

Stock No.:2850

ShinKong Insurance Co., Ltd.

2024

Annual report



March 31, 2025

MOPS Website: mops.twse.com.tw

Website: www.skinsurance.com.tw

I. Names, titles, contacts, and emails of the spokesperson and deputy spokesperson

| <u>Spokesperson</u> | <u>Deputy spokesperson</u> |
|------------------------------------|-----------------------------|
| Name: WANG, TAI-YU | TSAI, SHIH-HSIEN |
| Title: Vice President | Assistant Vice President |
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II. Address, Phone Number and Website of Company's Headquarter and Branches

1. Headquarters: 11F., No. 15, Sec. 2, Jianguo N. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)

TEL:02-2507-5335(Representative)

2. Branches:

| | | |
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| (02) Banqiao Branch: | 15F., No. 266, Sec. 1, Wenhua Rd., Banqiao Dist., New Taipei City 220, Taiwan (R.O.C.) | TEL:02-2254-5568 |
| (03) Xizhi Branch: | 13F., No. 82, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221, Taiwan (R.O.C.) | TEL:02-2696-0606 |
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| (05) Taoyuan Branch: | 21F., No. 205, Fuxing Rd., Taoyuan Dist., Taoyuan City 330, Taiwan (R.O.C.) | TEL:03-338-4003 |
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| (18) Pingtung Branch: | 8F.-1&2, No. 450, Ziyou Rd., Pingtung City, Pingtung County 900, Taiwan (R.O.C.) | TEL:08-738-2000 |
| (19) Neihu Branch: | 1F., No. 51, Ln. 258, Ruiguang Rd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.) | TEL:02-2627-2026 |
| (20) Shuanghe Branch: | 14F., No. 2, Jian 8th Rd., Zhonghe Dist., New Taipei City 235, Taiwan (R.O.C.) | TEL:02-8226-2620 |
| (21) International Insurance Branch: | 10F., No. 13, Sec. 2, Jianguo N. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.) | TEL:02-2507-5335 |
| (22) Sanchung Branch: | 19F., No. 53, Section 4, Chongxin Road, Sanchong District, New Taipei City 241, Taiwan (R.O.C.) | TEL:02-2985-8282 |

III. Contact Information of Stock Transfer Agency:

Name: Taishin Securities Company Limited Stock Transfer Agency Department

Address: B1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)

Tel: 02-2504-8125

Website: <https://www.tssco.com.tw/stocktransfer>

IV. Contact Information of the CPAs for the Latest Financial Statements:

CPAs: Daniel Hsu, Huang James

Accounting Firm: Ernst & Young Global Limited

Address: 9F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)

Tel: 02-2757-8888(Representative)

Website: www.ey.com/tw

V. Overseas Securities Exchange Where Securities are Listed and Method of Inquiry: None.

VI. Company Website: www.skinsurance.com.tw

ShinKong Insurance Co., Ltd.

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One. Message to Shareholders

Greetings to all of our Valued Shareholders,

In retrospect, 2024 saw Taiwan's non-life insurance market recovering from the impacts of pandemic insurance, with annual performance surpassing pre-pandemic levels. Under a strategy of prudent management, Shin Kong Insurance continued to enhance operational performance despite facing challenges such as pressures from the reinsurance market and rising emerging risks. By developing a wide range of products and quality distribution channels, the company achieved NT\$26.3 billion in written premiums for the year, maintaining its position as the third-largest non-life insurer in the market.

As supply chain issues in the automotive industry returned to normal, consumer demand for new cars increased. Although the number of new vehicle sales slightly declined in 2024, inflation and increased public awareness of insurance led to growth in automobile insurance premiums. At the same time, the tourism boom following the lifting of pandemic restrictions significantly boosted travel insurance premiums. In this environment, Shin Kong Insurance adopted a strategy of steady progress, aiming to enhance customer satisfaction and brand value through high-quality, efficient professional services. The company also remained flexible in adjusting its product mix and maintaining appropriate premium rates in response to market changes.

On the corporate client side, frequent natural disasters in 2024 heightened operational risks and led to increased reinsurance costs for the industry. Nevertheless, Shin Kong Insurance adhered to its core principle of sound risk management, positioning itself as a reliable partner for corporate clients and strengthening its market presence through continuous business development.

In terms of innovative services, Shin Kong Insurance responded to government policies by investing in the development of green insurance products. These included coverage for electric vehicles, energy performance insurance, and green home upgrade clauses, demonstrating tangible achievements in the green energy insurance sector.

In the investment market, early 2024 saw global inflation moderating, prompting central banks (except Japan) to begin rate cuts by mid-year. This stimulated global equity markets, while bond markets declined toward year-end due to renewed inflation concerns. Taiwan's stock market performed strongly, driven by AI-related themes. However, the strong US dollar led to over 6% currency depreciation throughout the year. As the US cut interest rates, the interest rate differential between Taiwan and the US narrowed, reducing hedging costs and improving returns on overseas investments. Domestically, due to an overheated real estate market, Taiwan's central bank maintained interest rates, resulting in relatively stable bond market rates. Shin Kong Insurance adhered to a conservative and prudent investment approach, focusing on fixed-income assets, investing in domestic bonds and high-dividend stocks to secure stable basic returns. It adopted a long-term strategy in equity investments, avoiding short-term market fluctuations and prioritizing risk control to minimize investment volatility and achieve relatively stable returns.

Looking ahead to 2025, the overall insurance market environment is expected to continue its upward trajectory. However, global geopolitical risks and uncertainties such as US tariff policies require close monitoring. In response to these challenges, Shin Kong Insurance will re-evaluate its risk assessment models, underwriting and investment strategies, and develop new insurance products targeting emerging risks, particularly those related to climate change and sustainability. The company will continuously adjust its policies, employ differentiated strategies to grow high-quality business, and ensure the adequacy of premium rates. While striving to enhance core business profitability, Shin Kong Insurance remains committed to fulfilling its corporate social responsibilities and environmental sustainability goals. "Serving customers, generating profits, and ensuring sustainable operations" remains its core management philosophy and a constant commitment to customers, employees, and shareholders alike.

Chairman WU, HSIN-HUNG

I. The 2024 business report

(I) Business plan implementation results

Shin Kong Insurance continues to uphold the principle of "prudent management," with a strong emphasis on "risk control." The company strictly adheres to underwriting policies and regularly reviews premium adequacy. Products are adjusted and launched based on individual product performance and market changes to meet customer needs. In 2024 (Year 113 of the Republic of China calendar), the company achieved NT\$26.287 billion in written premiums, representing a 9.07% increase and maintaining its position as the third-largest player in the market. Underwriting profits remained stable, while investment strategies, in line with the nature of non-life insurance funds, followed a conservative and prudent approach focused on long-term market trends and reducing risks from market volatility, resulting in relatively stable returns. Highlights of operational results are as follows:

Auto Insurance:

In 2024, written premiums in auto insurance reached NT\$12.5 billion. As the company's largest business line, Shin Kong Insurance continued to strengthen risk control and maintain premium adequacy through sound operational strategies. The company not only enhanced existing high-quality channels and business operations but also adjusted its product mix in response to market trends to improve overall underwriting performance.

Fire Insurance:

In 2024, the rising cost of international reinsurance increased operating costs. In response, Shin Kong Insurance actively expanded stable business under strict underwriting and premium adequacy policies, resulting in written premiums of NT\$5.852 billion—an impressive 13.98% growth rate, outperforming the market average and maintaining the second-largest market share in fire insurance.

Marine Insurance:

Despite uncertainties such as global climate change and geopolitical risks, domestic demand remained stable. External trade was buoyed by high-end semiconductor processes and ICT products like servers, while traditional industries underperformed. The company continued its prudent underwriting policy for expanding stable business, achieving written premiums of NT\$1.064 billion, with underwriting profit improving over the previous year.

Liability Insurance:

In 2024, with the implementation of new government regulations on compulsory liability insurance and increased investment in public infrastructure driven by the green energy sector, demand for liability insurance grew. Shin Kong Insurance actively developed policy-driven insurance, expanded high-quality corporate business, and adhered strictly to risk assessment and control principles. Written premiums totaled NT\$2.282 billion, with a growth rate of 12.27%.

Engineering Insurance:

The engineering insurance market remained active in 2024 due to ongoing major public infrastructure projects such as MRT systems, railways, urban renewal, power plants, and green energy developments, along with new private tech factories and large-scale buildings. Shin Kong Insurance actively participated in these opportunities with proper risk appetite and reinsurance arrangements, resulting in written premiums of NT\$2.924 billion, marking a 69.50% growth rate.

Accident & Health Insurance:

In 2024, the company maintained its pricing policy for individual and group personal accident insurance while optimizing underperforming channels and underwriting conditions. These efforts

gradually improved the retained combined ratio. With the booming travel industry, Shin Kong Insurance actively developed travel insurance products and distribution channels, making comprehensive travel insurance a key growth driver. Total written premiums in accident & health insurance reached NT\$1.665 billion.

Investments:

Taiwan’s estimated GDP growth in 2024 was 4.3%, the highest in the past three years, driven by generative AI and a shift in U.S. monetary policy. Revenues of publicly listed companies continued to grow, and the Taiwan stock market performed well for the second consecutive year. Shin Kong Insurance maintained a conservative and stable investment strategy, aiming for long-term returns. The company invested in stable-income assets and used dollar-cost averaging to enhance long-term total returns.

Beyond sound corporate governance and strong operational performance, Shin Kong Insurance also fulfilled its corporate social responsibility through the company philosophy of "Shin Kong Everywhere, Let Love Shine." Efforts spanned environmental protection and social welfare, demonstrating concrete actions toward sustainability goals. The company promoted inclusive finance by offering protection products to volunteer groups and underprivileged communities, collaborated with universities to hold campus lectures, company visits, and internships to promote insurance education, and introduced INBODY body composition testing to help employees monitor their health—further strengthening its overall competitive edge.

In 2024, Shin Kong Insurance received strong evaluations from government agencies in areas such as corporate governance, fair treatment of customers, and differentiated management of compulsory insurance. The company also earned favorable or upgraded credit ratings from international rating agencies like A.M. Best and Taiwan Ratings (S&P). Other private institutions, such as Modern Insurance, also recognized the company’s excellence in operational performance and corporate responsibility.

(II) Budget implementation: The Company did not issue financial forecasts that were audited by the independent auditor in 2024; therefore, there was no budget implementation to be reported.

(III) Financial income and expenditure: The Company’s operating income was NT\$20,853,743 thousand in 2024, operating cost was NT\$12,942,922 thousand, operating expense was NT\$3,908,079 thousand, operating profit was NT\$4,002,742 thousand, income tax expense was NT\$699,338 thousand, and net income was NT\$3,309,280 thousand.

(IV) Profitability analysis – financial report

| Analysis items | | 2023 | 2024 |
|----------------|--------------------------------------|--------|--------|
| Profitability | Return on assets | 6.40% | 6.51% |
| | Return on equity | 17.91% | 18.01% |
| | Profit ratio of funds | 2.05% | 2.57% |
| | Return on investment | 1.88% | 2.35% |
| | Combined ratio | 84.89% | 83.31% |
| | Retained expense ratio | 32.31% | 31.72% |
| | Retained maximum probable loss ratio | 52.58% | 51.59% |
| | Earnings per share (NTD) | 9.22 | 10.47 |

(V) Research & development status

1. Insurance product research & development:

The new product development this year primarily focused on liability insurance and other property insurance, aiming to enhance market competitiveness and drive business growth. Despite the highly competitive market environment, the company continues to uphold regulatory compliance for its products, balancing consumer rights with supervisory requirements. For existing products, flexibility in adjustment is maintained in response to external changes, ensuring timely protection for customers and strengthening the competitiveness of current distribution channels.

2. Financial actuarial research:

The Company continues to conduct research, evaluation, and analysis on various issues related to capital reserve this year. And actively participate in tasks of the IFRS 17 inter-departmental task force according to the latest standards issued in the International Financial Reporting Standards (IFRSs). In addition to continuing to optimize the automated execution of the data required for IFRS 17 insurance contract liability-related calculation models and the systematic output of reports, we will assist in the execution of IFRS 17 First-time open accounting numbers, parallel settle accounts operations, and supervision declaration works, and completed the adjustment of IFRS17 related work processes in order to meet the supervision purpose of the government authority in strengthening the capital reserve of the insurance industry and smoothly linking to the international market.

3. Risk evaluation study:

As global climate change intensifies, countries have gradually established regulatory frameworks to assess the impact of climate change on industries. In order to keep pace with globalization, the Company focuses on establishing Business Continuity Management System. We used the result of Business Impact Analysis for both the headquarters and branch offices to build Business Continuity Plan. This plan is designed to address various physical risks associated with climate change, such as typhoons and rainstorm, and strengthen emergency response mechanism for operational recovery in the face of significant disruptions.

II. 2024 Business Plan Summary

(I) Management Policy

Adhering to the philosophy of “Customer Service, Value Creation, Sustainable Operation,” the Company established its development strategies and business decisions with reference to Sustainable Development Goals (SDGs) and Principles for Sustainable Insurance (PSI) and in response to the objectives of national sustainability, with a focus on sustainable corporate development; the 2025 management policy is as follows:

1. Establish sustainability strategies with reference to SDGs
2. Implement ESG measures in response to national policies
3. Reinforce digital services and promote green finance
4. Comply with the policy to treat customers fairly and create friendly finance
5. Care for the disadvantaged in society and dully fulfill corporate responsibility
6. Optimize risk control systems and engage in stable, sustainable operations
7. Strictly comply with laws and regulations and deepen corporate governance
8. Develop innovative products and improve market diversity
9. Duly evaluate risk and stabilize the financial structure
10. Reinforce professional training and improve service quality

(II) Expected sales volume

According to forecasts by the Non-Life Insurance Association, the insurance premium market is expected to continue its growth trend in 2025. However, the rate of growth is anticipated to be more moderate compared to the performance in 2024. Taking into account the Company’s overall operational performance, we will continue to adhere to prudent risk assessment and ensure the adequacy of insurance product pricing. Business strategies will be formulated based on a comprehensive evaluation of market developments, business structure, and relevant policies and regulations. Sales volume is expected to remain stable.

(III) Important production and marketing policies:

1. Strengthen underwriting risk control, stabilize underwriting performance, regularly review rate adequacy, and optimize product and sales strategies.
2. Continue to strengthen corporate insurance development, balance and adjust the business structure, and enhance the overall market share of high-quality business.
3. Prioritize customer rights, strengthen policy renewals, efficiently market quality bundled products, and enhance customer protection.
4. Advance ESG strategies through green operations, carbon reduction, and commitment to corporate sustainability.
5. Implement business continuity management by integrating comprehensive risk control measures to address climate change and various corporate risks.
6. Adhere to fair customer treatment principles, enhance diverse services for the elderly and disadvantaged groups, and develop suitable products for their needs.

7. Establish a financially inclusive environment with a focus on consumer protection, accessible services, and effective communication channels.
8. Increase high-quality retained business and properly arrange reinsurance to diversify risk and expand underwriting capacity.
9. Optimize online investment services, strengthen diversified marketing, and make every effort to capture online business opportunities.
10. Deepen the development of medium- and long-term business channels, incorporating various evaluation and reward indicators based on the characteristics of each channel.
11. Leverage financial technology to simplify operational processes, enhance service quality, and improve operational efficiency.
12. Implement internal operational control systems and regulatory compliance, and internalize them into operational standards.
13. Document internal systems and operational procedures to ensure effective implementation and facilitate knowledge transfer.
14. Implement specialized and segmented workflows for underwriting and claims, with mutual checks and controls, to enhance operational quality and timeliness from multiple perspectives.
15. Distribute sales personnel appropriately according to channel characteristics, and advance recruitment, training, incentives, and evaluation in parallel to enhance acquisition effectiveness and per capita productivity.

III. Impact by the external competitive environment, regulatory environment and overall business environment

(I) External competitive environment (Analysis of the competitive situation of the property insurance industry)

1. Globally initiated international sustainable development objectives and issues related to ESG and environmental protection are highly concerned.
2. Global climate change and the risk of natural disasters are getting more and more serious, so catastrophe assessment and reinsurance arrangements are extremely important.
3. New competitors or mergers and acquisitions, market reshuffling, increased competition in the market
4. Financial conglomerates with integrated marketing, rich resources and strong business driving force
5. Market saturation is high, and insurance brokerage and agencies are joining the market competition, affecting the market order and rate stability
6. Consumers have diversified sources of information, increased awareness of insurance needs and claims, high demand for services, and frequent complaints
7. Financial technology is changing rapidly, and product innovation and service process changes need to be accelerated in response
8. Society is changing rapidly, and new risks are emerging one after another, but there is a lack of relevant underwriting, loss experience reference and reinsurance support
9. International inflation continues to escalate, leading to increased operational costs due to rising material prices.

10. Geopolitical tensions have introduced uncertainties that impact global economic growth and financial stability

(II) Legal environment

The Company adheres to market discipline and insurance-related regulations to maintain fair competition in the market, which helps to optimize the Company's operating nature and improve the order in the market. We also comply with regulations promulgated to guide corporate ESG and protect consumers (i.e., treat customers fairly). However, in response to regulatory changes, internal adjustments, construction, changes in operating procedures, and related education and training will increase business costs in order to comply with the regulations. Externally, the requirements of laws and regulations to combat information terrorism, prevent money laundering and treat customers fairly, as well as the increasing complexity of insurance-related documents and verification requirements of relevant external entities, are all pressures that the external regulatory environment should face in the future.

(III) General business environment (analysis of world and domestic economic conditions)

Although the global economy has been affected by factors such as U.S.-China tensions, the Russia-Ukraine war, and the Israel-Hamas conflict, recovery is expected in other major economies such as Europe and Japan, while emerging markets continue to develop. As a result, major international institutions forecast that global economic performance in 2025 (Year 114 on the ROC calendar) will remain flat, similar to 2024 (Year 113). However, strong demand for emerging technologies such as AI and high-performance computing is expected to boost Taiwan's export performance. Domestically, increased investment by businesses in green energy and carbon reduction equipment is anticipated to sustain the country's overall economic growth momentum.

IV. Future development strategy

In response to the increasingly volatile domestic and international political and economic environment, as well as intensifying market competition, our company continues to enhance business quality by upholding underwriting professionalism and risk management, while selectively retaining high-quality business. At the same time, we pursue internal optimization through improvements in information system performance, workflow enhancement, and ongoing professional development of our personnel, aiming to achieve greater results with improved efficiency. Through the complementary integration of both external strategies and internal improvements, we strive to strengthen the company's overall resilience, maintain our competitive edge, and drive performance toward the goal of stable and sustainable operations.

