	Yuanta Securities (Thailand) and another person on the one side, and Plaintiff Mr. Amnaj ○○ and the other four (4) persons on the other side.	The court of the first instance rendered the judgment to dismiss all of the plaintiffs' claims on October 8, 2020. Notwithstanding, both defendants and the plaintiffs filed an appeal to the judgment. The court of the second instance dismissed all of the plaintiffs' claims on April 7, 2022. The plaintiffs filed an appeal for the third-instance trial, and reduced the claim amount from THB 301 million to THB 149 million.	Upon evaluation, no material effect would be produced to Yuanta Securities (Thailand)'s operation or shareholders' equity.
Seventy-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital claimed the damages against two (2) persons including Yuanta Securities regarding the dispute over the purchase and sale contract of land and parking lots.	NT\$722,378,466	January 2018	Yuanta Securities and the other person as the defendants and Seventy-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital as the plaintiffs.	The plaintiffs initiated a mediation procedure on January 9, 2018 and expanded the claim amount to NT\$952,511,840 (of which NT\$950,861,840 was claimed on a jointly liable basis) on January 17, 2018. The Taiwan Taipei District Court held that the mediation failed. The plaintiffs then initiated a separate action for the same case on July 11, 2018 with the same claim amount. The Taiwan Taipei District Court dismissed all of the plaintiffs' claims (i.e., the two defendants, including Yuanta Securities, won the litigation) on January 27, 2022. The plaintiffs, Seventy-Day Adventist Church Taiwan Conference and Taiwan Adventist Hospital, subsequently filed an appeal and claimed	Upon evaluation, no material effect would be produced to Yuanta Securities' operation or shareholders' equity.

Facts	Claim/Dispute Amount	Commencing Date of Litigation	Major Parties involved in the litigation	Status as of the date of publication of the annual report	Remarks
				NT\$512,454,465 and NT\$209,924,001, respectively, reducing the total claim amount to NT\$722,378,466. Yuanta Securities is responding to the appeal pursuant to laws.	

**(XI) Other significant risks and response actions :**

Yuanta FHC annually evaluates the internal and external risk it may face when operating finance-related businesses, and submits a report and a response plan to the Board of Directors. The internal and external risk factors include changes in the overall economy, changes in the financial market, changes in financial management laws and regulations, and changes in market transaction practices. Based on the assessment result, there were two major risk issues this year (2025), namely “Trump’s Policy and Inflation” and “Geopolitical Risk,” listed as follows :

Risk factor	Possibility	Degree of influence	Cause	Response measure
Trump's policy and inflation	High	High	<p>Trump's victory in the presidential election of the United States in 2024, coupled with the majority advantage of the Congress and the House of Representatives, results in a full execution of Trump's policies, including the reduction of tariffs, immigrants, energy, and tariffs 2.0, which pose some impact on the overall economy of the United States.</p> <p>Trump promised to expand the scope of the 2017 tax cuts acts, permanently reduce the tax on the Federal individual income tax, and significantly reduce the tax levied on specific enterprises. The US Congressional Budget Office warned that this measure will result in a 4.6 trillion US dollars increase in the US fiscal deficit in next decade. Moody's also warned that a US bond credit rating may be degraded if the USA experiences a deterioration in financial situation, which will further lead to a chaos in the financial market.</p> <p>Trump swears to launch massive deportations of people entering the US illegally. According to statistics from the U.S. Department of Homeland Security, the compulsory repatriation of illegal immigrants might result in the loss of labor force by 2% to 3% in the USA, which might cause manpower shortage in the service industry and construction industry which rely on the labor intensity, and increase wages and intensify inflationary pressure.</p>	Yuanta FHC and its subsidiaries regularly track the economic data in the USA to review the variables that pose potential impacts on its economy. In addition to the industrial and national classification standards and the limit of concentration that have been established, Yuanta FHC will continue to track the implementation of the Trump's policy, and the possible impact on the US economy and spillover effects on the other countries.