Two. Company Governance

II. Background information of the Director, President, Vice Presidents, Assistant Vice Presidents and heads of various departments and branches

(I) Information on Directors:

Information on Directors (I)

March 31, 2025

| Title (Note 1) | Nationality/ Country of Registration | Name | Gender Age (Note 2) | Date Elected (appointed) | term of office | Date first elected (Note 2) | Shareholding at the time of elected to office | | Current Shareholding | | Shareholding of spouse and dependents at present | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 4) | Current position at the Company and other company | Other officers, Directors or supervisors having relations as spouses or relatives within the second degree of kinship. | | | Remarks (Note 5) |
|--------------------------------------|--|---|---------------------------|--------------------------------|----------------------|-----------------------------------|--|--------------|----------------------|--------------|--|--------------|--|--------------|---|---|---|------|----------|---------------------|
| | | | | | | | Number of shares | Shareholding | Number of shares | Shareholding | Number of shares | Shareholding | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Director Corporate Shareholder | R . O . C | Hong En Co., Ltd | | 2023/5/25 | 3 years | 2000/5/31 | 4,514,986 | 1.43% | 4,514,986 | 1.43% | 0 | 0 | 0 | 0 | None | Vice chairman of SHINKONG TEXTILE CO., LTD | | | | |
| Chairman | R . O . C. | WU, HSIN-HUNG (Representative of Hong En Co., Ltd.) | Male 51-60 | 2023/5/25 | 3 years | 2000/5/31 | 143,239 | 0.05% | 143,239 | 0.05% | 0 | 0 | 0 | 0 | MBA, Wharton School, University of Pennsylvania | Vice chairman of SHINKONG TEXTILE CO., LTD Director of TONG HSIN WATER BUSINESS INC. Director, etc. of SHINKONG CO., LTD. | | | | |
| Director | R . O . C. | WU, TONG-SH ENG (Representative of Hong En Co., Ltd.) | Male 71-80 | 2023/5/25 | 3 years | 2000/5/31 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | Doctor of Laws, Harvard University, USA | Chairman of SHINKONG SYNTHETIC FIBERS CORPORATION Chairman, etc. of Ubright Optronics Corp. | | | | |
| Director Corporate Shareholder | R . O . C | Cheng Qian Co., Ltd | | 2023/5/25 | 3 years | 2023/5/25 | 1,326,339 | 0.42% | 1,326,339 | 0.42% | 0 | 0 | 0 | 0 | None | None | | | | |
| Vice Chairman | R . O . C | HSIEH MENG-HSIUN G (Representative of Cheng Qian Co., Ltd) | Male 81-90 | 2023/5/25 | 3 years | 2000/5/31 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | Medical PhD, University of Pennsylvania | Chairman of Shih Chien University | | | | |
| Director Corporate Shareholder | R . O . C. | Ji Zhen Co., Ltd | | 2023/5/25 | 3 years | 2023/5/25 | 3,486,000 | 1.1% | 3,486,000 | 1.1% | 0 | 0 | 0 | 0 | None | Chairman of SHINKONG TEXTILE CO., LTD Director, etc. of SHINKONG CO., LTD. Director, of Shinkong Synthetic Fibers Corporation | | | | |
| Director | R . O . C | LI WEN-TSUNG (Representative of Ji Zhen Co., Ltd) | Male 51-60 | 2023/5/25 | 3 years | 2023/5/25 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | MBA, Business Administration, National Taiwan University | None | | | | |

| Title (Note 1) | Nationality/ Country of Registration | Name | Gender Age (Note 2) | Date Elected (appointed) | term of office | Date first elected (Note 2) | Shareholding at the time of elected to office | | Current Shareholding | | Shareholding of spouse and dependents at present | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 4) | Current position at the Company and other company | Other officers, Directors or supervisors having relations as spouses or relatives within the second degree of kinship. | | | Remarks (Note 5) |
|--------------------------------------|--|---|---------------------------|--------------------------------|----------------------|-----------------------------------|--|--------------|----------------------|--------------|--|--------------|--|--------------|--|---|---|------|----------|---------------------|
| | | | | | | | Number of shares | Shareholding | Number of shares | Shareholding | Number of shares | Shareholding | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Director Corporate Shareholder | R . O . C | Chaojia Investment Co., Ltd. | | 2023/5/25 | 3 years | 2020/6/20 | 1,683,582 | 0.53% | 1,683,708 | 0.53% | 0 | 0 | 0 | 0 | None | Chairman of Cosmos Hotels & Resorts | | | | |
| Director | R . O . C. | CHANG, MAO-SONG (Representative of Chaojia Investment Co., Ltd.) | Male 71-80 | 2023/5/25 | 3 years | 2023/5/25 | 614 | 0.00% | 614 | 0.00% | 29,060 | 0.01% | 0 | 0 | Police Academy | Chairman of Cosmos Hotels & Resorts Chairman, etc. of KONG MIN ENTERPRISES CO., LTD. | | | | |
| Director Corporate Shareholder | R . O . C. | Mao Wei Investment Co., Ltd. | | 2023/5/25 | 3 years | 2020/6/20 | 20,000 | 0.01% | 20,000 | 0.01% | 0 | 0 | 0 | 0 | None | None | | | | |
| Director | R . O . C. | WU,TONG-SH ANG (Representative of Mao Wei Investment Co., Ltd.) | Male 71-80 | 2023/5/25 | 3 years | 2020/6/20 | 1,056,511 | 0.33% | 1,056,511 | 0.33% | 0 | 0 | 0 | 0 | Department of Business, Tamkang University | Director of SHINKONG CO., LTD. Director, etc. of WANG TIEN WOOLEN TEXTILE CO., LTD. | | | | |
| Director Corporate Shareholder | R . O . C. | Shin Kong Medical Foundation | | 2023/5/25 | 3 years | 2006/6/20 | 1,428,920 | 0.45% | 1,428,920 | 0.45% | 0 | 0 | 0 | 0 | None | Director, etc. of Taiwan Shin Kong Security Co., Ltd. | | | | |
| Director | R . O . C. | HUNG, TZU-JEN (Representative of Shin Kong Medical Foundation) | Male 51-60 | 2023/5/25 | 3 years | 2023/5/25 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | Department of Public Health, Kaohsiung Medical University | Deputy Superintendent of Shin Kong Memorial Wu Ho-Su Hospital | | | | |
| Director | R . O . C. | HO, YING-LAN | Female 61-70 | 2023/5/25 | 3 years | 2020/6/20 | 169,000 | 0.05% | 1,065,000 | 0.34% | 0 | 0 | 0 | 0 | Department of Labor Relations, Cultural University | President of ShinKong Insurance Co., Ltd. | | | | |
| Independent Director | R . O . C. | CHOU, HSIEN-TSAI | Male 61-70 | 2023/5/25 | 3 years | 2020/6/20 | 26 | 0.00% | 26 | 0.00% | 0 | 0 | 0 | 0 | Department of Business Administration, Cultural University | None | | | | |
| Independent Director | R . O . C. | YEN, CHANG-SHOU | Male 71-80 | 2023/5/25 | 3 years | 2023/5/25 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | Keelung Senior High School | Chairman of The Alliance Cultural Foundation Chairman of Junyi School of Innovation | | | | |
| Independent Director | R . O . C. | WANG, JUI-YU | Female 51-60 | 2023/5/25 | 3 years | 2023/5/25 | 0 | 0.00% | 0 | 0.00% | 0 | 0 | 0 | 0 | Department of Business Administration, Providence University | None | | | | |

Note 1: Corporate shareholders should have the name of corporate shareholders and representatives illustrated separately (the name of the corporate shareholders should be noted); also, Table 1 should be filled out.

Note 2: Please provide the actual age, which may be expressed in ranges, such as 41-50 or 51-60.

Note 3: The translation is: "Indicate the date of first appointment as a director or supervisor of the company, with an explanatory note if there has been any interruption."

Note 4: Previous work experiences relating to their current roles; if the person works in the auditor's firm or in an affiliate during the aforementioned time period, the job title and responsibilities must be provided.

Note 5: Where the President and the chairperson of the Board of Directors or persons of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto. (For instance, more Independent Directors shall be added, and over half of the Directors are not concurrently an employee or manager.)

Note 6: The term of office of the 21th directors of the Company is from May 25, 2023 to May 25, 2026. The "Audit Committee" was established on June 20, 2014 to replace the function of the supervisors.

Table 1: Corporate shareholders' main shareholders

March 31, 2025

| Name of corporate director (Note 1) | Corporate shareholders' main shareholders (Note 2) |
|-------------------------------------|---|
| Hong En Co., Ltd | Cheng Cheng Co., Ltd. (20.08%) Cheng Chien Co., Ltd. (18.29%) Ci Qing Co., Ltd. (19.35%) Ji Chen Co., Ltd. (41.29%) SUN, JO-NAN (0.99%) |
| Ji Zhen Co., Ltd | Cheng Cheng Co., Ltd. (41.54%) Cheng Chien Co., Ltd. (40.21%) Ci Qing Co., Ltd. (18.25%) |
| Cheng Chien Co., Ltd. | Fu Yu Bu Co., Ltd. (50%) Fu Yu Tian Co., Ltd. (50%) |
| Chaojia Investment Co., Ltd. | Tian Li Investment Co., Ltd. (29.27%) Kong Min Enterprise Co. Ltd(12.19%) Tian He International Investment Co., Ltd.(29.27%) Yung An Sheng Co., Ltd.(29.27%) |
| Mao Wei Investment Co., Ltd. | LI, YI-JIAN (20%) CHEN, DE-LIN (80%) |
| Shin Kong Medical Foundation | Shin Kong Life Insurance Company (33.30%) . Taipei Shin Kong Wu Foundation (10.00%) Companies, charitable organizations and Wu Dongjin, etc. (56.70%) |

Note 1: If the director or supervisor is a representative of a corporate shareholder, the name of the corporate shareholder should be filled in.

Note 2: Fill out the name of major shareholders (with top ten shareholding rate) and the shareholding ratio of the legal entity shareholder. Fill out Table 2 if the main shareholders are entities.

Note 3: If the legal entity shareholder is not in the company organization, the name and shareholding ratio of the said shareholder shall be disclosed is the name of the investor or donor (please refer to the announced inquiries of the Judicial Yuan) and the percentage of their fund or donation; when the donor had passed away, please mark "deceased."

Table 2: Major shareholders of major corporate shareholders listed in Table 1

March 31, 2025

| Name of the corporation (Note 1) | Major shareholders of the corporation (Note 2) |
|---|--|
| Cheng Cheng Co., Ltd. | Huan Song Co., Ltd. (33.33%) Yong Le Co., Ltd. (33.33%) Quan Neng Co., Ltd. (33.33%) |
| Cheng Chien Co., Ltd. | Fu Yu Bu Co., Ltd. (50%) Fu Yu Bu Co., Ltd. (50%) |
| Ci Qing Co., Ltd. | SUN, RUO-NAN (92.59%) |
| Ji Chen Co., Ltd. | Cheng Cheng Co., Ltd. (41.55%) Cheng Chien Co., Ltd. (40.21%) Ci Qing Co., Ltd. (18.25%) |
| Fu Yu Bu Co., Ltd. | WU, XIN-EN(99.73%) |
| Fu Yu Tian Co., Ltd. | WU, XIN-EN(99.73%) |
| KONG MIN ENTERPRISES CO., LTD. | FuDu Development Co., Ltd. (12.6%) KaoZhu Development Co., Ltd. (14%) Tian Li Investment Co., Ltd. (24.46%) Tian He International Investment Co., Ltd. (24.46%) Yung An Sheng Co., Ltd. (24.47%) |
| Tian Li Investment Co., Ltd. | HE, ZHENG-XUN (14.49%) HE, YU-GUANG (13.05%) HE, PEI-JUN (10.78 %) LIN, HSIU-NU (44.72%) HE, YU-GUN (16.96%) |
| Tianhe International Investment Co., Ltd. | He Suqing (48.13%) Zhang Maosong (28.77%) Zhang Donghao (9.5%) He Yihui (4.79%) |

| Name of the corporation (Note 1) | Major shareholders of the corporation (Note 2) |
|----------------------------------|--|
| Yung An Sheng Co., Ltd. | HE, GUAN-HUI (14.08%) HE, SHUI-JIN (43.32%) HE, WEN-XIONG (10.29%) HE, ZHONG-YONG (14.08%) HE, YU-RU (9.11%) |
| Shin Kong Life Insurance | Shin Kong Financial Holding Co., Ltd. (100.00%) |
| Shin Kong Wu Foundation | Joint donation by WU, HUO-SHI (deceased), WU, JIN-LONG (deceased), WU, JIN-Hu (deceased), WU, TONG-JIN, WU, TONG-XIAN, WU, TONG-LIANG, WU, TONG-SHENG, (100.00%) |

Note 1: If the major shareholder in Table 1 above is a corporation, the name of the corporation should be filled in.

Note 2: Fill out the name of major shareholders (with top ten shareholding rate) and the shareholding ratio of the legal entity shareholder.

Note 3: If the legal entity shareholder is not in the company organization, the name and shareholding ratio of the said shareholder shall be disclosed is the name of the investor or donor (please refer to the announced inquiries of the Judicial Yuan) and the percentage of their fund or donation; when the donor has passed away, please mark “deceased.”

Information on Directors (II)

I. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors:

| Name Criteria | Professional Qualification and Experience (Note 1) | Status of independence (Note 2) | Number of other public companies where the member is also a member of their remuneration committees |
|--|--|---------------------------------|---|
| Hong En Co., Ltd Representative: WU, HSIN-HUNG | Possess the professional qualification of director approved by the FSC. Held positions in Merrill Lynch and J.P. Morgan Securities; currently is the vice chairman of Shinkong Textile Co., Ltd. and the chairman of Shinkong Insurance Co., Ltd. There is no circumstance set out in Article 30 of the Company Act. | Not applicable | 0 |
| Hong En Co., Ltd Representative: WU, TONG-SHENG | Possess the professional qualification of the Director approved by the FSC. Held the position as an associate professor at Soochow University and legislator; currently is the chairman of Shinkong Synthetic Fibers Corporation. There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| Cheng Chien Co., Ltd. Representative: SHIEH, MUNG-SHIUNG | Held the position as the president of the Taipei Medical University and commissioner of the Control Yuan; currently is the chairman of Shih Chien University; has many medical and artworks. There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| Ji Zhen Co., Ltd Representative: LI WEN-TSUNG | Held the position as Vice President of Shin Kong Investment Trust Co., Ltd There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| Mao Wei Investment Co., Ltd. Representative: WU, TONG-SHANG | Currently is the president of Shinkong Co., Ltd. There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SONG | Currently is the chairman of Cosmos Hotels & Resorts and Grand Cosmos Resort Ruisui, Hualien Co., Ltd. There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| Shin Kong Medical Foundation Representative: HUNG, TZU-JEN | Currently is Deputy Superintendent of Shin Kong Memorial Wu Ho-Su Hospital There is no circumstance set out in Article 30 of the Company Act. | | 0 |

| | | | |
|------------------|---|--|---|
| HO, YING-LAN | Possess the professional qualification of the Director approved by the FSC. Held the position as the executive vice president of Shin Kong Investment Trust. Currently is the President of the Company. There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| CHOU, HSIEN-TSAI | Possess the professional qualification of the Director approved by the FSC. Possess professional backgrounds in accounting, finance, and law; held the position as the senior vice president and chief auditor of the Company. There is no circumstance set out in Article 30 of the Company Act. | The Directors comply with the requirements of Articles 3 and 4 of the Securities Exchange Act, have no spousal relationship or relatives within the second degree of kinship, have not held any position in the Company or in affiliates, have no compensation related to providing corporate commerce, legal, financial, or accounting services to the Company or its affiliates. | 0 |
| YEN, CHANG-SHOU | Possess the professional qualification of the Director approved by the FSC. Held the position as the Chairman of The Alliance Cultural Foundation There is no circumstance set out in Article 30 of the Company Act. | | 0 |
| WANG, JUI-YU | Possess the professional qualification of the Director approved by the FSC. Possess professional backgrounds in human resource as the manager of the Company. There is no circumstance set out in Article 30 of the Company Act. | | 0 |

(II) Board diversification and independence:

(I) Board diversification:

The Company's "Corporate Governance Best Principles" stated that the Board shall consider the diversification of its composition and has formulated an appropriate diversification policy based on the Board's operation, operating patterns, and development requirements, and the Board possesses knowledge, skills, and literacy required for the execution of duties. To achieve the ideal objectives of corporate governance, the overall Board shall possess the following abilities: 1. Ability for business judgment. 2. Ability for accounting and financial analysis. 3. Operating management ability. 4. Crisis management ability. 5. Industrial knowledge. 6. International market viewpoint. 7. Leadership. 8. Decision-making ability. 9. Risk management knowledge and ability.

Substantial management objectives: At least one Director shall have professional experience in each of the fields.

For actual implementation, current Board members of the Company have complementary professional fields and gender equality, complying with the diversification policy stated above. Since the full re-election of the Board in 2023, there have been no changes in its composition. Going forward, the Company will continue to assess the diversity and complementarity of Board members, uphold the implementation of the diversification policy, and enhance gender equality in Board representation.

To reinforce corporate governance and facilitate healthy development, Article 22 of the "Corporate Governance Best Principles" has stipulated:

The Board shall consider the diversification of its composition and has formulated an appropriate diversification policy based on the Board's operation, operating patterns, and

development requirements, and the policy shall include but not be limited to the criteria of the following two major aspects:

I. Basic conditions and value: Gender, age, nationality, and culture; the ratio of female Directors shall reach one-third of the Board members.

II. Professional knowledge and skills: Professional background (i.e., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. Board members shall generally possess the knowledge, skills, and literacy required for the execution of duties.

To achieve the ideal objectives of corporate governance, the overall Board shall possess the following abilities:

I. Ability for business judgment.

II. Ability for accounting and financial analysis.

III. Operating management ability.

IV. Risk management knowledge and abilities

V. Crisis management ability

VI. Financial and insurance expertise

VII. International market viewpoint.

VIII. Leadership.

IX. Decision-making ability.

Directors shall be aware of the risks faced by the Company in terms of its operations (i.e., market risk, credit risk, liquidity risk, operating risk, legal risk, reputation risk, and other risks related to the operations of the Company) to ensure the effectiveness of risk management and be held ultimately responsible for risk management.

| Name | Core Item of Diversification | Basic Composition | | | | | | Industrial experience | | | | | Professional capacity | | | | | | |
|--|------------------------------|-------------------|--------|---|----------|----------|---------|---|--------------|--------------|-----------------------|-------------------|-------------------------|-------------------|--------------------|------------------------|------------------------|------------------|---------------------|
| | | Nationality | Gender | Concurrently an employee of the Company | Age | | | Year of experience as an independent director | | | Finance and insurance | Medicine and Care | Manufacturing and sales | Education and Art | Tourism and dining | Technology application | Finance and accounting | Legal profession | Business management |
| | | | | | 50 to 60 | 60 to 70 | Over 70 | Under 3 Years | 3 to 9 years | Over 9 years | | | | | | | | | |
| WU, HSIN-HUNG Chairman | | Taiwan | Male | | √ | | | | | | √ | | √ | | | | √ | | √ |
| SHIEH, MUNG-SHIUNG Vice Chairman | | Taiwan | Male | | | √ | | | | | √ | √ | | √ | | | | | √ |
| WU, TUNG-SHANG Director | | Taiwan | Male | | | √ | | | | | √ | | √ | | | | | √ | √ |
| LI WEN-TSUNG Director | | Taiwan | Male | | √ | | | | | | √ | | | | | √ | | | √ |
| WU, TONG-SHANG Director | | Taiwan | Male | | | √ | | | | | √ | | | | | | | | √ |
| CHANG, MAO-SONG Director | | Taiwan | Male | | | √ | | | | | √ | | | | √ | | | | √ |
| HUNG, TZU-JEN Director | | Taiwan | Male | | √ | | | | | | √ | | | | √ | | | | √ |
| HO, YING-LAN Director | | Taiwan | Female | √ | | √ | | | | | √ | | √ | | | | √ | √ | √ |
| CHOU, HSIEN-TSAI Independent Director | | Taiwan | Male | | √ | | | √ | | | √ | | | | | | √ | √ | √ |
| YEN, CHANG-SHOU Independent Director | | Taiwan | Male | | | √ | √ | | | | √ | | | | √ | | | | √ |
| WANG, JUI-YU Independent Director | | Taiwan | Female | | √ | | √ | | | | √ | | | | | | | | √ |

(II) Independence of the Board:

The current Board of Directors comprises eight general Directors and three Independent Directors, and Independent Directors account for 27% of the Board of Directors. Members of the Board of Directors comply with requirements under paragraphs 3 and 4, Article 26-3 of the Securities Exchange Act, have no spousal relationship or relatives within the second degree of kinship with other Directors of the Company, have not held any position in the Company or in affiliates, have no compensation related to providing corporate commerce, legal, financial, or accounting services to the Company or its affiliates; the Board of Directors is independent.

Note 1: Professional qualification and experience: Describe the professional qualification and experience of individual directors and supervisors; for members of the audit committee who have accounting or financial expertise, describe their accounting or financial backgrounds and work experiences and further describe whether there are any circumstances as stated in Article 30 of the Company Act.

Note 2: For any independent director, describe their compliance with independence, including but not limited to whether itself, its spouse, or any relative within the second degree of kinship is a director, supervisor, or employee of the Company or its affiliates, the number of shares held by and shareholding of itself, its spouse, or any relative within the second degree of kinship (or in the name of others), whether it is a director, supervisor, or employee of a company with specific relationships with the Company (please refer to requirements under subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the amount of compensation obtained from the Company or its affiliates for the provision of business, legal, financial, and accounting services for the past two years.

Note 3: For the disclosing methods, please refer to the sample on the website of TWSE Corporate Governance Center.

(II) Background information of the Director, President, Vice Presidents, Assistant Vice Presidents and heads of various departments and branches

March 31, 2025

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|-----------------------------|-------------|-------------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|---|---|---|---------------------|-------------------------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| President | R.O.C. | HO, YING-LAN | Female | 2015/03/26 | 1,065,000 | 0.34% | 0 | 0.00% | 0 | 0.00% | Department of Labor Relations, Cultural University | None | None | None | None | |
| Senior Vice President | R.O.C. | LIU, CHONG- WEN | Male | 2015/01/01 | 8,905 | 0.00% | 0 | 0.00% | 0 | 0.00% | EMBA, National Chengchi University | None | None | None | None | |
| Senior Vice President | R.O.C. | LO, KUO-FE NG | Male | 2019/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, Chinese Culture University | None | None | None | None | |
| Senior Vice President | R.O.C. | LIU, TING-CHI NG | Male | 2018/07/01 | 6,908 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, Soochow University | None | None | None | None | |
| Senior Vice President | R.O.C. | LI, SI-YI | Female | 2019/01/01 | 1,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Tamkang University | None | Manag er | LIU, CHIA- YU | Husba nd and wife | |
| Senior Vice President | R.O.C. | TSAI, SHIH-HSI EN | Male | 2019/08/01 | 3,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, National Chengchi University | None | None | None | None | |
| Vice President | R.O.C. | LIN, HSIEN-T ANG | Male | 2015/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Law, National Chengchi University | None | None | None | None | |
| Vice President | R.O.C. | YANG, CHUN-Y EN | Male | 2013/03/01 | 1,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Mathematics, Fu Jen Catholic University | None | None | None | None | |
| Vice President | R.O.C. | TSENG, KUO-HUI | Male | 2019/08/01 | 8,088 | 0.00% | 0 | 0.00% | 0 | 0.00% | Institute of Management Information Systems, National Chengchi University | None | None | None | None | |

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|--------------------------------|-------------|-------------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|---|---|---|------|----------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Vice President | R.O.C. | WANG, TAI-YU | Male | 2022/06/01 | 5,654 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accounting, Yuan University of Chung Christian | None | None | None | None | |
| Vice President | R.O.C. | WANG,Y U-SHENG | Male | 2023/10/31 | 4,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Statistics, National Taipei University of National | The person in charge of Aiya Horticul ture Enterpri se Co., Ltd. | None | None | None | |
| Vice President | R.O.C. | CHENG, WEI-CH AO | Male | 2021/05/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Tamkang University of Tamkang | None | None | None | None | |
| Vice President | R.O.C. | YANG, YUEH-TS ANG | Male | 2018/01/01 | 5,077 | 0.00% | 16,636 | 0.01% | 0 | 0.00% | Department of Business Administration, Ling Tung University of Ling Tung University | None | None | None | None | |
| Vice President | R.O.C. | PENG, WEI-WEN | Male | 2020/07/01 | 1,500 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Tamkang University of Tamkang | None | None | None | None | |
| Vice President | R.O.C. | HSUEH, YU-CHE NG | Male | 2021/07/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accounting and Statistics, National Taipei College of Business of National Taipei College of Business | None | None | None | None | |
| Vice President | R.O.C. | PENG, CHIH-HE NG | Male | 2019/01/01 | 5,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Public Health (Department of Mathematics, minor degree), National Taiwan University of National Taiwan University | None | None | None | None | |
| Assistant Vice President | R.O.C. | KAO, JUI-TSE | Male | 2019/08/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Economics, Fu Jen Catholic University of Fu Jen Catholic University | None | None | None | None | |

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|--------------------------------|-------------|--------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|--|---|---|------|----------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Assistant Vice President | R.O.C. | WU, YU-LONG | Male | 2020/01/01 | 2,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Electrical Engineering, Nan-Tai Junior College of Engineering and Business | None | None | None | None | |
| Manager | R.O.C. | ZHANG, MEI-YAO | Female | 2018/05/01 | 1,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accounting and Statistics, National Taichung Institute of Technology | None | None | None | None | |
| Manager | R.O.C. | WANG, HUI-ZHEN | Female | 2014/01/01 | 11,323 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accounting and Statistics, Shih Chien School of Home Economics | None | None | None | None | |
| Manager | R.O.C. | XIAO, SHU-ZHEN | Female | 2022/01/01 | 17,491 | 0.01% | 0 | 0.00% | 0 | 0.00% | Department of Secretarial Science, Chung Yu Junior College of Business Administration | None | None | None | None | |
| Manager | R.O.C. | LIU, ZI-JIAN | Male | 2017/07/01 | 11,000 | 0.00% | 689 | 0.00% | 0 | 0.00% | Department of Automated Engineering, Ta Hwa Institute of Technology | None | None | None | None | |
| Manager | R.O.C. | HUANG, PO-CHIEN | Male | 2019/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, Chung Chou Junior College of Technology | None | None | None | None | |
| Manager | R.O.C. | CHANG, PAO-KUEI | Female | 2017/09/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accountancy, National Taipei University | None | None | None | None | |
| Manager | R.O.C. | WANG, AN-KAI | Male | 2018/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, Tamkang University | None | None | None | None | |
| Manager | R.O.C. | CHEN,JY UN-JIE | Male | 2020/07/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Law, Tunghai University | None | None | None | None | |

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|-------------------|-------------|-------------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|--|---|---|--------------|-------------------------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Manager | R.O.C. | TSAI, MENG-C HANG | Male | 2020/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Foreign Languages and Literature, National Sun Yat-sen University | None | None | None | None | |
| Manager | R.O.C. | ZHU, SI-FU | Male | 2022/08/01 | 2,846 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Information Management, China University of Technology | None | None | None | None | |
| Manager | R.O.C. | TSENG, YA-FANG | Female | 2020/03/19 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Chaoyang University of Technology | None | None | None | None | |
| Manager | R.O.C. | LIU, CHIA-YU | Male | 2021/07/01 | 0 | 0.00% | 1000 | 0.00% | 0 | 0.00% | Department of Nutrition, Chung Shan Medical University. | None | Vice President | LI, SI-YI | Husban d and wife | |
| Manager | R.O.C. | LI, YUN-XU AN | Male | 2021/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Public Finance, Fengchia University | None | None | None | None | |
| Manager | R.O.C. | HAN, KUO-HS UAN | Male | 2020/07/01 | 1,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Civil Engineering, Chung Yuan Christian University | None | None | None | None | |
| Manager | R.O.C. | LU, YEN-LO NG | Male | 2021/02/28 | 800 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, National Pingtung Institute of Commerce | None | None | None | None | |
| Manager | R.O.C. | CHEN, ZHAO-XI ONG | Male | 2022/08/18 | 1,500 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Business Administration, China University of Science and Technology | None | None | None | None | |
| Manager | R.O.C. | LIU, HSIAO-C HUNG | Male | 2023/05/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Civil Engineering, National Cheng Kung University | None | None | None | None | |

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|-------------------|-------------|--------------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|---|---|---|------|----------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Manager | R.O.C. | CHANG, CHIH-TU NG | Male | 2024/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Chengsu University of Science and Technology (College Continuing Education Department) Business Administration Department | None | None | None | None | |
| Manager | R.O.C. | HUANG, YI-JEN | Male | 2023/04/16 | 1,500 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Tamkang University | None | None | None | None | |
| Manager | R.O.C. | CHUANG, PEI-CHUN | Male | 2023/07/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Tamkang University, Department of Risk Management, Master's Degree in Insurance Business | None | None | None | None | |
| Manager | R.O.C. | WANG, Y AO-HUEI | Male | 2024/08/15 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Information Management, Vanung University | None | None | None | None | |
| Manager | R.O.C. | WANG, C HUN-CY UE | Female | 2024/05/01 | 546 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Accounting and Statistics, St. Francis Xavier High School | None | None | None | None | |
| Manager | R.O.C. | JIANG, S HIH-ME NG | Male | 2024/05/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Civil Engineering, Tungnan University | None | None | None | None | |
| Manager | R.O.C. | YANG, JH IH-YU | Male | 2024/08/15 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Mechanical Engineering, National United University | None | None | None | None | |
| Manager | R.O.C. | JHAN, SI AO-HUEI | Female | 2024/11/06 | 1,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Insurance, Tamkang University | None | None | None | None | |

| Title (Note 1) | Nationality | Name | Gender | Date Elected (appointed) | Shareholding | | Shareholdings of spouse, minor children | | Shareholding in the name of a third party | | Major (academic degree) experience (Note 2) | Holding positions in other companies at present | Spouse or kin within the second pillar under the Civil Code and who is a manager | | | Remarks (Note 3) |
|-----------------------------|-------------|--------------------|--------|-----------------------------|---------------------|--------------|---|------------------|--|--------------|--|---|---|------|----------|---------------------|
| | | | | | Number of shares | Shareholding | Number of shares | Shareholdin g | Number of shares | Shareholding | | | Job title | Name | Relation | |
| Manager | R.O.C. | WANG, YI -ROU | Female | 2025/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Industrial Management, Chung Hua University | None | None | None | None | |
| Senior Deputy Manager | R.O.C. | WANG, DING-JIE | Male | 2023/01/01 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Ocean Engineering and Technology, National Taiwan Ocean University | None | None | None | None | |
| Senior Deputy Manager | R.O.C. | JIANG, Y U-JHEN | Female | 2024/01/01 | 300 | 0.00% | 0 | 0.00% | 0 | 0.00% | Department of Information Management, Tatung Institute of Technology | None | None | None | None | |

Note 1: Background information of the President, Vice Presidents, Assistant Vice Presidents, Heads of various departments and Branches, and anyone of equivalent authority to the above, regardless of their job titles, shall be disclosed.

Note 2: Previous work experiences relating to their current roles; if the person works in the auditor's firm or in an affiliate during the aforementioned time period, the job title and responsibilities must be provided.

Note 3: Where the President and the chairperson of the Board of Directors or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto. (For instance, more Independent Directors shall be added, and over half of the Directors are not concurrently an employee or manager.)

- (III) Remuneration to Directors, supervisors, Presidents and Vice Presidents for the most recent year :
- (1) Remuneration to regular Directors and Independent Directors (aggregated remuneration, disclosing name(s) and indicating each remuneration scale)

Unit: NTD thousands December 31, 2024

| Job title | Name | Directors' remuneration | | | | | | | | The sum of A, B, C and D as a percentage of after-tax profit | | | | Remuneration to directors also holding employee positions | | | | | | | | The sum of A, B, C, D, E, F and G in proportion to Earnings | | | | Collect the remuneration from the reinvestment except for the subsidiary or the remuneration from the parent company | | | | |
|-----------|---|-------------------------|---|---------------------------|---|-------------------------------|---|---------------------------------|---|--|---|-------------|---|---|---|---------------------------|---|-------------------------------|---|-------------|---|---|---|-------------|---|--|-------|--------|-------|------|
| | | Base Remuneration (A) | | Severance and pension (B) | | Remuneration to directors (C) | | Business execution expenses (D) | | | | | | Salaries, bonuses, special allowances etc(E) | | Severance and pension (F) | | Remuneration to employees (G) | | | | | | | | | | | | |
| | | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | The Company | All Companies mentioned in the Financial statements | | | | | |
| Chairman | Representative of Haung En Co., Ltd.: WU, HSIN-HUNG (Note2) | 0 | 0 | 0 | 0 | 22,841 | 22,841 | 24,867 | 24,867 | 47,708 | 1.44% | 47,708 | 1.44% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,708 | 1.44% | 47,708 | 1.44% | None |

Remuneration scale table

Remuneration scale table

| Payment scale of remuneration to the Directors of the Company | Name of Directors | | | |
|---|---|---|---|---|
| | The total of A+B+C+D | | The total of A+B+C+D+E+F+G | |
| | The Company | All companies in financial statements (H) | The Company | All companies in financial statements (I) |
| Less than NT\$1,000,000 | CHOU, HSIEN-TSAI WANG, JUI-YU | CHOU, HSIEN-TSAI WANG, JUI-YU | CHOU, HSIEN-TSAI WANG, JUI-YU | CHOU, HSIEN-TSAI WANG, JUI-YU |
| NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive) | None | None | None | None |
| NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive) | YEN, CHANG-SHOU | YEN, CHANG-SHOU | YEN, CHANG-SHOU | YEN, CHANG-SHOU |
| NT\$3,500,000 (inclusive)~ NT\$5,000,000 (exclusive) | None | None | None | None |
| NT\$5,000,000 (inclusive)~ NT\$10,000,000 (exclusive) | Hong En Co., Ltd.Representative: WU, TONG-SHENG Mao Wei Investment Co.,Ltd.Representative: WU, TUNG-SHENG JI ZHEN CO., LTD Representative: LI, WEN-TSUNG Shin Kong Wu Hwo-Shih Memorial Hospital Representative:HUNG, TZU-JEN Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SUNG HO, YING-LAN | Hong En Co., Ltd.Representative: WU, TONG-SHENG Mao Wei Investment Co.,Ltd.Representative: WU, TUNG-SHENG JI ZHEN CO., LTD Representative: LI, WEN-TSUNG Shin Kong Wu Hwo-Shih Memorial Hospital Representative:HUNG, TZU-JEN Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SUNG HO, YING-LAN | Hong En Co., Ltd.Representative: WU, TONG-SHENG Mao Wei Investment Co.,Ltd.Representative: WU, TUNG-SHENG JI ZHEN CO., LTD Representative: LI, WEN-TSUNG Shin Kong Wu Hwo-Shih Memorial Hospital Representative:HUNG, TZU-JEN Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SUNG HO, YING-LAN | Hong En Co., Ltd.Representative: WU, TONG-SHENG Mao Wei Investment Co.,Ltd.Representative: WU, TUNG-SHENG JI ZHEN CO., LTD Representative: LI, WEN-TSUNG Shin Kong Wu Hwo-Shih Memorial Hospital Representative:HUNG, TZU-JEN Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SUNG HO, YING-LAN |
| NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive) | Representative of Cheng Qian Co., Ltd.: HSIEH MENG-HSIUNG | Representative of Cheng Qian Co., Ltd.: HSIEH MENG-HSIUNG | Representative of Cheng Qian Co., Ltd.: HSIEH MENG-HSIUNG | Representative of Cheng Qian Co., Ltd.: HSIEH MENG-HSIUNG |
| NT\$ 15,000,000 (inclusive)~NT\$ 30,000,000 (exclusive) | None | None | None | None |
| NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive) | WU, HSIN-HUNG Representative of Haung En Co., Ltd.: WU, HSIN-HUNG | WU, HSIN-HUNG Representative of Haung En Co., Ltd.: WU, HSIN-HUNG | WU, HSIN-HUNG Representative of Haung En Co., Ltd.: WU, HSIN-HUNG | WU, HSIN-HUNG Representative of Haung En Co., Ltd.: WU, HSIN-HUNG |
| NT\$ 50,000,000 (inclusive)~NT\$ 100,000,000 (exclusive) | None | None | HO, YING-LAN | HO, YING-LAN |
| Over NT\$100,000,000 | None | None | None | None |
| Total | 11 | 11 | 11 | 11 |

(3) Remuneration to presidents and vice presidents (aggregated remuneration that discloses name(s) indicating each remuneration scale)

Unit: NTD thousands **December 31, 2024**

| Job title | Name | Salary (A) | | Severance and Pension (B) | | Bonuses and special expenses, etc. (C) | | Employee's Remuneration Amount (D) | | | | The sum of A, B, C and D as a percentage of after-tax profit (%) | | | | Collect the remuneration from the reinvestment except for the subsidiary or the remuneration from the parent company . |
|-----------------------|------------------------|-------------|---|---------------------------|---|--|---|------------------------------------|-----------------|---|-----------------|--|---|-------------|---|--|
| | | The Company | All companies shown in the financial report | The Company | All companies shown in the financial report | The Company | All companies shown in the financial report | The Company | | All companies shown in the financial report | | The Company | All companies shown in the financial report | The Company | All companies shown in the financial report | |
| | | | | | | | | Amount in cash | Amount in stock | Amount in cash | Amount in stock | | | | | |
| President | HO, YING-LAN | 34,313 | 34,313 | 8,406 | 8,406 | 75,698 | 75,698 | 23,652 | 0 | 23,652 | 0 | 142,069 | 4.29% | 142,069 | 4.29% | none |
| Senior Vice President | LIU, CHUNG-WEN | | | | | | | | | | | | | | | |
| Senior Vice President | TU, KUN-YI | | | | | | | | | | | | | | | |
| Vice President | LIU, TING-CHING | | | | | | | | | | | | | | | |
| Vice President | LO, KUO-FENG | | | | | | | | | | | | | | | |
| Vice President | LIN, HSIEN-TANG | | | | | | | | | | | | | | | |
| Vice President | TSAI, SHIH-HSIEN | | | | | | | | | | | | | | | |
| Vice President | TSENG, KUO-HUI | | | | | | | | | | | | | | | |
| Vice President | WANG, TAI-YU | | | | | | | | | | | | | | | |
| Vice President | YANG, JUN-YAN | | | | | | | | | | | | | | | |
| Vice President | LI, SI-YI | | | | | | | | | | | | | | | |
| Vice President | WANG, YU-SHENG | | | | | | | | | | | | | | | |
| Vice President | YEH, JIH-CHIN(Note2) | | | | | | | | | | | | | | | |
| Vice President | CHANG, HUNG-CHI(Note3) | | | | | | | | | | | | | | | |
| Vice President | CHENG, WEI-CHAO(Note4) | | | | | | | | | | | | | | | |
| Vice President | PENG, CHIH-HENG(Note5) | | | | | | | | | | | | | | | |

Note 1: The "Employee's Remuneration" listed in this table are the amounts to be distributed in 2024, from the 2023 earnings.

Note 2: Vice President YEH, JIH-CHIN retired on 08/15/2024; only the income earned before 08/14/2024 is disclosed.

Note 3: Vice President CHANG, HUNG-CHI retired on 05/01/2024; only the income earned before 04/30/2024 is disclosed

Note 4: Vice President CHENG, WEI-CHAO Date of assuming the post: 04/16/2024.

Note 5: Vice President PENG, CHIH-HENG Date of assuming the post: 04/16/2024.

Note 6: The remuneration of the Vice President listed in this table refers to the total income of the person for the whole year, including the income before assuming the Vice President.

*The contents of the remuneration disclosed in this table is other than the concept of the income as referenced in the income tax laws, therefore, the purpose of this table is for information disclosure only, and not for tax purposes.

Remuneration scale table

| Payment scale of remunerations paid to the President and Vice Presidents of the Company | Names of the President and Vice Presidents | |
|---|--|--|
| | The Company | All companies listed in financial statements |
| Less than NT\$1,000,000 | None | None |
| NT\$1,000,000 (inclusive)~ NT\$2,000,000 (exclusive) | None | None |
| NT\$2,000,000 (inclusive)~ NT\$3,500,000 (exclusive) | LIN, HSIEN-TANG 、 TSENG, KUO-HUI 、 WANG, TAI-YU 、 YANG, JUN-YAN 、 WANG, YU-SHENG | LIN, HSIEN-TANG 、 TSENG, KUO-HUI 、 WANG, TAI-YU 、 YANG, JUN-YAN 、 WANG, YU-SHENG |
| NT\$3,500,000 (inclusive)~ NT\$5,000,000 (exclusive) | LIU, CHUNG-WEN 、 LO, KUO-FENG 、 TSAI, SHIH-HSIEN 、 LI, SI-YI 、 CHENG, WEI-CHAO 、 PENG, CHIH-HENG | LIU, CHUNG-WEN 、 LO, KUO-FENG 、 TSAI, SHIH-HSIEN 、 LI, SI-YI 、 CHENG, WEI-CHAO 、 PENG, CHIH-HENG |
| NT\$5,000,000 (inclusive)~ NT\$10,000,000 (exclusive) | TU, KUN-YI 、 LIU, TING-CHING 、 YEH, JIH-CHIN 、 CHANG, HUNG-CHI | TU, KUN-YI 、 LIU, TING-CHING 、 YEH, JIH-CHIN 、 CHANG, HUNG-CHI |
| NT\$10,000,000 (inclusive)~ NT\$15,000,000 (exclusive) | None | None |
| NT\$ 15,000,000 (inclusive)~NT\$ 30,000,000 (exclusive) | None | None |
| NT\$30,000,000 (inclusive)~ NT\$50,000,000 (exclusive) | None | None |
| NT\$ 50,000,000 (inclusive)~NT\$ 100,000,000(exclusive) | HO, YING-LAN | HO, YING-LAN |
| Over NT\$100,000,000 | None | None |
| Total | 16 | 16 |

(4) Name of the managers who received remuneration and the distribution of remuneration

Unit: NTD thousands **December 31, 2024**

| | Title (Note 1) | Name (Note 1) | Amount in stock | Amount in cash | Total | As a percentage of net profit after tax (%) | |
|---------------------------------|------------------------------------|------------------|-----------------|----------------|--------|---|-------|
| M a n a g e r | President | HO, YING-LAN | 0 | 36,118 | 36,118 | 36,118 | 1.09% |
| | Senior Vice President | LIU, CHUNG-WEN | | | | | |
| | Senior Vice President | LIU, TING-CHING | | | | | |
| | Senior Vice President | TU, KUN-YI | | | | | |
| | Senior Vice President | LO, KUO-FENG | | | | | |
| | Vice President | WANG, YU-SHENG | | | | | |
| | Vice President | LO, KUO-FENG | | | | | |
| | Vice President | YANG, JUN-YAN | | | | | |
| | Vice President | TSAI, SHIH-HSIEN | | | | | |
| | Vice President | WANG, YU-SHENG | | | | | |
| | Vice President | LI, SI-YI | | | | | |
| | Vice President | CHENG, WEI-CHAO | | | | | |
| | Vice President | TSENG, KUO-HUI | | | | | |
| | Vice President | LIN, HSIEN-TANG | | | | | |
| | Vice President(Finance Supervisor) | WANG, TAI-YU | | | | | |
| | Vice President | PENG, CHIH-HENG | | | | | |
| | Manager | KAO, JUI-TSE | | | | | |
| | Manager | PENG, WEI-WEN | | | | | |
| | Manager | WU, YU-LUNG | | | | | |
| | Manager | CHUANG, PEI-CHUN | | | | | |
| | Manager | TSAI, MENG-CHANG | | | | | |
| | Manager | LIU, HSIAO-CHUNG | | | | | |
| | Accounting Supervisor | TSENG, YA-FANG | | | | | |
| | Manager | HAN, KUO-HSUAN | | | | | |
| | Manager | HSUEH, YU-CHENG | | | | | |
| | Manager | HUANG, PO-CHIEN | | | | | |
| | Manager | KO, CHIH-CHUNG | | | | | |
| | Manager | LIU, CHIH-CHIEN | | | | | |
| | Manager | LU, YEN-LUNG | | | | | |
| | Manager | LI, YUN-HSUAN | | | | | |
| | Manager | YANG, CHING-WEN | | | | | |
| | Manager | CHEN, ZHAO-XIONG | | | | | |
| | Manager | YANG, YUEH-TSANG | | | | | |
| Manager | WANG, AN-KAI | | | | | | |
| Manager | CHANG, MEI-YAO | | | | | | |
| Manager | LIU, CHIA-YU | | | | | | |
| Manager | HSIAO, SHU-CHEN | | | | | | |
| Manager | WANG, HUI-CHEN | | | | | | |
| Manager | YANG, CHIH-YU | | | | | | |
| Manager | CHANG, CHIH-TUNG | | | | | | |
| Manager | WANG, CHUN-CHUEH | | | | | | |
| Manager | CHIANG, SHIH-MENG | | | | | | |
| Manager | WANG, TING-CHIEH | | | | | | |

- (5) Remuneration and related information for the chairman and general manager of the chairman and general manager who have retired from the insurance industry or its affiliates to return to the insurance industry consultant : None.
- (6) The chairman of the board, the general manager, the manager responsible for financial or accounting affairs, has not worked in the firm or its affiliates of the visa accountant in the most recent year.
- (IV) Analysis of the total remuneration paid to the Company's directors, supervisors, president and vice president as a percentage of the individual or standalone net profits after tax for the most recent two years for the Company and all the companies in the consolidated financial statements, and a description of the policy, criteria and composition of remuneration payments, the procedures for determining remuneration, and the relationship to business performance and future risks.

| Job title | 2024 | | | | 2023 | | | |
|-----------------------------|--|--|---|--|--|--|---|--|
| | Total remuneration (Thousands of NTD) | | Percentage of after-tax net profit (%) | | Total remuneration (Thousands of NTD) | | Percentage of after-tax net profit (%) | |
| | The Company | All companies in the consolidated financial statements | The Company | All companies in the consolidated financial statements | The Company | All companies in the consolidated financial statements | The Company | All companies in the consolidated financial statements |
| Director | 180,040 | 180,040 | 5.44% | 5.44% | 146,252 | 146,252 | 5.02% | 5.02% |
| Supervisors | 0 | 0 | 0.00% | 0.00% | 0 | 0 | 0.00% | 0.00% |
| President Vice President | 142,069 | 142,069 | 4.29% | 4.29% | 142,075 | 142,075 | 4.88% | 4.88% |

Note: The Company established an audit committee to replace the supervisors; function since June 20, 2014, so there is no such amount.