Risk factor	Possibility	Degree of influence	Cause	Response measure
			<p>Trump's priority is to support the fossil fuel industry and to relax the related supervision measures. He might increase the supply of crude oil and thereby cause the oil price to face the pressure of a long-term decline. The Middle East countries will face the financial gap resulting from the increasing oil price at the break-even point.</p> <p>Trump's "America First" policy aims to protect the local manufacturing industry in the USA and mitigate the trade gap. He is expected to promote the mirror tax policy under the "United States Reciprocal Trade Act." China will be the first to bear the brunt. During the election, Trump claimed that he would impose 60~100% tariffs on China's products, and 10~20% tariffs on all imported products and posed some impact on the countries/industries with larger US trade gap and higher percentage of exports, and also significant uncertainty in the inflation, consumption and economic growth momentum in the USA.</p>	
Geopolitical risk	High	High	<p>In 2024, 76 countries held elections. Multiple countries which may leverage influence over the world have experienced the political changes, with the Ultra-Left or Ultra-Right Doctrine emerging, or being divided or trapped. The Russia-Ukraine and Middle East wars are continuing. The situation in China, Taiwan and the USA continues to intensify too. In the complicated situation, countries have successively picked the side, or tried to seek the balance between the authoritarianism and popular discontent caused by the investment of massive resources. The geopolitical risk has been becoming more and more complicated.</p> <p>The Middle East is still in a tense situation without any sign of relief. The Russia-Ukraine War becomes intensified increasingly. The geopolitical situation has resulted in the increase in uncertainty of the global energy supply. Besides, the cost of shipping activities remains high due to the war factors. As a result, it is difficult to cure the inflation problem and the speed of inflation retreats is slowed down.</p> <p>As various countries have adopted more protectionist policies, the global economy may be further fragmented, thereby causing the global supply chain to undergo another restructuring and resulting in the significant increase in related costs. Further, Trump's return to the White House may pose a significant impact on the political situation. According to the European Thinktank,</p>	In addition to setting the country risk and industry risk limits, Yuanta FHC and its subsidiaries also observe the geopolitical changes regularly and implement the monitoring on sovereign bond CDS discounts, ratings changes and market information, in order to control the impact posed by the geopolitics to a country or industry in a timely manner.

Risk factor	Possibility	Degree of influence	Cause	Response measure
			Jacques Delors Institute, the US-China trade war, COVID-19 crisis and Russia-Ukraine War triggered the reorganization of international trade based on the “closeness of geopolitics” during Trump’s first term of office.	

## VII. Crisis Management and Emergency Response

In order to enable Yuanta FHC to judge the related scenario and integration of personnel organization and resources to deal with related harm effectively and rapidly when facing any crisis, so as to mitigate the damage and loss arising from the crisis and recover the organization’s normal operation rapidly, Yuanta FHC has established the “policy and procedural rules for crisis management” as the ultimate guideline upon outbreak of any crisis, which shall be enforced upon approval of the Board of Directors.

Upon outbreak of any crisis, Yuanta FHC shall form a crisis response taskforce as soon as is possible. The Chairman shall serve as the taskforce’s convener, and appoint the Vice Chairman or President as the vice convener. Meanwhile, subject to the level and nature of the incident, the taskforce shall consist of, at least, various executive vice presidents, spokesman, Auditing Dept., Risk Management Dept., Compliance Affairs Dept., Legal Affairs Dept., Corporate Planning Dept., related departments’ supervisors or heads, and other related personnel, which shall engage in analyzing and evaluating proposed response measures, keeping abreast of the latest developments, or proposing or submitting revised response plans to meet actual needs. In line with the policy and procedural rules, each subsidiary has also established a set of disaster emergency response measures for effective management.

## VIII. Other Significant Events : No.

## **Six. Special Items**

### **I. Information on Affiliates**

#### **(I) Consolidated business reports of affiliated enterprises :**

The consolidated business report of affiliated enterprises has been announced and reported in accordance with the regulations. Please check the “Basic Information” / “Affiliated Enterprise 3” ([https : //mops.twse.com.tw/mops/web/t57sb01\\_q10](https://mops.twse.com.tw/mops/web/t57sb01_q10) Company Code 2885) on the MOPS.

#### **(II) Consolidated financial statements of affiliates :**

The companies that should be included in the consolidated financial statements of affiliated enterprises in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those that should be included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards (IFRS) 10. Meanwhile, the information that should be disclosed in the consolidated financial statements of affiliated enterprises is included in the consolidated financial statements. Consequently, the consolidated financial statements of affiliated enterprises will not be prepared separately. The consolidated financial statements of Yuanta Financial Holding Co., Ltd. and its subsidiaries have been announced and reported in accordance with the regulations. Please check the “Basic Information”/ “Electronic Book”/ “Financial Statements”( [https : //mops.twse.com.tw/mops/web/t57sb01\\_q1](https://mops.twse.com.tw/mops/web/t57sb01_q1) Company Code 2885) on the MOPS, or the “Investor Zone”/ “Financial Information”/ “Financial Statements”( [https : //www.yuanta.com.tw/EN/IR/Financials/Financial-Reports](https://www.yuanta.com.tw/EN/IR/Financials/Financial-Reports)) on Yuanta FHC’s website.

### **II. Status of Securities in Private Placement : None.**

### **III. Other Important Supplementary Information : None.**

### **IV. Significant Issues Which Might Affect Shareholders’ Equity or Price of Shares Pursuant to the subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the Past Year and Up to the Publication of this Annual Report : None.**