The Company's remuneration to Directors is set forth in the Company's Articles of Incorporation and is subject to the resolution of the shareholders' meeting :

Pursuant to Article 27 of the Company's "Corporate Governance Best Practice Principles" and Article 5 of the "Rules Governing the Scope of Powers of Independent Directors," the remuneration of the Company's Independent Directors shall be set forth in the Company's Articles of Incorporation or by resolution of the shareholders' meeting, and may be set at a reasonable rate different from that of the ordinary directors. The remuneration of such an Independent Director may also be fixed at a monthly rate by discretion in accordance with the relevant statutory procedures.

The remuneration of the Company's directors is determined in accordance with the Articles of Incorporation approved by the shareholders' meeting, which authorizes the Board of Directors to agree on the value and performance evaluation of their participation in and contribution to the Company's operations. The Board of Directors of the Company reviews the performance evaluation of the Directors on an annual basis and reviews the reasonableness of the remuneration based on the evaluation results. The performance evaluation includes 6 aspects: 1. Alignment of the goals and mission of the Company, 2. Awareness of the duties of a director, 3. Participation in the operation of the company, 4. Management of internal relationships and communication, 5. Professionalism and continuing education of the Directors, and 6. Internal control. The results of the 2024 annual comprehensive evaluation are "exceptional." The above-mentioned basis is used as a reference for payment, and the remuneration includes base remuneration, bonus and business execution expenses. The remuneration of the Company's managers is evaluated annually, and the Remuneration Committee regularly evaluates the reasonableness of their remuneration. In addition to the aforementioned criteria, the performance evaluation includes 1. decision analysis and strategy planning ability, 2. team goal achievement and internal control execution ability, 3. all-round communication and integration ability, 4. leadership and organizational planning ability, 5. problem-solving and crisis management ability, and 6. cost control. The comprehensive evaluation results were "A," "B," and "C" for 2024, and the external salary benchmark was used as a reference for payment. Therefore, the Company's operating performance and performance evaluation results directly affect remuneration, which includes 1. Fixed salary, determined according to the managerial responsibilities of each job rank. 2. Variable remuneration: including spring bonuses, employee remuneration, variable bonuses and employee benefits. In addition, the standard or structure and system of remuneration paid to directors and managers are adjusted according to future risk factors, and directors and managers should not be induced to engage in acts that exceed the risk appetites of the Company in pursuit of remuneration, and the Company regularly convenes the Remuneration Committee meeting to review the appropriateness of the remuneration so as to avoid improper situations such as the Company suffering losses after paying remuneration.

In the year 2024 (113th fiscal year), the Company achieved total signed premiums of NT\$26.3 billion, representing a 9.07% growth, maintaining its position as the third-largest in the market. Underwriting profits remained stable, and the Company continued to uphold its philosophy of "prudent management," strictly adhering to underwriting policies and regularly reviewing the adequacy of premium rates based on solid risk control foundations. In 2024, the value contribution and performance evaluation results of the Board of Directors, President, and Vice Presidents were outstanding, and the total remuneration paid exceeded that of 2023 (112th fiscal year).

II. Corporate governance :

(I) The Function of the Board of Directors

The Function of the Board of Directors

The Board of Directors held 6 meetings in the most recent year, and the attendance of directors and supervisors is as follows:

| Job title | Name (Note 1) | Attendance in person (B) | Attendance by proxy | Attendance in person (%) [B/A] | Remarks |
|----------------------|--|--------------------------|---------------------|--------------------------------|--------------------------------------|
| Chairman | Hong En Co., Ltd. Representative: WU, HSIN-HUNG | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Vice chairman | Cheng Chien Co., Ltd. Representative: SHIEH, MUNG-SHIUNG | 5 | 1 | 83 | Assumed the position on May 25, 2023 |
| Director | Hong En Co., Ltd Representative: WU, TONG-SHENG | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Director | Ji Zhen Co., Ltd Representative: LI WEN-TSUNG | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Director | Mao Wei Investment Co., Ltd. Representative: WU, TONG-SHANG | 5 | 1 | 83 | Assumed the position on May 25, 2023 |
| Director | Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SONG | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Director | Shin Kong Medical Foundation Representative: HUNG, TZU-JEN | 5 | 1 | 83 | Assumed the position on May 25, 2023 |
| Director | HO, YING-LAN | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Independent Director | CHOU, HSIEN-TSAI | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Independent Director | YEN, CHANG-SHOU | 6 | 0 | 100 | Assumed the position on May 25, 2023 |
| Independent Director | WANG, JUI-YU | 6 | 0 | 100 | Assumed the position on May 25, 2023 |

Other notes:

- I. If any of the following is applicable to the operation of the board of directors, specify the date, the series of the session, the content of the motions, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
- (I) Conditions described in Article 14-3 of the Securities and Exchange Act:
The Company has established an audit committee in accordance with the law, and in accordance with Article 14-5, Paragraph 1 of the Securities and Exchange Act, the provisions of Article 14-3 of the same Act shall not apply.
- (II) Except for the aforementioned matters, the resolutions reached by the Board of Directors with the objections or reservations of the Independent Directors documented or declared in writing: None.
- II. The avoidance of the conflict of interest by the Directors on related motions, specify the names of the Directors, the content of the motions, the principle of the avoidance of the conflict of interest, and the participation in casting the ballots:
- (I) 2024/2/1 The 21st Session, 5th Session
Investment proposal of real estate investment trust fund by our company's stakeholders. Chairman Wu Xinhong and Director Wu Dongsheng have a third-degree and second-degree relationship with the chairman of the transaction counterparty in this case respectively. As they have a vested interest in this case, they shall not participate in the discussion and voting on this case. After Chairman Wu Xinhong and Director Wu Dongsheng recused themselves from the case, Vice Chairman Xie Mengxiong acted as Chairman and the case was passed unanimously by all directors present without objection.
- (II) 2024/3/11 The 21st Session, 6th Session
Reviewed the company's 2013 directors' and employees' remuneration distribution proposals. Chairman Wu Xinhong, Vice Chairman Xie Mengxiong, Director Wu Dongsheng, Director Li Wenzong, Director Wu Dongsheng, Director Zhang Maosong, Director Hong Ziren, and Director He Yinglan shall not join in the discussion and vote on this case because they have a vested interest in this case. After the above 8 directors withdrew from the meeting, the case was passed unanimously by independent director Zhou Xiancai after consultation with all the directors present without objection.
- (III) April 16, 2024 – 21st Board, 7th Meeting
The Company approved an investment of NT\$200 million in the first tranche of the 2024 subordinated financial bonds issued by Taiwan Shin Kong Commercial Bank.
Chairman Wu Hsin-Hung recused himself from the discussion and voting on this proposal due to a conflict of interest, as he is related within the second degree of kinship to a director of Shin Kong Life Insurance, a subsidiary of Shin Kong Financial Holding, the counterparty in this transaction.
Following Chairman Wu's recusal, Vice Chairman Hsieh Meng-Hsiung acted as the meeting chair. The proposal was unanimously approved by all attending directors without objection.
- (IV) August 14, 2024 – 21st Board, 8th Meeting
Proposal for procurement of employee uniforms.
Chairman Wu Hsin-Hung recused himself from the discussion and voting on this matter due to a conflict of interest, as he is related within the second degree of kinship to the chairman of the supplier company and also serves as its vice chairman.

Following his recusal, Director Ho Ying-Lan served as the acting chair. The proposal was unanimously approved by all attending directors without objection.

(V) December 4, 2024 – 21st Board, 10th Meeting

Contract renewal proposal with Beitou Central Building Shin Kong Condominium Management & Maintenance Co., Ltd.

Director Hung Tzu-Jen, representing Shin Kong Medical Foundation, a corporate director and also a director of the transaction counterparty, recused himself due to a conflict of interest and did not participate in the discussion or voting.

After Director Hung's recusal, the proposal was unanimously approved by all attending directors without objection.

(VI) December 4, 2024 – 21st Board, 10th Meeting

Proposal to set the maximum estimated budget for purchasing various gifts from Shin Kong Textile in 2025.

Chairman Wu Hsin-Hung recused himself from the discussion and voting due to a conflict of interest, as he is related within the second degree of kinship to the chairman of the counterparty and also serves as its vice chairman.

III. Following his recusal, Vice Chairman Hsieh Meng-Hsiung served as acting chair. The proposal was unanimously approved by all attending directors without objection. Implementation status of board evaluation

| Evaluation cycle | Evaluation period | Evaluation scope | Evaluation method | Description |
|------------------|--------------------------------------|---|----------------------------------|---|
| Once every year | January 1, 2024 to December 31, 2024 | Self-evaluation of the Board | Self-evaluation of Board members | Six major aspects: alignment of the goals and missions of the Company, awareness of the duties of a Director, participation in the operation of the company, management of internal relationship and communication, the Director's professionalism and continuing education, and Internal control |
| | | Peer evaluation of the Board | Peer evaluation of Directors | |
| Once every year | January 1, 2024 to December 31, 2024 | Functional committees (including Audit, Remuneration, the Salary and Remuneration Committee, Risk Management committees, and Sustainable Corporate Development Committee) | Functional committees | Five major aspects: participation in the operation of the Company, awareness of the duties of the committee; Improvement of quality of decisions made by the committee, makeup of the committee and election of its members, and Internal control. |

Evaluation results: The evaluation results of the Board and functional committees are all "Exceptional." The Board and functional committees are operating well as a whole, and each committee is fulfilling its duties to effectively enhance the functions of the Board.

- IV. Evaluation of the objective for enhancing the functions of the Board of Directors (e.g., establishing an Audit Committee, enhancing information transparency, etc.) and its implementation in the current year and the most recent year:
- (I) After the shareholders' meeting on June 20, 2014 to re-elect the directors, the Audit Committee replaced the Supervisors.
 - (II) The Company's "Corporate Governance Best Practice Principles" was established on December 24, 2015, where Article 22 - 4 defines that the composition of board members shall be determined based on consideration of diversity in terms of gender, professional background, industry experience, etc. The current members of the Company's Board of Directors have the expertise and practical experience in business, law, finance, accounting, or insurance, and there are female Directors, which is in line with the aforementioned diversity policy.
 - (III) The "Standard Operating Procedures for Handling Directors' Requests" was approved at the 13th meeting of the 19th Board of Directors' Meeting on June 13, 2019, specifying that directors' requests should be able to receive assistance from the corporate governance officer to ensure that Board procedures and all applicable laws and regulations are complied with and that there is a good exchange of information among Board members and between directors and the managerial department.
 - (IV) On November 4, 2020, the Company amended the "Procedures for Board of Directors' Meetings of ShinKong Insurance Co., Ltd." to comply with the requirements for information disclosure under the corporate governance evaluation.
 - (V) On September 30, 2021, the Company amended its "ShinKong Insurance Co., Ltd. Rules of Procedure for Board of Directors Meetings" to specify the functions of the Chairman and allow relevant specifications to be more accurate.
 - (VI) Established the "Sustainable Corporate Development Committee" on September 30, 2021, to build the corporate culture of management operations and healthy risk control systems and improve sustainable corporate operations and development.
 - (VII) On March 9, 2022, the Company amended its "ShinKong Insurance Co., Ltd. Corporate Governance Best Practice Principles" to specify the control measures for transactions of internal stock and protect shareholders' rights to know and prevent insider trading.
 - (VIII) The Company amended the Company's "ShinKong Insurance Co., Ltd. Procedures for Handling Material Inside Information and Preventing Insider Trading" to improve the procedures for information disclosure.
 - (IX) The company's "Board Performance Evaluation Measures" clearly specify the evaluation criteria and performance assessment methods for the board of directors and functional committees. The evaluations are conducted through questionnaires. The average overall assessment results, based on self-assessments and peer reviews by the directors, were rated as "Outstanding." The evaluation results for the Audit Committee, Compensation Committee, Risk Management Committee, and Sustainability Committee were also rated as "Outstanding."
 - (X) In 2024, the Company was invited to hold two institutional investor conferences, providing

information on its financial and business operations to enhance information transparency for the public and investors.

Note 1: If Directors and supervisors are institutions, the names of shareholders and the representative of the institutions shall be disclosed.

Note 2: (1) In the event that Directors or supervisors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Board of Directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

(2) Before a year is completed, upon any re-election of Directors or supervisors, names of the said directors/supervisors, new and old, shall be listed, and it shall be specified in the remark column that a specific director or supervisor is old, new, or re-elected, and the date of re-election. The actual attendance (seated) rate (%), on the other hand, is to be calculated by the number of Board of Directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

- (II) Operation of the Audit Committee or Supervisors' Participation in the Board of Directors:
The Audit Committee replaced the Supervisors after the Company re-elected its directors on June 20, 2014.

The operation of the Audit Committee

The Audit Committee has convened 6 meetings in the most recent year (A). The attendance of the Independent Directors is shown below:

| Job title | Name | Number of actual attendees(B) | Attendance by proxy | Attendance rate (%) (B/A) (Note 1 and Note 2) | Remarks |
|-----------|------------------|-------------------------------|---------------------|---|------------------------------|
| Convener | CHOU, HSIEN-TSAI | 6 | 0 | 100 | Newly appointed on 2023/5/25 |
| Member | Yen, Chang-Shou | 6 | 0 | 100 | Newly appointed on 2023/5/25 |
| Member | Wang, Jui-Yu | 6 | 0 | 100 | Newly appointed on 2023/5/25 |

Other notes:

I. Annual work focus of the Audit Committee:

1. Communication about the review of financial statements and key audit matters.
2. Audit and accounting policies and procedures.
3. Policies and procedures related to the internal control system.
4. Appointment, dismissal, or compensation, and independence of CPAs.
5. Legal compliance.

II. If the operation of the Audit Committee is under any of the following circumstances, the date, session, proposal content, resolution of the Committee and the Company's handling of the meeting of the Audit Committee, opposing opinions, qualified opinions, or significant recommendations of Independent Directors should be described:

(I) Conditions described in Article 14-5 of the Securities and Exchange Act:

| Date/session | Contents of the proposal | Participation in voting | Implementation |
|-------------------------------------|--|--|------------------------------------|
| 2024/2/1 The 4th and 5th session | Real estate investment trust fund investment proposal for our stakeholders | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Proposal to amend the company's internal control system | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |

| | | | |
|---|--|--|--|
| 2024/3/11 The 4th session, 6th session | Our company's 2023 financial statements | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Proposal on the Company's 2023 Profit Distribution | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | The Company has appointed Ernst & Young to conduct an independent audit and suitability assessment of its 2024 accounting firm. | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | In 2024, our company commissioned Ernst & Young to handle quarterly financial statements, annual tax reports, capital adequacy ratio reports, and visa fees for international insurance business branches. | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Results of the Company's 2023 Business Plan Implementation | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Conducted the 2023 internal control system effectiveness assessment for the company | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | 2024/4/16 The 7th session of the 4th session | The company's first quarter financial statements for 2024 | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. |
| Adjust some personnel plans for managers and above to meet business needs | | Handle according to the resolution | |

| | | | |
|--|---|--|------------------------------------|
| 2024/8/14 The 4th session of the 8th session | The company's first half year financial statements for 2024 | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Revised internal control system of Shin Kong Property & Casualty Insurance Co., Ltd. | | Handle according to the resolution |
| | Employee uniform procurement case | | Handle according to the resolution |
| | Adjust some personnel plans for managers and above to meet business needs | | Handle according to the resolution |
| 2024/11/5 The 4th session of the 9th session | The company's third quarter financial statements for 2024 | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Revise the company's internal control system | | Handle according to the resolution |
| | Amendment to the Shin Kong Product Management Project Application, Public and Social Welfare Investment Management Procedures | | Handle according to the resolution |
| 2024/12/4 The 4th session of the 10th session | Our company's 2025 annual audit plan | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Proposal to amend the company's accounting system | | Handle according to the resolution |
| | Proposal to amend the company's internal control system | | Handle according to the resolution |
| | Beitou Central Building Xinshou Apartment Building Management and Maintenance Co., Ltd. contract renewal case | | Handle according to the resolution |
| | Estimated ceiling amount of gifts purchased from Shin Kong Textiles in 2025 | | Handle according to the resolution |

| | | | |
|--|---|--|------------------------------------|
| 2025/1/16 The 4th session of the 11th session | Ernst & Young's Prior Consent for Non-Assurance Services (NAS) | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| 2025/3/7 The 4th session of the 12th session | Proposal for the Company's 2024 Financial Statements | The proposal was passed unanimously by all independent directors present after consultation with the Chairman. | Handle according to the resolution |
| | Proposal for the Distribution of 2024 Earnings | | Handle according to the resolution |
| | Evaluation Report on the Independence and Competency of Ernst & Young CPA Firm for the 2025 Engagement | | Handle according to the resolution |
| | Proposal to Engage Ernst & Young CPA Firm in 2025 for the Audit of Financial Statements, Annual Tax Reports, Capital Adequacy Reports, and Certification Services for the Offshore Insurance Branch | | Handle according to the resolution |
| | Assessment of the Effectiveness of the Company's Internal Control System for 2024 | | Handle according to the resolution |
| | Proposal for the Amendment of the Company's Internal Control System | | Handle according to the resolution |
| | Report on the Implementation Results of the Company's 2024 Business Plan | | Handle according to the resolution |

(II) In addition to the aforementioned proposals, other proposals without approval by the Audit Committee but passed by the Board with 2/3 of the Directors: none.

III. In the implementation of an Independent Director's recusal for being an interested party in a proposal, the Independent Director's name, the proposal content, the recusal reasons, and his or her participation in voting should be stated:

(I) The 24th meeting of the 20th session on April 14, 2023

Proposal for the nomination and review of Director (including Independent Director) candidate

For the Independent Director candidate list of the proposal, after Independent Director CHOU, HSIEN-TSAI had recused himself, the chairperson made inquiries to all attending Directors, and the proposal was approved as proposed with no dissenting opinion. For the general Director list of the proposal, after Chairman WU, HSIN-HUNG, Vice Chairman HSIEH, MUNG-SHIUNG, Director WU, TUNG-SHANG, Director YANG, CHENG-BIN, Director WU, TONG-SHANG, Director CHANG, MAO-SONG, Director LIN, PO-FONG, and Director HO, YING-LAN have recused themselves, Independent Director CHOU, HSIEN-TSAI acted on behalf of the chairperson and made inquiries to all attending Directors, and the proposal was approved as proposed with no dissenting opinion.

IV. Communication between Independent Directors, internal audit officer and CPA (major matters, methods and results of communication on the Company's financial and business conditions, etc., should be included):

| Date/Session | Communication method | Communication counterparty | Communication highlights | Communication results |
|---|----------------------|---|--|------------------------|
| 2024/2/1 The 4th and 5th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| 2024/3/11 The 4th session, 6th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| | | Our company's accounting supervisor and certified public accountant | The Company's 2023 annual financial statements were reviewed and the impact of updates to securities and tax laws and regulations were discussed and communicated. | Follow the suggestions |
| 2024/4/16 The 7th session of the 4th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |

| | | | | |
|----------------------------------|-----------------|---|---|------------------------|
| | | Our company's accounting supervisor and certified public accountant | The Company's first quarter financial statements for 2024 were released, and the impact of updates to securities and tax laws and regulations were discussed and communicated. | Follow the suggestions |
| 2024/8/14 The 4th 8th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| | | Our company's accounting supervisor and certified public accountant | The Company's second quarter financial statements for 2024 were released, and the impact of updates to securities and tax laws and regulations were discussed and communicated. | Follow the suggestions |
| 2024/11/05 4th Session, 9th | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| | | Our company's accounting supervisor and certified public accountant | The Company's second quarter financial statements for 2014 were released, and the impact of updates to securities and tax laws and regulations were discussed and communicated. | Follow the suggestions |

| | | | | |
|--|--|---|---|------------------------|
| 2024/11/05 | Internal Control Deficiencies Review Seminar | General Auditor of the Company | Internal Control Deficiency Review | Follow the suggestions |
| 2024/12/4 The 4th session, 10th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| 2025/1/16 The 11th session of the 4th session | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| 2025/3/7 The 4th session, 12th | Audit Committee | General Auditor of the Company | Internal audit report | Follow the suggestions |
| | | Our company's accounting supervisor and certified public accountant | The Company's fourth quarter financial statements for 2024 were released, and the impact of updates to securities and tax laws and regulations were discussed and communicated. | Follow the suggestions |

Note 1: In the event that Independent Directors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Audit Committee meetings held during service and the frequency number of attendance (being seated) in the meetings.

Note 2: Before the end of the year, if there was an election of Directors and supervisors, the names of new and former Directors and supervisors should be filled in, and the Company should remark in the remarks section whether the Directors and supervisors are former, newly elected, or reelected, as well as the day of the reelection. The actual attendance rate to committee session (%) shall be calculated on the basis of the number of sessions held by the Audit Committee in such period and the attendance in person in the sessions.

(III)The performance of corporate governance and the differences with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies" and the reasons for the differences

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|---|-------------------------------|----|--|--|
| | Yes | No | The state of operation | |
| 1. Does the Company establish and disclose the Corporate Governance Best Practice Principles pursuant to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies? | V | | The Company has formulated the "Corporate Governance Best Practice Principles of ShinKong Insurance Co., Ltd." with reference to the "Corporate Governance Best Practice Principles for Insurance Companies" and the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and disclosed it on the Company's website, the Market Observation Post System of the Stock Exchange and the Market Observation Post System of the Insurance Industry in accordance with the regulations. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| 2. The shareholdings structure and shareholders' equity of the Company | | | | |
| (1) Will the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly? | V | | The Company's spokesperson or acting spokesperson or the relevant units will communicate and handle any suggestions or questions from shareholders. An "Investor Service Window" is available on the Company's website, and a "Shareholder Mailbox" is available on the Market Observation Post System, where shareholders can provide comments or suggestions. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| (2) Will the Company possess the list of the Company's major shareholders and the list of the ultimate controllers of the major shareholders? | V | | The Company has relevant personnel to manage relevant information and has appointed a professional stock affairs agency to provide the latest information. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|--|-------------------------------|----|--|--|
| | Yes | No | The state of operation | |
| (3) Will the Company establish and implement the risk control and firewall mechanisms with the related parties? | V | | <ol style="list-style-type: none"> 1. The Company has a risk management department to identify the risks faced by the Company, assess and monitor the Company's risk appetite, and the current status of risk exposure, establish an independent risk management process, and monitor compliance with the risk management process to determine risk response strategies. 2. The Company has also established a risk management committee under the Board of Directors, with independent directors as conveners, to report to the Board of Directors on risk management operations on a regular or irregular basis, and the Board of Directors has approved the establishment of a Chief Risk Officer to oversee the Company's risk management operations. 3. According to the definition of affiliates in Chapter 6-1 of the Company Act, the Company does not have any affiliates. The Company has established relevant regulations such as "Procedures for Acquisition or Disposal," "Policies for Transactions Other than Lending with Interested Parties," "Specifications for Transactions Other than Lending with Interested Parties," and "Procedures for Transactions Other than Lending with Interested Parties" for compliance. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| (4) Will the Company set up internal norms to prohibit insiders from utilizing undisclosed information to trade securities? | V | | The Company has established the "Operating Procedures for Handling Material Inside Information and Preventing Insider Trading" to ensure the consistency and accuracy of information released to the outside world in order to strengthen the prevention of insider trading and requires Directors, managers and employees who have knowledge of the Company's internal material information not to disclose the internal material information they know to others. In case of non-compliance, legal liabilities will be pursued through relevant channels. In 2024, a total of forty-two sessions were conducted for the Company's management through the internal education and training system E-learning to promote integrity. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| 3. Organization of the Board of Directors and its duties | | | | |
| (1) Will the Board of Directors have diversified policies regulated and implemented substantively according to the composition of the members? | V | | 1. The Company's "Corporate Governance Best Practice Principles" addresses diversity in the composition of the Board of Directors and sets appropriate diversity guidelines for its operations, business model and development needs, as well as the knowledge, skills and education necessary to perform its duties. In practice, the current members of the Company's Board of Directors have the expertise and practical experience in business management, law, finance, accounting, or insurance. Among the 11 Directors, 3 of them are Independent Directors, accounting for 27% of the total number of Directors; the gender ratio of the | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|---|-------------------------------|----|--|--|
| | Yes | No | The state of operation | |
| | | | <p>Board of Directors is 82% male and 18% female. The Board of Directors is elected in accordance with the Company's Articles of Incorporation and the Procedure for Election of Directors for a term of three years, and the average age of all Directors is 69. This is in line with the diversity policies previously mentioned.(Note1)</p> <p>2. According to the “Corporate Governance Best Practice Principles,” members of the Board of Directors shall, in general, possess the knowledge, skills, and literacy required for the execution of their duties. The Company’s board of directors shall provide instructions regarding corporate strategies, supervise the management, and be responsible for the Company and its shareholders. Regarding the operations and arrangements for the corporate governance system, the Board of Directors shall ensure that it exercises its duties according to laws and regulations, requirements under the Articles of Incorporation, or resolutions made by the shareholders’ meeting.</p> | |
| (2) Will the Company, apart from establishing the Remuneration Committee and Audit Committee lawfully, have other functional committees set up voluntarily? | V | | <p>In addition to the Audit Committee and Salary and Remuneration Committee, as required by law, the Company has also established a Risk Management Committee and Sustainable Corporate Development Committee.</p> <p>1. The Audit Committee operates for the primary purpose of overseeing the following.</p> <ol style="list-style-type: none"> (1) Fair presentation of the Company's financial statements. (2) The selection (dismissal) and independence and performance of the attesting CPAs. (3) Effective implementation of the Company's internal control. (4) The Company’s compliance with the relevant laws and regulations. (5) The management and control of existing or potential risks of the company. <p>2. Control of existing or potential risks of the Company. The responsibilities of the Remuneration Committee: The Remuneration Committee shall faithfully perform the following duties and responsibilities with the attention of a good manager and recommend to the Board of Directors the remuneration plan for the Directors and managers of the Company in order to establish a remuneration policy to attract, motivate and retain talents, and submit the recommendations to the Board of Directors for discussion.</p> <ol style="list-style-type: none"> (1) Establish and regularly review the system, standards and structure of performance evaluation and remuneration for Directors and managers. (2) Regularly review the remuneration of Directors and managers and determine it based on the evaluation results by the performance evaluation criteria. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|--|-------------------------------|----|--|---|
| | Yes | No | The state of operation | |
| | | | <p>3. The responsibilities of the Risk Management Committee are as follows.</p> <p>(1) Formulate risk management policies, structure and organizational functions, establish qualitative and quantitative management standards, report regularly to the Board of Directors, respond to the Board of Directors on the implementation of risk management in a timely manner, and make necessary recommendations for improvement.</p> <p>(2) Execute the risk management decisions of the Board of Directors and regularly review the development, establishment and implementation effectiveness of the overall risk management mechanism of the Company.</p> <p>(3) Assist and supervise the risk management activities of each department.</p> <p>(4) Adjust the risk category, risk limit allocation and commitment method according to the changing environment.</p> <p>(5) Coordinate cross-departmental interaction and communication of risk management functions.</p> <p>(6) Authorize the risk management unit to handle matters when other units violate the risk limit.</p> <p>4. Sustainable Corporate Development Committee: To comply with the prospects and missions of the Company's ESG policies, the "Sustainable Corporate Development Committee" was established in September 2021 to replace the original "Ethical Management and CSR Promotion Team," and the Committee is included as one of the functional committees governed by the board of directors. The Committee is the sustainable development decision-making center of the highest level within the Company; there are three Directors who are the members of the Committee, and at least 1/2 of them are Independent Directors; the President is the more senior management, who jointly examines the core operating capacity of the Company with senior management from different fields, and establishes and promotes sustainable development plans.(Note2)</p> | |
| (3) Does the Company establish a method to evaluate Board performance and evaluate board performance every year? Are the performance | V | | <p>In accordance with the "Board of Directors' Performance Evaluation Measures" of the Company. Evaluation cycle and period: The Board of Directors of the Company performs an internal performance evaluation at the end of each year. Evaluation indicators: Performance evaluation items for Board members (self or peer) include the six major aspects with eight to nine</p> | Consistent with the provisions of the "Corporate Governance Best Practice Principles |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|---|-------------------------------|----|---|--|
| | Yes | No | The state of operation | |
| evaluation results reported to the Board and used as a reference for the remuneration and nomination for the re-election of Directors? | | | <p>indicators: Alignment of the goals and mission of the Company, Awareness of the duties of a Director, Participation in the operation of the Company, Management of internal relationship and communication, Professionalism and continuing education of the Directors, and internal control.</p> <p>Performance evaluation items for functional committee members include the five major aspects: participation in the Company's operations, awareness of functional committee responsibilities, improvement of the quality of functional committee decisions, composition and selection of functional committee members, and internal control. Each committee has about 14-20 indicators.</p> <p>Evaluation procedures: The performance evaluation of the previous year is conducted at the end of each year based on various indicators, and the evaluation results are completed before the end of the first quarter of the following year and sent to the Board of Directors for review and improvement and used as a reference for Individual Directors' salary and remuneration and the nomination for reappointment.</p> <p>Evaluation result: The results of self-evaluation and peer evaluation for 2024 were both "exceptional," and the Board of Directors was well run overall, effectively enhancing the functions of the Board of Directors.</p> | for TWSE/TPEX Listed Companies” |
| (4) Will the Company have the independence of the public accountant evaluated regularly? | V | | In order to comply with the law, the independence of the certified public accountants is evaluated on a regular basis every year, with reference to the accountants' resumes and the "Statement of Independence" provided by the certified public accountants, and the evaluation is conducted in accordance with the "CPA Independence Evaluation Criteria" of the Company, and the evaluation results were submitted to the Audit Committee and the Board of Directors for approval on March 7, 2025.(Note3) | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” |
| 4. Where the Company is a listed or OTC company, has the Company arranged competent and adequate personnel and designated officers to take responsibility for corporate governance matters | V | | <p>On August 14, 2024, the Board of Directors resolved to appoint Deputy General Manager Mr. Tai-Yu Wang as the Chief Corporate Governance Officer, with the aim of protecting shareholders' rights and enhancing the effectiveness of the Board. Mr. Wang possesses over three years of experience in financial and audit management roles at publicly listed companies.</p> <p>The Chief Corporate Governance Officer is primarily responsible for overseeing matters related to Board and shareholders' meetings in accordance with applicable laws, preparing meeting minutes, assisting directors and supervisors with onboarding and continuing education, providing necessary information for the execution of their duties, and facilitating compliance with relevant legal and regulatory requirements.</p> | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them | | | | | | | | | | | | | | | | | | |
|---|--|--|--|---|-------------|----------------|----------------|--|---|--|--|---|-----------------------|---|---|-----------------------|--|---|--|---|---|--|
| | Yes | No | The state of operation | | | | | | | | | | | | | | | | | | | |
| (including but not limited to providing directors and supervisors with the documents needed for implementation of their duties, assisting Directors and supervisors in complying laws and regulations, dealing with matters of Board and shareholder meetings, and preparing Board and shareholders' meeting minutes)? | | | <table border="1"> <thead> <tr> <th>Course organizer</th> <th>Course name</th> <th>Training hours</th> </tr> </thead> <tbody> <tr> <td>Stock Exchange</td> <td>Sustainability Knowledge Empowerment Promotion Course - Financial and Service Industries Creating a new era of exploration with sustainable knowledge</td> <td>6</td> </tr> <tr> <td>Financial Supervisory Insurance Bureau</td> <td>2024 Insurance Industry Corporate Governance Seminar</td> <td>5</td> </tr> <tr> <td>Securities Foundation</td> <td>2024 Annual Insider Trading Prevention Promotion Conference</td> <td>3</td> </tr> <tr> <td>Securities Foundation</td> <td>2024 Insider Equity Trading Legal Compliance Seminar</td> <td>3</td> </tr> <tr> <td>China Corporate Governance Association</td> <td>Analysis of dishonest business liability and securities illegal cases</td> <td>3</td> </tr> </tbody> </table> | Course organizer | Course name | Training hours | Stock Exchange | Sustainability Knowledge Empowerment Promotion Course - Financial and Service Industries Creating a new era of exploration with sustainable knowledge | 6 | Financial Supervisory Insurance Bureau | 2024 Insurance Industry Corporate Governance Seminar | 5 | Securities Foundation | 2024 Annual Insider Trading Prevention Promotion Conference | 3 | Securities Foundation | 2024 Insider Equity Trading Legal Compliance Seminar | 3 | China Corporate Governance Association | Analysis of dishonest business liability and securities illegal cases | 3 | |
| | Course organizer | Course name | Training hours | | | | | | | | | | | | | | | | | | | |
| | Stock Exchange | Sustainability Knowledge Empowerment Promotion Course - Financial and Service Industries Creating a new era of exploration with sustainable knowledge | 6 | | | | | | | | | | | | | | | | | | | |
| | Financial Supervisory Insurance Bureau | 2024 Insurance Industry Corporate Governance Seminar | 5 | | | | | | | | | | | | | | | | | | | |
| | Securities Foundation | 2024 Annual Insider Trading Prevention Promotion Conference | 3 | | | | | | | | | | | | | | | | | | | |
| | Securities Foundation | 2024 Insider Equity Trading Legal Compliance Seminar | 3 | | | | | | | | | | | | | | | | | | | |
| | China Corporate Governance Association | Analysis of dishonest business liability and securities illegal cases | 3 | | | | | | | | | | | | | | | | | | | |
| | | <p>The implementation of the work for 2024 is as follows:</p> <ol style="list-style-type: none"> (1) The Board of Directors is regularly informed of the latest development of laws and regulations related to the Company's business areas and corporate governance. (2) Review the level of confidentiality of relevant information and provide the Company information required by the Directors, and maintain smooth communication and exchange between the Directors and business executives. (3) In accordance with the Corporate Governance Best Practice Principles, the Independent Directors shall assist in arranging meetings with the internal auditors or certified public accountants when necessary to understand the Company's finance and business matters. (4) Assist Independent Directors and regular Directors in preparing annual education plans and arranging courses. (5) Handle matters related to the Board of Directors' meetings, including the provision of information necessary for the Directors to conduct business, the scheduling of agendas, the sending of meeting notices, the preparation of minutes, and the preparation of the annual plan of the Board of Directors for the | | | | | | | | | | | | | | | | | | | | |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|---|-------------------------------|----|--|--|
| | Yes | No | The state of operation | |
| | | | <p>following year to facilitate the meeting proceedings.</p> <p>(6) Handle matters related to shareholders' meetings, such as notice of meetings, preparation of meeting handbook and minutes, a compilation of annual reports of shareholders' meetings, and filing of relevant information.</p> <p>(7) Organize the performance evaluations for the overall Board of Directors and individual Directors and submit the evaluation results to the Board of Directors for reporting so as to examine and improve.</p> <p>In order to improve the management of corporate social responsibility, the Company has established the "Sustainable Corporate Development Committee," which is responsible for proposing and implementing corporate responsibility policies, systems or related management guidelines and specific promotion plans, and reporting to the Board of Directors on a regular basis. The members and responsibilities of the Sustainable Corporate Development Committee are disclosed on the Company's official website (https://www.skinsurance.com.tw) for investor information.</p> | |
| 5. Does the Company establish a communication channel for the stakeholders (including but not limited to shareholders, employees, customers and suppliers) and set up a stakeholder section on the Company's website with proper responses to the concerns of the stakeholders on issues related to corporate social responsibility? | V | | The Company's spokesperson or acting spokesperson or the relevant units will communicate and handle any suggestions or questions from stakeholders. An "Investor Service Window" is available on the Company's website, and a "Stakeholder Section" is available on the Market Observation Post System, where shareholders or stakeholders can provide comments or suggestions. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|--|-------------------------------|----|---|--|
| | Yes | No | The state of operation | |
| 6. Does the Company commission a professional stock service agent to handle shareholders' affairs? | V | | The Company appointed Taishin Securities Co., Ltd.'s stock affairs department to administer the shareholders' meeting. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| 7. Information disclosure | | | | |
| (1) Does the Company have a website setup, and is the financial business and corporate governance information disclosed? | V | | The Company's website (http://www.skinsurance.com.tw) discloses financial and business-related information, including investor information, rules and regulations, and financial reports, in accordance with the "Regulations Governing Public Disclosure of Information by Non-Life Insurance Enterprises." The Company also publishes material information and corporate governance-related information on the "Market Observation Post System" in accordance with the regulations so that investors or policyholders can keep track of the Company's financial, business and corporate governance-related information. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| (2) Has the Company adopted other information disclosure methods (such as establishing an English website, designating a responsible person for collecting and disclosing information about the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company's website, etc.)? | V | | <ol style="list-style-type: none"> 1. The Company appoints designated personnel to be responsible for the disclosure and announcement of information on the Company's website and Market Observation Post System. 2. The "Investor Service Window" and "Stakeholder Section" are set up on the Company's website, and the contact information for the Company's spokesperson and the Investor Service Window is provided. 3. The Company holds earnings calls and corporate briefings, and financial information is posted on the Company's corporate website after the meeting. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|--|-------------------------------|----|--|--|
| | Yes | No | The state of operation | |
| (3) Will the company announce and declare the annual financial report within two months after the end of the fiscal year? Will the company announce and declare the Q1, Q2, and Q3 financial reports, along with the monthly operating reports, before the prescribed deadline? | | V | The Company's financial reports are declared and published according to the time stated in regulations. The Q1 and Q3 reports, interim reports, and annual reports are declared and published within 75 days from the 2024 fiscal year, two months, and three months, respectively. According to the current operation Company, the Company has not published and declared its financial reports in advance. | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |
| 8. Is there any further information that may help to understand the status of corporate governance of the Company better (including but not limited to employees' rights, employee care, investor relation, supplier relation, stakeholders' rights, the continuing education of the Directors and Supervisors, risk management policy and risk assessment in action, the pursuit of customer policy, and the | V | | <ol style="list-style-type: none"> 1. Employee rights and benefits: The Company has always treated its employees with honesty and trust and protected their legal rights and benefits in accordance with the Labor Standards Act. The relevant rights and measures are detailed in "Five, Operation Overview, V Labor Relations." 2. Employee care: We establish a good relationship of mutual trust and dependence with our employees through a welfare system and a good education and training system that provide stability to their lives. 3. Investor relations: The spokesperson and the dedicated staff are responsible for handling the matter. In order for investors to understand the company's operation, the Company discloses relevant management information in accordance with the law. 4. Supplier relations: The Company has a good relationship with our suppliers because we regularly evaluate each vendor for general business purchases to achieve the purpose of user units. 5. Rights of Stakeholders: The Company has set up an "Investor Service Window" and "Stakeholder Section" on the Company's website and provided a "Shareholder Mailbox" on the Market Observation Post System to protect the legitimate rights and interests. 6. Directors' continuing education: The Company actively encourages its Directors to pursue further education to enhance their professionalism. 7. Implementation of risk management policies and risk measurement standards: Various internal rules and | Consistent with the provisions of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" |

| Evaluation item | The state of operation (Note) | | | Differences from the Corporate Governance Best Practice Principles for insurance companies and the reasons for them |
|---|-------------------------------|----|---|---|
| | Yes | No | The state of operation | |
| protection of the Directors and Supervisors with professional liability insurance)? | | | <p>regulations are established in accordance with the law to conduct various risk management and evaluation.</p> <p>8. Implementation of customer policy: The Company has a customer section on its website and provides a customer complaint hotline and a claims service hotline to maintain a smooth communication channel with customers.</p> <p>9. The Company purchases liability insurance for Directors. The Company has taken out Directors' and supervisors' liability insurance for 2024 and has reported the insurance amount, coverage and premium rate to the Board of Directors and disclosed the information on the Market Observation Post System. We also actively encourage our directors to attend corporate governance courses and lectures from time to time.</p> | |
| <p>9. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and propose priorities and measures for those not yet improved: The service term of the Company's 20th Independent Directors will not exceed three terms. In order to establish a corporate culture of ethical corporate management and good risk control mechanism for the sustainable operation and development of the Company, the Company conducts an ethical management risk assessment for the governance personnel, management, and responsible departments. Starting in 2021, the Sustainable Corporate Development Committee was established, which is a functional committee subordinated to the board of directors. The financial report, annual report to the shareholders' meeting and other information for 2021 is provided in both Chinese and English to realize information equality for shareholders. We disclosed the operation of the Remuneration Committee in 2022 and established the management development plan of the Company in 2023. In the future, the Company will maintain effective corporate governance mechanisms and implement transparency of information disclosure and enhancement of shareholders' rights. In 2024, the company continued to invest in green bonds and green procurement, and made every effort to protect the environment.</p> | | | | |

Note 1: Diversity in the composition of the Board of Director

| Name | Core Item of Diversification | Basic Composition | | | | | | | | Industrial experience | | | | | Professional capacity | | | | |
|--|------------------------------|-------------------|--------|--|----------|----------|---------|---|--------------|-----------------------|-----------------------|-------------------|-------------------------|-------------------|-----------------------|------------------------|------------------------|------------------|---------------------|
| | | Nationality | Gender | Concurrentl y an employee of the Company | Age | | | Year of experience as an independent director | | | Finance and insurance | Medicine and Care | Manufacturing and sales | Education and Art | Tourism and dining | Technology application | Finance and accounting | Legal profession | Business management |
| | | | | | Below 50 | 50 to 70 | Over 70 | Under 3 Years | 3 to 9 years | Over 9 years | | | | | | | | | |
| WU, HSIN-HUNG Chairman | | Taiwan | Male | | √ | | | | | √ | | √ | | | | √ | | √ | |
| SHIEH, MUNG-SHIUNG Vice Chairman | | Taiwan | Male | | | √ | | | | √ | √ | | √ | | | | | √ | |
| WU, TUNG-SHANG Director | | Taiwan | Male | | | √ | | | | √ | | √ | | | | | √ | √ | |
| LI WEN-TSUNG Director | | Taiwan | Male | | √ | | | | | √ | | | | | √ | | | √ | |
| WU, TONG-SHANG Director | | Taiwan | Male | | | √ | | | | √ | | | | | | | | √ | |
| CHANG, MAO-SONG Director | | Taiwan | Male | | | √ | | | | √ | | | | √ | | | | √ | |
| HUNG, TZU-JEN Director | | Taiwan | Male | | √ | | | | | √ | √ | | | | | | | √ | |
| HO, YING-LAN Director | | Taiwan | Female | √ | √ | | | | | √ | | √ | | | | √ | √ | √ | |
| CHOU, HSIEN-TSAI Independent Director | | Taiwan | Male | | √ | | | √ | | √ | | | | | | √ | √ | √ | |
| YEN, CHANG-SHOU Independent Director | | Taiwan | Male | | | √ | √ | | | √ | | | √ | √ | | | | √ | |
| WANG, JUI-YU Independent Director | | Taiwan | Female | | √ | | √ | | | √ | | | √ | | | | | √ | |

Note 2: In addition to establishing the Salary and Compensation Committee and the Audit Committee as required by law, the company has set up various other functional committees.

During the last fiscal year, the Corporate Sustainability Development Committee convened twice (A), with the attendance of committee members as follows :

| Job title | Name | Number of actual attendees(B) | Attendance by proxy | Attendance rate (%) (B/A) (Note) | Remarks |
|--|------------------|-------------------------------|---------------------|----------------------------------|---|
| Convener(Independent Director) | CHOU, HSIEN-TSAI | 2 | 0 | 100% | Re-elected, assumed office on May 25, 2023 |
| Committee member(Independent Director) | WANG, JUI-YU | 2 | 0 | 100% | Re-elected, assumed office on May 25, 2023. |
| Committee member(Director) | HO, YING-LAN | 2 | 0 | 100% | Re-elected, assumed office on May 25, 2023 |

The Risk Management Committee met five times (A) in the latest fiscal year, with the attendance of committee members as follows :

| Job title | Name | Number of actual attendees(B) | Attendance by proxy | Attendance rate (%) (B/A) (Note) | Remarks |
|---|------------------|-------------------------------|---------------------|----------------------------------|--|
| Convener(Independent Director) | CHOU, HSIEN-TSAI | 5 | 0 | 100% | Re-elected, assumed office on May 25, 2023 |
| Committee member(Director) | LI WEN-TSUNG | 5 | 0 | 100% | Newly appointed, assumed office after the May 25, 2023 election. |
| Committee member (Independent Director) | WANG, JUI-YU | 5 | 0 | 100% | Newly appointed, assumed office after the May 25, 2023 election. |

Note 3:CPA independence evaluation criteria

| Item No. | Item | Status of independence |
|----------|---|---|
| 1 | Whether the CPA has no direct or material indirect financial interest in the Company | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2 | Whether the CPA is currently or within the last two years a Director, supervisor or manager of the Company or has a significant influence on the Company | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 3 | Whether there is any joint investment or benefit-sharing relationship between the CPA and the Company | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 4 | Whether the engagement of the CPA with the Company has exceeded seven consecutive years | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 5 | Evaluate whether the independence and suitability of the appointed accountant comply with the regulations outlined in Bulletin No. 10 of the Code of Professional Ethics of the Republic of China on "Independence in Audit and Review", and reference the Audit Quality Indicators (AQI) for assessment. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Continuing education of Directors in 2024

| Name | Date | Organizer | Course name | Training hours | Total continuing education hours of the year |
|---------------|------------|---|--|----------------|--|
| WU,TONG-SHENG | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/11 | Corporate Management and Sustainable Development Association of the Republic of China | Global Political and Economic Trends 2025 and Sustainable Management | 3 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/08/06 | Corporate Management and Sustainable Development Association of the Republic of China | Sustainable opportunities and challenges for Taiwanese businesses under the trade war - cross-strait investment controls, origin determination under the Sino-US struggle, and the impact of the Hong Kong National Security Law | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-Money Laundering and Counter-Terrorism Financing Board | 1 | |
| WU,TONG-SHENG | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | 10.0 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/09/24 | China Corporate Governance Association | AI Applications, Laws and Audits | 3 | |
| | 2024/09/04 | China Corporate Governance Association | Taipei - Net Zero Carbon Emissions Promotion Conference | 3 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Zhou Xiancai | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |

| Name | Date | Organizer | Course name | Training hours | Total continuing education hours of the year |
|---------------|------------|---|--|----------------|--|
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/07/30 | China Corporate Governance Association | How does the Board of Directors (Sustainability Committee) review the Sustainability Report | 3 | |
| | 2024/07/16 | China Corporate Governance Association | Thinking about zero-carbon layout, ESG thinking and energy practices that enterprises should have | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Xie Mengxiong | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | 14.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/08/23 | China Corporate Governance Association | Labor dispute prevention and corporate governance | 3 | |
| | 2024/08/13 | Business Development Research Institute | ESG sustainable development trend | 3 | |
| | 2024/07/26 | China Corporate Governance Association | Starting from TIPS: How can enterprises build intellectual property risk prevention and control | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Hong Ziren | 2024/12/24 | China Corporate Governance Association | The net-zero path with unlimited business opportunities - analyzing the strategic direction from an industry perspective | 3 | 17.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |

| Name | Date | Organizer | Course name | Training hours | Total continuing education hours of the year |
|------------|------------|---|---|----------------|--|
| | 2024/10/01 | China Corporate Governance Association | How can the board of directors formulate ESG sustainable governance strategies | 2 | |
| | 2024/09/24 | China Corporate Governance Association | AI Applications, Laws and Audits | 3 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/07/23 | China Corporate Governance Association | Technology Risk Trends in the Cloud Generation | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Wu Xinhong | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | 15.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/08/16 | China Corporate Governance Association | Data center evolution: the development trend of silicon photonics and artificial intelligence servers | 3 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/08/13 | Business Development Research Institute | ESG sustainable development trend | 3 | |
| | 2024/07/26 | China Corporate Governance Association | Starting from TIPS: How can enterprises build intellectual property risk prevention and control | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| He Yinglan | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |

| Name | Date | Organizer | Course name | Training hours | Total continuing education hours of the year |
|---------------|----------------------------|---|---|----------------|--|
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/10/01 | China Corporate Governance Association | How can the board of directors formulate ESG sustainable governance strategies | 3 | |
| | 2024/08/20 | China Corporate Governance Association | The era of carbon pricing is coming. How should companies respond | 3 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Yan Changshou | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | 11.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/07/26 | China Corporate Governance Association | Starting from TIPS: How can enterprises build intellectual property risk prevention and control | 3 | |
| | 2024/06/21 | Insurance Business Development Center | Legal regulations for sustainability reports | 3 | |
| Wang Ruiyu | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/08/09 | China Corporate Governance Association | Green electricity, certificates and sustainable development - the path to net zero for businesses | 3 | |
| 2024/07/09 | China Corporate Governance | Discussion on the strategy and tool application | 3 | | |

| Name | Date | Organizer | Course name | Training hours | Total continuing education hours of the year |
|---------------|------------|---|---|----------------|--|
| | | Association | of enterprise employee reward | | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Zhang Maosong | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/08/13 | Business Development Research Institute | ESG sustainable development trend | 3 | |
| | 2024/07/26 | China Corporate Governance Association | Starting from TIPS: How can enterprises build intellectual property risk prevention and control | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |
| Li Wenzong | 2024/12/04 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | 12.5 |
| | 2024/12/04 | Shin Kong Insurance Company Limited | Financial Friendly Service Education and Training | 0.5 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | Compliance and information security requirements in the AI era | 1 | |
| | 2024/11/05 | Shin Kong Insurance Company Limited | IFRS17 project education and training | 1.5 | |
| | 2024/08/23 | China Corporate Governance Association | Labor dispute prevention and corporate governance | 3 | |
| | 2024/08/14 | Shin Kong Insurance Company Limited | Sexual harassment and bullying in the workplace | 1 | |
| | 2024/08/13 | Business Development Research Institute | ESG sustainable development trend | 3 | |
| | 2024/02/01 | Shin Kong Insurance Company Limited | Anti-money laundering and anti-terrorist financing board education and training | 1 | |

(IV) The composition, duties and operations of the Compensation Committee.

(1) Information on the members of the Remuneration Committee

| By identity (Note 1) | Criteria Name | Professional Qualification and Experience (Note 2) | Status of independence (note 3) | Number of other public companies where the member is also a member of their remuneration committees |
|-------------------------|---------------------|---|--|---|
| Independent Director | CHOU, HSIEN-TSAI | Held the positions as the senior vice president, chief auditor, and chief of finance of the Company, with a year of experience totaling 36 years. Possess professional qualifications and experiences related to corporate governance, legal expertise, and finance and accounting. Please refer to the content related to the information of directors and supervisors on page 17. | The independent director is not a spouse or a relative within the second degree of kinship with other directors, does not concurrently hold any position in the Company and its affiliates, and has no compensation related to the provision of business, legal, financial, and accounting services to the Company or its affiliates for the past two years. | None |
| Independent Director | WANG,JUI-YU | Served as manager of the company with a total of 8 years of experience Possess professional qualifications and experience in business management, finance and insurance, and human resources Please refer to the content related to the information of directors and supervisors on page 17. | The independent director is not a spouse or a relative within the second degree of kinship with other directors, does not concurrently hold any position in the Company and its affiliates, and has no compensation related to the provision of business, legal, financial, and accounting services to the Company or its affiliates for the past two years. | None |
| Other | KANG, MING-YUEH | Held the position as the director of the operating units of the Company, with a year of experience totaling 34 years. Possess professional qualifications and experiences related to finance and insurance practices and business management. | The independent director is not a spouse or a relative within the second degree of kinship with other directors, does not concurrently hold any position in the Company and its affiliates, and has no compensation related to the provision of business, legal, financial, and accounting services to the Company or its affiliates for the past two years. | None |

Note 1: Please specify the relevant years of working experience, professional qualification, experiences, and independence status of members of the Remuneration Committee; for independent directors, please make notes to refer to relevant content in Schedule 1 Information of Directors and Supervisors (I) on page [*]. Please specify the identity of the independent director or others (please make remarks regarding the convener).

Note 2: Professional qualification and experience: Describe the professional qualification and experiences of individual members of the Remuneration Committee.

Note 3: Status of independence: Describe the status of independence of members of the Remuneration Committee, including but not limited to whether itself, its spouse, or any relative within the second degree of kinship is a director, supervisor, or employee of the Company or its affiliates, the number of shares held by and shareholding of itself, its spouse, or any relative within the second degree of kinship (or in the name of others), whether it is a Director, supervisor, or employee of a company with the specific relationship with the Company (please refer to requirements under subparagraphs 5 to 8, paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies), and the amount of compensation obtained from the Company or its affiliates for the provision of business, legal, financial, and accounting services for the past two years

Note 4: For the disclosing methods, please refer to the sample on the website of TWSE Corporate Governance Center.

(2) Duties of the Remuneration Committee

Evaluate the remuneration policies and systems of the Company's directors, supervisors and managers in a professional and objective manner, and make recommendations to the Board of Directors for their reference in making decisions.

(3)The operation of the Remuneration Committee

I. There are 3 members of the Remuneration Committee of the Company.

II. The term of office of the current members: May 25, 2023 to May 24, 2026, the most recent annual Remuneration Committee met three times (A), and the qualifications and attendance of the members are as follows

| Job title | Name | Number of actual attendees(B) | Attendance by proxy | Attendance rate (%) (B/A) (Note) | Remarks |
|------------------|------------------|-------------------------------|---------------------|----------------------------------|--|
| Convener | CHOU, HSIEN-TSAI | 3 | 0 | 100% | Re-appointed upon re-election on 05/25/2023 |
| Committee member | WANG,JUI-YU | 3 | 0 | 100% | Newly appointed upon re-election on 05/25/2023 |
| Committee member | KANG, MING-YUEH | 3 | 0 | 100% | Re-appointed upon re-election on 05/25/2023 |

Other notes:

I. If the Board of Directors rejected or revised the recommendation presented by the Remuneration Committee, specify the date, the series of the session, the content of the motions, the resolutions of the Board of Directors and the response of the Company to the opinions of the Remuneration Committee (like the remuneration package passed by the Board of Directors is at a higher level than the recommendation presented by the Remuneration Committee, specify the difference and the reason): Not applicable.

II. If a particular member holds an adverse opinion or qualified opinion on the resolution of the Remuneration Committee on record or in written declarations, specify the date, the series of the session, the content of the motion, the opinions of all members and the responses to the opinions of the members: Not applicable.

III The date, session, content of the proposal, participation in voting and implementation of the Remuneration Committee :

| Date/Term | Motion Content | Participation in Voting | Implementation Status |
|------------|--|---|--|
| 2024.01.23 | 1.Review of the performance evaluation and salary and remuneration policies, systems, standards, structures and compensation plans for the company's directors and managers. | All members of the committee agreed to pass | The board of directors shall approve the proposal with the consent of all directors present. |
| | 2. The company's 2013 directors' remuneration distribution plan. | | |
| | 3.The company's 2013 employee remuneration distribution plan. | | |
| | 4. The case of the amount of Spring Festival bonus paid to the company's managers in 2013. | | |

| | | | |
|------------|---|---|--|
| | 5. The company's Remuneration Committee's work plan for 2014. | | |
| | 6. Manager remuneration case. | | |
| 2024.04.03 | 1. Review of the performance evaluation and salary and remuneration policies, systems, standards, structures and compensation plans for the company's directors and managers. 2. The company's manager compensation plan 3. The amount of bonuses paid to our managers during the Dragon Boat Festival in 2014 4. Manager remuneration case. | All members of the committee agreed to pass | The board of directors shall approve the proposal with the consent of all directors present. |
| 2024.07.26 | 1. Reviewed the company's 2013 directors' and employees' remuneration payment proposals. 2. Manager remuneration case. | All members of the committee agreed to pass | The board of directors shall approve the proposal with the consent of all directors present. |

Note: (1) In the event that Remuneration Committee members leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Remuneration Committee meetings held during service and the frequency number of attendance (being seated) in the meetings.

(2) If there was an election of new members for the Remuneration Committee before the end of the fiscal year, fill in the information on the former and the new members, and specify if the members are newly elected to office or reelected for a second term of office, and the date of the election. The attendance rate to committee sessions (%) shall be calculated on the basis of the number of sessions held in such period and the actual number of presence in the sessions.

(V)Execution status for the promotion of sustainable development and differences with the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies and the reason for the differences

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|--|-------------------------|----|--|---|
| | Yes | No | Summarized explanation | |
| 1. Has the Company established the governance structure for promoting sustainable development and set up a full-time (part-time) unit to promote corporate social responsibility, together with senior management authorized by the Board of Directors to handle related matters and report to the board on the handling of the matters? | √ | | <p>To align with the Company’s ESG policy vision and mission, the “Corporate Sustainability Development Committee” was established in September 2021 (Year 110 of the ROC calendar), replacing the former “Business Integrity and Corporate Social Responsibility Task Force.” The new committee was incorporated as a functional committee under the Board of Directors and serves as the highest-level internal decision-making body for sustainability matters.</p> <p>Three directors were appointed as committee members, with at least half being independent directors. The General Manager serves as the highest-ranking executive on the committee, working alongside senior executives from various departments to review the Company’s core operational capabilities and to formulate and promote sustainability plans.</p> <p>The Corporate Sustainability Development Committee regularly reports to the Board of Directors on the progress of sustainability initiatives. In 2024 (Year 113), the committee reported to the Board twice, covering</p> <p>The previous year’s sustainability and ESG performance evaluation results; and</p> <p>The revision of the current year’s Sustainability Report preparation and verification procedures as part of sustainability information governance</p> <p>The Board of Directors regularly receives reports on the Company’s sustainability efforts, reviews the contents, engages in discussions, and urges the management team to make adjustments when necessary.</p> | Consistent with the provisions under the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies. |
| 2. Does the Company perform risk assessments with respect to the environmental, social, and corporate governance issues related to the business operation of the Company based on the materiality principle and establish relevant risk management policies or strategies? (Note 2) | √ | | <p>The Company has its Sustainable Corporate Operation Committee in place that carries out relevant risk evaluations according to the level of attention attached by stakeholders and significant issues of environment, social responsibility, and corporate governance and prepares risk management policies and countermeasures.</p> <p>The Company implements relevant risk evaluations based on the material principles of corporate social responsibility and establishes relevant strategies based on the evaluated risks as follows:</p> | Consistent with the provisions under the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies. |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies | | | | | | | | | | | | | | | | | | |
|----------------------|--|---|---|---|-----------------------|-----------------|-------------|--|---|---------|----------------------|--|-------------------------|--|----------------------|--------------------|---|---------------------------|--|------------------|---|--|
| | Yes | No | Summarized explanation | | | | | | | | | | | | | | | | | | | |
| | | | <table border="1"> <thead> <tr> <th>Major issues</th> <th>Risk assessment items</th> <th>Risk management</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental Protection and Sustainable Development</td> <td> <p>To effectively achieve energy-saving and carbon dioxide reduction, the Company proactively strives to introduce ISO14064-1 Greenhouse Gas Inventory Check Standards as the standard specifications for ShinKong Insurance to promote energy-saving and carbon dioxide reduction. In 2023, we obtained ISO 50001 Energy Management System certification, establishing energy performance indicators to gradually reduce the Company's greenhouse gas emissions. The environmental protection and sustainable development policies of the Company are as follows:</p> <ol style="list-style-type: none"> 1. Practice waste reduction and resource reuse diligently. 2. Evaluate risks and opportunities regarding climate change from regulations and natural disasters and regularly disclose the GHG emissions in ESG reports. </td> </tr> <tr> <td rowspan="2">Society</td> <td>Information security</td> <td>In response to the "Guidelines on E-Commerce Operations for Insurance Enterprises," the Company has implemented e-commerce services and adopted the ISO/IEC 27001 Information Security Management System, certified by the British Standards Institution (BSI). The certification remains valid, and in 2023 (Year 112 of the ROC calendar), the Company successfully completed the transition to ISO/IEC 27001:2022. This demonstrates the Company's continued commitment to strengthening its information security management.</td> </tr> <tr> <td>Employment relationship</td> <td>Continue managing communication with employees and implement the idea of sustainability internally and externally.</td> </tr> <tr> <td rowspan="3">Corporate governance</td> <td>Ethical management</td> <td>The Company has established its Ethical Management Best Practice Principles, regularly carries out educational training and communication, and executes risk assessments related to ethical behaviors annually.</td> </tr> <tr> <td>Stakeholder communication</td> <td>The external website of the Company has a stakeholder section that provides contact channels and methods for stakeholders to communicate with the Company.</td> </tr> <tr> <td>Legal Compliance</td> <td> <ol style="list-style-type: none"> 1. Implement the internal control system through the establishment of a corporate governance organization, enhance educational training, and ensure all personnel of the Company duly comply with relevant regulations. 2. We regularly report the summary of changes in laws and regulations at board meetings. </td> </tr> </tbody> </table> | Major issues | Risk assessment items | Risk management | Environment | Environmental Protection and Sustainable Development | <p>To effectively achieve energy-saving and carbon dioxide reduction, the Company proactively strives to introduce ISO14064-1 Greenhouse Gas Inventory Check Standards as the standard specifications for ShinKong Insurance to promote energy-saving and carbon dioxide reduction. In 2023, we obtained ISO 50001 Energy Management System certification, establishing energy performance indicators to gradually reduce the Company's greenhouse gas emissions. The environmental protection and sustainable development policies of the Company are as follows:</p> <ol style="list-style-type: none"> 1. Practice waste reduction and resource reuse diligently. 2. Evaluate risks and opportunities regarding climate change from regulations and natural disasters and regularly disclose the GHG emissions in ESG reports. | Society | Information security | In response to the "Guidelines on E-Commerce Operations for Insurance Enterprises," the Company has implemented e-commerce services and adopted the ISO/IEC 27001 Information Security Management System, certified by the British Standards Institution (BSI). The certification remains valid, and in 2023 (Year 112 of the ROC calendar), the Company successfully completed the transition to ISO/IEC 27001:2022. This demonstrates the Company's continued commitment to strengthening its information security management. | Employment relationship | Continue managing communication with employees and implement the idea of sustainability internally and externally. | Corporate governance | Ethical management | The Company has established its Ethical Management Best Practice Principles, regularly carries out educational training and communication, and executes risk assessments related to ethical behaviors annually. | Stakeholder communication | The external website of the Company has a stakeholder section that provides contact channels and methods for stakeholders to communicate with the Company. | Legal Compliance | <ol style="list-style-type: none"> 1. Implement the internal control system through the establishment of a corporate governance organization, enhance educational training, and ensure all personnel of the Company duly comply with relevant regulations. 2. We regularly report the summary of changes in laws and regulations at board meetings. | |
| Major issues | Risk assessment items | Risk management | | | | | | | | | | | | | | | | | | | | |
| Environment | Environmental Protection and Sustainable Development | <p>To effectively achieve energy-saving and carbon dioxide reduction, the Company proactively strives to introduce ISO14064-1 Greenhouse Gas Inventory Check Standards as the standard specifications for ShinKong Insurance to promote energy-saving and carbon dioxide reduction. In 2023, we obtained ISO 50001 Energy Management System certification, establishing energy performance indicators to gradually reduce the Company's greenhouse gas emissions. The environmental protection and sustainable development policies of the Company are as follows:</p> <ol style="list-style-type: none"> 1. Practice waste reduction and resource reuse diligently. 2. Evaluate risks and opportunities regarding climate change from regulations and natural disasters and regularly disclose the GHG emissions in ESG reports. | | | | | | | | | | | | | | | | | | | | |
| Society | Information security | In response to the "Guidelines on E-Commerce Operations for Insurance Enterprises," the Company has implemented e-commerce services and adopted the ISO/IEC 27001 Information Security Management System, certified by the British Standards Institution (BSI). The certification remains valid, and in 2023 (Year 112 of the ROC calendar), the Company successfully completed the transition to ISO/IEC 27001:2022. This demonstrates the Company's continued commitment to strengthening its information security management. | | | | | | | | | | | | | | | | | | | | |
| | Employment relationship | Continue managing communication with employees and implement the idea of sustainability internally and externally. | | | | | | | | | | | | | | | | | | | | |
| Corporate governance | Ethical management | The Company has established its Ethical Management Best Practice Principles, regularly carries out educational training and communication, and executes risk assessments related to ethical behaviors annually. | | | | | | | | | | | | | | | | | | | | |
| | Stakeholder communication | The external website of the Company has a stakeholder section that provides contact channels and methods for stakeholders to communicate with the Company. | | | | | | | | | | | | | | | | | | | | |
| | Legal Compliance | <ol style="list-style-type: none"> 1. Implement the internal control system through the establishment of a corporate governance organization, enhance educational training, and ensure all personnel of the Company duly comply with relevant regulations. 2. We regularly report the summary of changes in laws and regulations at board meetings. | | | | | | | | | | | | | | | | | | | | |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|---|-------------------------|----|--|---|
| | Yes | No | Summarized explanation | |
| 3. Environmental issue | | | | Consistent with the provisions under the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies. |
| (1) Has the Company set up an appropriate environmental management system based on the characteristics of its industry? | √ | | (1) The issue of climate change should be faced and solved by all human beings together. As a member of the financial insurance industry, the Company refers to the policy ISO 14001 environmental management system. | |
| (2) Is the company committed to enhancing the utilization efficiency of resources and using renewable materials that are with low impact on environmental impacts? | √ | | (2) The Company selects suppliers or outsourced contractors in accordance with the procurement regulations and relevant rules or tenders and never selects a specific vendor; for toner cartridges, paper and other raw materials and equipment used, the Company gives priority to those with environmental labels, water conservation labels, green building materials labels, or green commodities that are recognized by the Environmental Protection Agency as meeting the conditions of recyclable materials, low pollution or energy saving. | |
| (3) Does the Company assess the present and future potential risks and opportunities of climate change on the Company and take actions to related issues? | √ | | (3) Climate change-related risks continue to rank high in the top 5, and Taiwan is a high-risk area for natural disasters, so the promotion of earth science knowledge is a matter of urgency. ShinKong Insurance Co., Ltd., which is actively involved in disaster prevention-related research and development, has joined hands with the "Decade of Education and Culture" learning platform, combining many experts and scholars from top universities, Academia Sinica, and the Industrial Research Institute to launch the "Great Earth Institute," hoping to spread relevant knowledge through interactive online teaching, and then take root downward. | |
| (4) Did the Company produce statistics on GHG emissions, water consumption, and total waste in the last two years? Has the company established policies for energy conservation, carbon reduction, GHG reduction, water conservation, and waste management? | √ | | (4) 1. Energy use data inventory For ShinKong Insurance Co., Ltd., purchased electricity is the only important type of energy consumption. In 2024, the GHG emission of the Taipei operation headquarters was 613.641.81kg CO2e/person, and a total of 1,239,680.42kWh of purchased electricity was consumed; the GHG emission of branches was 1,014,253.87kg CO2e/person, and a total of 1,992,640.21kWh of purchased electricity was consumed. In 2023, the GHG emission of the Taipei operation headquarters was 611,519.0kg CO2e/person, and a total of 1,235,391.93kWh of | |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|----------------|-------------------------|----|---|---|
| | Yes | No | Summarized explanation | |
| | | | <p>purchased electricity was consumed; the GHG emission of branches was 975,747.38kg CO2e/person, and a total of 1,916,988.96kWh of purchased electricity was consumed.</p> <p>2. Water Resources Data Inventory The head office of ShinKong Insurance is located in a commercial area and uses water from the local waterworks, which has no significant impact on the water supply. There is no wastewater recycling system in the building. The discharge of wastewater complies with the regulations of the local authorities, and in cooperation with the construction of sewerage in Taipei City, the internal sewerage is rebuilt without polluting the local environment and rivers, and there are no major leaks. In 2024, the water consumption of the Taipei operation headquarters was 5,542 m³, and the total water consumption of branches was 15,116.5 m³. In 2023, the water consumption of the Taipei operation headquarters was 6,125 m³, and the total water consumption of branches was 14,134.2 m³. ShinKong Insurance Co., Ltd. will keep in mind that "if you have water, you should think about the pain of not having water" and will do a good job of saving water in all aspects in order to effectively reduce the use of water resources in the next year.</p> <p>3. In the past three years, Shin Kong Insurance headquarters generated the following amounts of waste: 55.045 metric tons in 2022, 55.112 metric tons in 2023, and 54.280 metric tons in 2024. To address the potential risks that climate change poses to the Company now and in the future, we have strengthened and implemented waste sorting practices.</p> <p>4. Measures to achieve the objective of energy-saving and carbon dioxide reduction: (1). Air conditioning energy-saving measures: ① Add or make replacements with environmental-friendly air conditioning equipment with high energy efficiency. ② Regularly examine, repair, and maintain the air conditioning system and clean the air screen, cooling tower, cooling pipes,</p> | |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|---|-------------------------|----|--|---|
| | Yes | No | Summarized explanation | |
| | | | <p>and the heat exchanger of air conditioner units to maintain the efficacy of the equipment.</p> <p>③Adjust air conditioners to appropriate temperatures according to seasons.</p> <p>(2). Lighting energy-saving measures:</p> <p>① Replace damaged and power-consuming lighting and adopt environmental-friendly and energy-saving lighting.</p> <p>②Promote and cultivate employees' habit of turning off lights when not in use.</p> <p>(3) Office machine and other energy-saving and carbon dioxide reduction measures:</p> <p>①Use environmental-friendly and energy-saving products when purchasing computers and printers.</p> <p>②Allow computers/office machines to enter the idle mode when not in use for a certain period of time to reduce the power losses during standby time</p> <p>③Before leaving work every day, all departments shall confirm that the power of all appliances is switched off.</p> <p>5. Actively cooperate with the government to promote energy-saving and carbon-reduction policies and implement "summer energy-saving" activities by setting summer clothing regulations and air-conditioning temperature setting standards. In order to fulfill our global citizenship and corporate social responsibility, we are committed to energy-saving and carbon dioxide reduction actions, comply with relevant laws and regulations to prevent and control pollution and continuously improve our energy-saving performance in order to achieve our energy-saving goals.</p> <p>6. The Company obtained the ISO14064-1 certification on December 12, 2025 Base year: 2023.01.01~2023.12.31 Inventory year: 2023.01.01~2023.12.31 Total carbon dioxide emission: 900.083 tCO₂e</p> | |
| 4. Social Issues (1) Does the Company have the relevant management policies and procedures | √ | | (1) The Company has established a code of conduct for employees, a performance evaluation system, and various rewards and punishments, | Consistent with the provisions under the Sustainable Development Best Practice Principles for |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|---|-------------------------|----|--|---|
| | Yes | No | Summarized explanation | |
| <p>stipulated in accordance with the relevant laws and regulations and international conventions on human rights?</p> <p>(2) Has the company established and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflected business performance and achievements in the remuneration for employees?</p> <p>(3) Does the Company provide employees with a safe and healthy work environment and provide safety and health education to employees regularly?</p> | | | <p>and the related rights and rules are detailed in "Five. Operation Overview, V. Labor Relations" and the Company's website > Corporate Profile > Investor Information > Corporate Governance > XI. Human rights policies.</p> <p>(2) The Company determines the annual salary adjustment by taking into account the Consumer Price Index, salary survey information, the Company's annual operating performance and profitability. Please refer to the description of Four. Operation Overview, V. Labor Relations for employee welfare related measures.</p> <p>(3) In order to enable employees to work in a healthy, safe and enjoyable manner, the Company regularly disinfects the environment in public areas, places antibacterial liquid nebulizers in office premises, disinfects elevator buttons on a daily basis and installs acrylic curtains on the front counter windows to prevent direct contact between employees and customers. ShinKong Insurance Co., Ltd. arranges health checkups for employees every two years, and doctors visit the company every three months to provide employees with various health education consultations, including general physical examinations and supervisory health examinations, to comprehensively assess the nature of work, lifestyle habits, family history, and other factors; SKL also actively promotes various health promotion and static activities, such as 10-minute hand-waving exercises every day, AED and CPR training courses, large public health seminars, and other physical courses, and provides health education digital courses on vision care, peptic ulcers, kidney function, liver function abnormalities, and the hazards of human engineering injuries and diseases, in order to achieve the goal of protecting employees and promoting health. And, We also provide employees with InBody testing, and occupational health specialist will explain the precautions for the test report. In 2024, zero accidents</p> | <p>TWSE/TPEX-Listed Companies.</p> |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|---|-------------------------|----|---|---|
| | Yes | No | Summarized explanation | |
| (4) Has the Company established an effective career development training program for employees? | ✓ | | (4) In order to establish an effective career development training program, to pass on the company's culture and management philosophy, and to achieve the goal of cultivating talents, the Company sets up an annual education plan to develop relevant courses. Please refer to the description of Four. Operation Overview, V. Labor Relations for education and training-related plans. | |
| (5) Does the Company comply with the related laws and regulations and international standards regarding customer health and safety, customer privacy, marketing communication, and labeling of its products and services and establish policies to protect the rights and interests of customers and procedures for grievances? | ✓ | | (5) In addition to providing professional services, protecting customer privacy is also an important responsibility of insurance practitioners. ShinKong Insurance has established the BS 10012 Personal Information Management System for many years and has introduced the ISO/IEC 27001 Information Security Management System in recent years. We also arrange information security training for all employees annually to enhance the level of information security protection. | |
| (6) Whether the Company has a supplier management policy and requests suppliers to comply with environmental conservation, occupational safety and health or labor rights and their implementation. | ✓ | | (6) Due to the wide variety of suppliers or outsourced contractors of SKL, we will prioritize environmental safety protection vendors for audits and conduct occasional environmental audits of suppliers, and we will conduct on-site audits of two suppliers in 2023. In addition, if a negative environmental or social impact occurs on an existing supplier, ShinKong Insurance Co., Ltd. will not only request the supplier to make improvements but will also add a clause to the contract that no further payments will be made if the supplier does not meet the CSR requirements and will be evaluated for removal from the supplier list; if the supplier has a significant degree of irreplaceability, the Company will provide assistance in order to reduce the negative impact. We will also request the supplier to respond with improvement measures to maintain the effective operation of the supply chain. | |
| 5. Does the Company refer to internationally accepted report-preparing guidelines or guides to compile its CSR report or other reports disclosing non-financial information of the Company? Are assurance or certification opinions of a third-party | ✓ | | The Report complies with the core options of the GRI Standards announced by the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Insurance Task Force on Climate-related Financial Disclosures. We engaged PricewaterhouseCoopers (PwC) to perform the limited assurance with the Standards on Assurance Engagements No. 3000 "Assurance Cases not | Consistent with the provisions under the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies. |

| Promoting item | Implementation (Note 1) | | | Differences and reason for the differences from the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies |
|--|-------------------------|----|---|---|
| | Yes | No | Summarized explanation | |
| verification institution acquired for the above-mentioned reports? | | | Audit or Review on Historical Information”(established with reference to International Standard on Assurance Engagements (ISAE) 3000) issued by the Accounting Research and Development Foundation; the limited assurance report is included hereof; please see the our official website. (https://www.skinsurance.com.tw/SKI/Doc.aspx?uID=83.&sID=4723&ST=) | |
| <p>6. If the Company has established its Sustainable Development Best Practice Principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies," please state the differences between the two and the state of implementation: None.</p> <p>In December 2015, the board of directors of our company approved the establishment of the " Sustainable Development Best Practice Principles." Subsequently, in March of the years 2022 and 2023 , the board of directors approved amendments to enhance the implementation of sustainable development responsibilities. The company regularly reviews and improves its implementation based on these guidelines, and there have been no deviations to date.</p> | | | | |
| <p>7. Other important information helpful for understanding the execution status for promoting sustainable development :</p> <p>(1) Corporate Governance: To ensure sustainable business operations and development, the Company has established the Corporate Sustainability Development Committee. The Company also conducts annual integrity risk assessments for directors and senior executives.</p> <p>(2) Social welfare: The Company actively promotes a variety of public welfare initiatives. In addition to long-term support for blood donation campaigns, charitable events, and donations and insurance protection for disadvantaged groups, we also contribute to the community by participating in insurance forums, organizing campus seminars, and offering internship opportunities. These efforts aim to spread insurance awareness and cultivate future talent in the industry, fulfilling our social mission: “Shin Kong is everywhere, lighting up the world with love.”</p> <p>(3) For other sustainable development practices operations, please refer to the Company's website at https://www.skinsurance.com.tw.</p> | | | | |

Note 1: If the status of Execution is checked “Yes,” please specify the key policies, strategies, measures and implementations adopted. If checked “No,” please explain the differences, reasons, and relevant policies, strategies and measures to be adopted in the column “Differences and reasons for differences from the Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies.” However, for promoting items 1 and 2, a listed company shall describe the governance and supervising structure of sustainable development, including but not limited to management policies, strategy and target establishment, and examination measures. In addition, describe the risk management policies or strategies of environmental, social and corporate governance issues related to operations and their evaluations.

Note 2: The materiality principle refers to the environmental, social and corporate governance issues which have a significant influence on the Company’s investors and other interested parties.

Note 3: For the disclosing methods, please refer to the sample on the website of TWSE Corporate Governance Center.

(VI)The Company's implementation of ethical corporate management and the differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.

| Evaluation item | Actual governance (Note 1) | | | Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons |
|--|----------------------------|----|--|---|
| | Yes | No | Summary | |
| <p>1. Establishment of ethical corporate management policies and plans</p> <p>(1) Has the Company established policies for ethical corporate management approved by the Board of Directors and stated such policies and practices in its regulations and external documents and in the commitment made by the Board of Directors and senior management to actively implement such policies?</p> <p>(2)Has the Company established an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with a higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies?”</p> <p>(3)Has the Company established in the preventive programs the operating procedures for unethical behavior prevention, penalties and grievance systems of breaching the guidelines for conduct and implemented and periodically reviewed them?</p> | <p>✓</p> <p>✓</p> <p>✓</p> | | <p>(1) 1. The Company's "Ethical Corporate Management Best Practice Principles" clearly states the policy and practice of business conduct with ethical management, as well as the commitment of the Board of Directors and senior management to actively implement the management policy, and is disclosed on the Company's website.</p> <p>2. The Company requires its directors and officers to sign a Statement of Ethical Management to declare and promise that they will follow the Company's policy of ethical management.</p> <p>(2) In accordance with Article 7(2) of the "Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company", the Company has established the "Procedures for Ethical Management and Guidelines for Conduct," which requires directors and senior executives to issue a statement of integrity and regularly analyze and evaluate the risk of internal ethical behaviors within the scope of business annually.</p> <p>(3) The Company has established the “Procedures for Ethical Management and Guidelines for Conduct” to specify the various types of unethical behavior and the control mechanism and handling procedures to prevent the occurrence of unethical behavior, which are reviewed annually.</p> | <p>Consistent with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company.</p> |
| <p>2. Implementation of ethical corporate management</p> <p>(1)Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?</p> <p>(2) Has the Company established a dedicated (concurrent) unit to implement ethical corporate management under the Board and regularly report (at least once a year) to the Board the status of implementation and supervision of the ethical management policy and preventive programs of unethical behavior?</p> | <p>✓</p> <p>✓</p> | | <p>(1) The Company selects business counterparties carefully and attaches importance to the integrity of the counterparties, and specifies the integrity clause in the contract.</p> <p>(2) The Company has set up a dedicated (part-time) ethical management unit that reports to the Board of Directors at least once a year on the operations of the "Sustainable Corporate Development Committee."</p> | <p>Consistent with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company.</p> |

| Evaluation item | Actual governance (Note 1) | | | Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons |
|---|----------------------------|----|---|--|
| | Yes | No | Summary | |
| (3) Does the Company have developed policies to prevent conflicts of interest, provide adequate channels for communication, and substantiate the policies? | ✓ | | (3) The "Procedures for Board of Directors' Meetings" stipulate that a Director shall recuse himself/herself from the discussion and voting on the matters of the meeting if he/she has an interest in such matters or the corporation he/she represents, and shall not exercise his/her voting rights on behalf of other directors. | |
| (4) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans based on the evaluation results of risk of unethical conduct, and audits the compliance of the plan to prevent unethical conduct or entrusts a CPA to perform the audit? | ✓ | | (4) 1. The Company has accounting personnel responsible for accounting activities and prepares financial reports in accordance with the regulations, which are audited or reviewed by certified public accountants to ensure the fairness of the financial statements. 2. The Company has established an internal control system in accordance with the “Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises” and appointed a chief auditor and an Audit Department under the Board of Directors' audit office to conduct annual audits at each unit in accordance with the annual audit plan to implement internal controls. 3. The audit results shall be reported to the senior management and Ethical Corporate Management and Social Responsibility Promotion Group, and an audit report shall be submitted to the Board of Directors. | |
| (5) Has the Company organized corporate management internal and external education and training programs on a regular basis? | ✓ | | (5) The Company regularly conducts relevant education and training. In 2024, a total of 42 sessions were conducted for the company's management through the internal education and training system E-learning to promote integrity. A disciplinary and complaint system is in place for violations of the regulations. | |
| 3. The operation of the Company's whistleblower reporting system (1) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel and designated appropriate personnel to deal with the reported matters? | ✓ | | (1) The Company has established the "Guidelines for Whistleblower Reporting Operations" and a communication channel for internal and external personnel and will take disciplinary action against those who are proven to have violated relevant laws and regulations and will announce the results of the discussion. | Consistent with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company. |

| Evaluation item | Actual governance (Note 1) | | | Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons |
|--|----------------------------|----|---|--|
| | Yes | No | Summary | |
| (2)Has the Company formulated standard operating procedures for the investigation of the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms? (3)Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting? | √ √ | | (2) The Company has established investigation procedures to handle reported matters and has established appropriate reporting procedures based on the rank of the person reported and the extent of the case. (3) The Company takes strict confidentiality measures against the whistleblower and protects the whistleblower appropriately to avoid improper treatment due to reporting. | |
| 4. Enhancement of information disclosure Does the Company disclose the content and effectiveness of its Ethical Corporate Management Principles on its website and the Market Observation Post System? | √ | | The Company discloses its performance of ethical management and measures adopted on its website (https://www.skinsurance.com.tw) and in its annual report. | Consistent with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company. |
| 5. If the Company has related practice principles of its own in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," please state the differences between the two and the state of implementation: No major difference yet. | | | | |
| 6. Any other essential information that may help us to under the ethical corporate management of the Company better: (such as the review and revision of the ethical corporate management best practice principles): None. | | | | |

Note 1: Whether the Company selects “Yes” or “No” in the operation condition, it should explain the situation in the summary space.

(VII) Other important information on the operation of corporate governance.

1. The Company's corporate governance operations are disclosed on the Market Observation Post System (MOPS) at <https://mops.twse.com.tw> and the Company's website at <https://www.skinsurance.com.tw>.
2. The Company conducts self-audits of internal controls for each unit on both a project and routine basis as a preventive control, and auditors perform audits of internal control operations.
3. The Company has a risk management department to identify the risks faced by the Company, assess and monitor the Company's risk appetite, and the current status of risk exposure, establish an independent risk management process, and monitor compliance with the risk management process to determine risk response strategies.

- (VIII) Regarding the implementation of the internal control system, the following matters should be disclosed
1. Statement of Internal control system

ShinKong Insurance Co., Ltd. Statement of Internal Control System

The Company makes the following statement according to the self-evaluation conducted of the internal control system for the year ended December 31, 2024:

- I. The Company acknowledges that it is the responsibility of the Board and managers to establish, implement, and maintain the established internal control system. Its purpose is to reasonably ensure that operational effectiveness and efficiency (including profits, performance, and asset safety) and reporting are reliable, timely, and transparent, as well as to ensure compliance with relevant regulations and laws, where financial records and statements are prepared in accordance with the Insurance Act and relevant requirements with a consistent basis of preparation; this shall serve as a part of the results for the internal control system of financial reporting.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the stated objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond control. Nevertheless, the internal control system of the Company contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of the internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (the "Regulations"). The criteria adopted by the "Regulations" identify five components of internal control based on the process of management control: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communication; and 5. monitoring operations. Each key component includes several items. Please refer to the "Regulations" for the aforementioned items.
- IV. The Company has evaluated the design and implementation effectiveness of the internal control system according to the determining items for the internal control system above.
- V. In accordance with the results of the aforementioned evaluation, the Company has found that the design and implementation of the internal control system (including the overall execution status and legal compliance for operations, financial reporting, and information security) during the abovementioned period are effective; it can be reasonably assured that the Board and the managers understand that the objectives for operations, financial reporting, and compliance with the relevant guidelines and laws are achieved, and it is considered that the financial records and statements are prepared in accordance with the Insurance Act and relevant requirements with a consistent basis of preparation, and the accuracy is adequate.
- VI. The statement is an integral part of the Company's annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. The statement was passed at the Board meeting held on March 7, 2025

To
Financial Supervisory Commission

Declarant: ShinKong Insurance Co., Ltd.
Chairman: Philip H.H. Wu /with seal/ (signature & seal)
President: Ina Ho /with seal/ (signature & seal)
Chief Auditor: TSENG, KUO-HUI /with seal/ (signature & seal)
Chief Compliance Officer of the Headquarters: LIN, SHIEN-TANG /with seal/ (signature & seal)
Superior of the Dedicated Information Safety Department: ZUO, MING-YI /with seal/ (signature & seal)

March 7, 2025

2. Independent auditor's report

Review of Internal Control System Auditor's Reasonable Assurance Report

Dear members of ShinKong Insurance Co., Ltd.:

We have performed the necessary procedures for ShinKong Insurance Co., Ltd. and the statement regarding the effective design and execution of the statement of the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance issued on December 31, 2024 for the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance as of December 31, 2024.

Assurance target, information on assurance target, and applicable standards

The target and the information on target of the assurance project are ShinKong Insurance Co., Ltd. and the statement regarding the effective design and execution of the statement of the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance issued on December 31, 2024 for the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance as of December 31, 2024; please see the attachments for details.

Inherent restriction

Any internal control system has its inherent restrictions; therefore, the abovementioned internal control system of ShinKong Insurance Co., Ltd. may not be able to prevent or detect errors or fraud occurred. In addition, the environment in the future may change, and the level of compliance with the internal control system may reduce; therefore, the internal control system being effective during the current period may not necessarily be effective in the future.

Responsibility of the management

The responsibility of the management is to establish an internal control system according to the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises" and relevant laws and regulations and examine the system at all times to maintain the continued effectiveness of the design and execution of the internal control system and issue the statement of internal control system based on the evaluation of its effectiveness.

Responsibility of CPAs

We are responsible for to executed necessary procedures for the target and the information on target to achieve reasonable assurance based on Article 26 of the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises," "Regulations Governing Foreign Investments by Insurance Companies," "Letter Jin-guan-bao-cai-zi No. 10602506430 issued on January 15, 2018," "Letter Jin-guan-bao-cai-zi No.

10904350083 issued on January 22, 2021,” and the Sample of the Implementation of Internal Control and Auditing System of Insurance Enterprises by CPAs No.3000 “assurance engagement for audit or review of non-historical financial information” and make a conclusion on the compliance with applicable standards and appropriate presentation of the assurance target and the information on target in all material aspects.

Independence and quality management regulations

We and our firm have complied with the requirements related to independence and other ethical specifications in the Code of Professional Ethics; the basic principles of the Code are integrity, fairness and objectiveness, professional ability and professional care, confidentiality, and professional conduct. In addition, the quality control standards observed by our firm maintain a comprehensive quality management system, including written policies and procedures for compliance with the Code of Professional Ethics, professional standards, and applicable laws and regulations.

Summary of procedures executed

We gain evidence related to the assurance target and information on the target by planning for and executing necessary procedures based on our professional judgment. The procedures executed include understanding the internal control system of the Company, evaluating the procedures adopted by the management to evaluate the effectiveness of the overall internal control system, and testing and evaluating the effectiveness of the design and the execution of the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance, and other assurance procedures deemed necessary by us.

Conclusion

In our opinion, the design and execution of the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance as of December 31, 2024 for ShinKong Insurance Co., Ltd. have complied with the effectiveness of the internal control system under the “Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises” and “Regulations Governing Foreign Investments by Insurance Companies” in all material aspects; the statement for the effective design and execution of the international control system related to the external financial reporting (including the accuracy of statements and information declared to the competent authority based on the internal control system of financial reporting), the protection of asset safety (preventing the acquisition, use, and disposal of assets under unauthorized circumstances), and legal compliance for ShinKong Insurance Co., Ltd. issued on March 7, 2025 remains adequate in all material aspects.

Ernest & Young

CPAs:

Daniel Hsu /with signature and seal/

James Huang /with signature and seal/

March 7, 2025

(IX) Important resolutions of the shareholder meeting and Board meeting in 2023 and up to the date of publication of the annual report :

1. Important resolutions of the shareholders' meeting

| Meeting date | Summary of the proposal | Resolution | Implementation status |
|--------------|---|---|--|
| 2024/5/27 | Approved the company's 2013 annual business report and financial statements | After the Chairman consulted with all shareholders present and no objection was raised, the proposal was passed | The resolution has been complied with. |
| | Approved the company's 2023 profit distribution plan | | According to the resolution of the regular shareholders' meeting, a cash dividend of NT\$4.99 per share was distributed, totaling NT\$1,576,656,867. The cash dividend was paid on July 8, 2024. |
| | Amendment to the Company's Articles of Incorporation | | The resolution has been complied with. |

2.Important resolutions of the board meeting

| Meeting date | Summary of the proposal | Resolution | Implementation status |
|--------------------------|---|--|------------------------------------|
| 2024/2/1 The 21st 5th | Real estate investment trust fund investment proposal for our stakeholders | Chairman Wu Xinhong and Director Wu Dongsheng have a third-degree and second-degree relationship with the chairman of the transaction counterparty in this case respectively. As they have a vested interest in this case, they shall not participate in the discussion and voting on this case. After Chairman Wu Xinhong and Director Wu Dongsheng recused themselves from the case, Vice Chairman Xie Mengxiong acted as Chairman and the case was passed unanimously by all directors present without objection. | Handle according to the resolution |
| | Proposal to amend the company's internal control system | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Review of the company's 2023 directors' and employees' remuneration distribution proposal | Chairman Wu Xinhong, Vice Chairman Xie Mengxiong, Director Wu Dongsheng, Director Li Wenzong, Director Wu Dongsheng, Director Zhang Maosong, Director Hong Ziren, and Director He Yinglan shall not join in the discussion and vote on this case because they have a vested interest in this case. After the above 8 directors withdrew from the meeting, the case was passed unanimously by independent director Zhou Xiancai after consultation with all the directors present without objection. | Handle according to the resolution |

| Meeting date | Summary of the proposal | Resolution | Implementation status |
|---------------------------|---|---|--|
| 2024/3/11 The 21st 6th | Review of the company's 2023 directors' and employees' remuneration distribution proposal | This proposal is divided into two parts for discussion and voting. Regarding the distribution of employee remuneration, the Chairman consulted with all directors present and the proposal was approved unanimously without objection. Regarding the distribution of directors' remuneration, Chairman Wu Xinhong, Vice Chairman Xie Mengxiong, Director Wu Dongsheng, Director Li Wenzong, Director Wu Dongsheng, Director Zhang Maosong, Director Hong Ziren, and Director He Yinglan are not allowed to join the discussion and vote on this case because they have a vested interest in this case. After the above 8 directors withdrew from the meeting, the case was passed unanimously by independent director Zhou Xiancai after consultation with all the directors present without objection. | This item is proposed to be included in the agenda of the 2024 Annual General Shareholders' Meeting. |
| | Our company's 2023 financial statements | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | This item is proposed to be included in the agenda of the 2024 Annual General Shareholders' Meeting. |
| | Proposal on the Company's 2023 Profit Distribution | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | This item is proposed to be included in the agenda of the 2024 Annual General Shareholders' Meeting. |
| | Convening of the 2024 Annual Shareholders Meeting | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |

| Meeting date | Summary of the proposal | Resolution | Implementation status |
|----------------------------|---|---|------------------------------------|
| 2024/4/16 The 21st 7th | The company's first quarter financial statements for 2024 | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Our company purchased the 2024 year first-term financial bonds of Taiwan Shin Kong Commercial Bank Co., Ltd. NT\$200 million of investment plan | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Adjust some personnel plans for managers and above to meet business needs | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| 2024/8/14 The 21st 8th | The company's first half year financial statements for 2024 | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Adjust some personnel plans for managers and above to meet business needs | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Proposed repurchase of the company's shares and transfer to employees | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| 2024/11/5 The 21st 9th | The company's third quarter financial statements for 2024 | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| 2024/12/4 The 21st 10th | Beitou Central Building Xinshou Apartment Building Management and Maintenance Co., Ltd. contract renewal case | After Director Hong Ziren recused himself from the case, the Chairman consulted all the directors present and they all passed the case without objection. | Handle according to the resolution |

| Meeting date | Summary of the proposal | Resolution | Implementation status |
|---------------------------|--|--|------------------------------------|
| 2025/3/7 The 21st 12th | Our company's 2024 financial statements | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Proposal on the Company's 2024 Profit Distribution | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |
| | Convening of the 2025 Annual Shareholders Meeting | The Chairman consulted with all the directors present and the proposal was passed unanimously without objection. | Handle according to the resolution |

- (X) During the most recent year or during the current year up to the date of publication of the annual report, if the Board Directors or supervisors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.

III. Disclosure of CPAs' remuneration

Unit: NTD thousand

| CPA firm | CPA name | Audit period | Audit fee | Non-audit fee | Total | Remarks |
|---------------|-------------|---|-----------|---------------|-------|--|
| Ernst & Young | Daniel Hsu | From January 1, 2024 to December 31, 2024 | 2,380 | 5,382 | 7,762 | Non-audit services include taxation certification, review and audit of the capital adequacy ratio, audit of the internal control system, review of the insurance guaranty fund appropriation, and project consultation services. |
| | Huang James | | | | | |

Please specify the content of non-audit services: (such as taxation certification, assurance, or other financial consultation services)

Note: If the Company changed its CPA or CPA firm during the year, please indicate the period of audit and the reason for the change in the remarks column, and disclose information related to the audit and non-audit fees paid in sequence. For non-audit fees, please provide notes regarding the descriptions of its service content.

- (I) Non-audit fees paid to the CPA, the accounting firm of the CPA, and/or any affiliated enterprise of the accounting firm are equivalent to one quarter or more of the audit fees paid to them: No such situation.
- (II) Audit fee of the current year is more than 10% less than the year before: Not applicable.

IV. Change of CPA:

1. Former CPA

| | | | |
|--|---|-----|------------------------------------|
| Date of Change | Changed in 2023 Q1 | | |
| Reason for the Change and Description | In response to the internal duty rotation of the CPA's firm | | |
| Whether the appointer or the CPA terminated or discontinued the engagement | Parties involved | CPA | Appointer |
| | Situation | | |
| | Termination of the engagement | V | |
| | Discontinued engagement | | |
| Issuance of any audit report other than unqualified opinions for the most recent two years and the reasons | None | | |
| Where there is any different opinion with the issuer | Yes | | Accounting Principles or Practices |
| | | | Disclosure in the financial report |
| | | | Scope of audit or steps |
| | | | Others |
| | No | V | |
| | Description | | |
| Other disclosures (Disclosures to be made according to items 1 and 4, subparagraph 2, Article 24 of the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises) | No | | |

2. Succeeding CPA

| | | |
|---|-------------------------|----------------------------|
| CPA's firm | Ernst & Young | Ernst & Young |
| CPA Name | Daniel Hsu and Bob Chan | Daniel Hsu and Huang James |
| Date of appointment | Changed in 2022 Q1 | Changed in 2023 Q1 |
| Consultation matters regarding the accounting method or accounting principles of a particular transaction, or opinions that may be issued, and the results thereof before the appointment | None | None |
| Written opinions of the succeeding CPA that are different from the former CPA | None | None |

3. Response letter of the former CPA regarding matters stated in items 1 and 2, subparagraph 2, Article 24 of the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises: Not applicable as it is the internal business adjustment of the firm.

V Any of The Company's Chairman, President, or managers involved in financial or accounting affairs being employed by the auditor's firm or any of its affiliates within the recent year; disclose their names, job titles, and the periods during which they were employed by the auditor's firm or any of its affiliate: No such situation.

VI Changes in transfer and pledge of shares by Directors, supervisors, managers and shareholders with more than 10% shareholding in the most recent year up till the publication date of this annual report. If the counterparty to whom the shares are transferred or pledged is a related party, the name of such counterparty, its relationship with the Company, Directors, supervisors, managers and shareholders holding more than 10% of the total shares of the Company, and the number of shares acquired or pledged shall be disclosed.

Shareholding changes of Directors, supervisors, managers, and major shareholders

| Title (Note 1) | Name | 2024 | | Current year up to March 31 | |
|--|--|------------------------------------|---|------------------------------------|---|
| | | Increase (decrease) of held shares | Increase/decrease in the number of shares pledged | Increase (decrease) of held shares | Increase/decrease in the number of shares pledged |
| Chairman | Hong En Co., Ltd. Representative: WU, HSIN-HUNG | - | - | - | - |
| Vice chairman | CHENG QIAN CO., LTD. Representative: SHIEH, MUNG-SHIUNG | - | - | - | - |
| Director | JI ZHEN CO., LTD Representative: LI, WEN-TSUNG | - | - | - | - |
| Director | Chaojia Investment Co., Ltd. Representative: CHANG, MAO-SUNG | - | - | - | - |
| Director | Hong En Co., Ltd. Representative: WU, TONG-SHENG | - | - | - | - |
| Director | Shin Kong Wu Huo-Shih Memorial Hospital Representative: HUNG, TZU-JEN | - | - | - | - |
| Director | Mao Wei Investment Co., Ltd. Representative: WU, TUNG-SHENG | - | - | - | - |
| Director | HO, YING-LAN | (240,000) | - | (7,000) | - |
| Major shareholder | Shin Kong Textile Co., Ltd. | 8,000 | 8,000,000 | - | (9,000,000) |
| Independent director | CHOU, HSIEN-TSAI | - | - | - | - |
| Independent director | YEN, CHANG-SHOU | - | - | - | - |
| Independent director | WANG, JUI-YU | - | - | - | - |
| President | HO, YING-LAN | (240,000) | - | (7,000) | - |
| Senior Vice President | TU, KUN-YI | (6,000) | - | - | - |
| Senior Vice President | LIU, CHUNG-WEN | - | - | - | - |
| Senior Vice President | LIU, TING-CHING | - | - | - | - |
| Senior Vice President | LO, KUO-FENG | (1,000) | - | - | - |
| Vice President | YANG, JUN-YAN | (4,300) | - | - | - |
| Vice President | YEH, JIH-CHIN (Date of release: 08/15/2024) | - | - | - | - |
| Vice President | TSAI, SHIH-HSIEN | - | - | - | - |
| Vice President | CHANG, HUNG-CHI (Date of release: 05/01/2024) | - | - | - | - |
| Vice President | LI, SI-YI | - | - | - | - |
| Vice President | TSENG, KUO-HUI | - | - | - | - |
| Vice President | LIN, HSIEN-TANG | (3,700) | - | - | - |
| Vice President (Finance Supervisor) | WANG, TAI-YU | - | - | - | - |
| Vice President | WANG, YU-SHENG | 4,000 | - | - | - |

| Title (Note 1) | Name | 2024 | | Current year up to March 31 | |
|----------------------------------|---|------------------------------------|---|------------------------------------|---|
| | | Increase (decrease) of held shares | Increase/decrease in the number of shares pledged | Increase (decrease) of held shares | Increase/decrease in the number of shares pledged |
| Vice President | PENG, CHIH-HENG | 4,000 | - | - | - |
| Vice President | CHENG, WEI-CHAO | (131) | - | - | - |
| Vice President | PENG, WEI-WEN | - | - | - | - |
| Vice President | HSUEH, YU-CHENG | - | - | - | - |
| Vice President | YANG, YUEH-TSANG | (9,000) | - | - | - |
| Assistant Manager | KAO, JUI-TSE | - | - | - | - |
| Assistant Manager | HSU, LING-JUNG (Date of release: 04/30/2024) | (6,000) | - | - | - |
| Vice President | WU, YU-LUNG | 1,000 | - | - | - |
| Vice President | LO, KUO-FENG | - | - | - | - |
| Manager | YANG, CHING-WEN | - | - | - | - |
| Manager | HUANG, PO-CHIEN | (2,000) | - | - | - |
| Manager | LI, YUN-HSUAN | - | - | - | - |
| Manager | LIU, HSIAO-CHUNG | - | - | - | - |
| Manager | CHANG, CHIH-TUNG | - | - | - | - |
| Manager | CHEN, ZHAO-XIONG | - | - | - | - |
| Manager | HAN, KUO-HSUAN | (3,000) | - | - | - |
| Manager | YANG, CHIH-YU (Date of assuming the post: 08/15/2024) | - | - | - | - |
| Manager | LIU, CHIA-YU | - | - | - | - |
| Manager | LU, YEN-LUNG | - | - | - | - |
| Manager | ZHANG, YI-MING (Date of release: 03/15/2024) | - | - | - | - |
| Manager | LIU, CHIH-CHIEN | (2,000) | - | - | - |
| Manager | TSAI, MENG-CHANG | - | - | - | - |
| Manager | WANG, HUI-CHEN | - | - | - | - |
| Manager | CHANG, PAO-KUEI | (1,800) | - | - | - |
| Manager | WANG, AN-KAI | (5,300) | - | - | - |
| Manager | CHANG, MEI-YAO | - | - | - | - |
| Manager | HSIAO, SHU-CHEN | - | - | - | - |
| Manager | CHIANG,SHIH-MENG (Date of assuming the post: 05/01/2024) | - | - | - | - |
| Manager | WANG, CHUN-CHUEH (Date of assuming the post: 05/01/2024) | - | - | - | - |
| Manager | KO, CHIH-CHUNG | (21,300) | - | - | - |
| Manager | CHUANG, PEI-CHUN | - | - | - | - |
| Manager | Chun-Chieh Chen (Date of assuming the post: 03/01/2025) | - | - | - | - |
| Senior Deputy Manager | WANG, TING-CHIEH | - | - | - | - |
| Assistant Manager | HUNG, MING-YUEH (Date of release: 08/15/2024) | - | - | - | - |
| Manager (Accounting Department) | TSENG, YA-FANG | - | - | - | - |

Note 1: The listed title is the Internal title of the Company.

Note 2: The following table should be completed if the counterparties to the equity transfer or equity pledge are related parties.

Information on transfer of shareholding

| Name (Note 1) | Reasons for Transferring Shares (Note 2) | Date of transaction | Counterparty | Counterparty's relationship with The Company, Directors, Supervisors, Managers, and shareholders with more than 10% ownership interest | Number of shares | Transaction price |
|---------------|--|---------------------|--------------|--|------------------|-------------------|
| None | None | None | None | None | None | None |

Note 1: Filled out with the names of the Company's Directors, supervisors, managers, and shareholders with more than ten percent of the shares.

Note 2: Filled out with acquisition or disposal.

Information on pledged shares

| Name (Note 1) | Reason for change in collateralized shares (Note 2) | Date of change | Counterparty | Counterparty's relationship with The Company, Directors, Supervisors, Manager, and shareholders with more than 10% ownership interest | Number of shares | Shareholding ratio | Percentage placed as collateral | Amount secured (redeemed) |
|---------------|---|----------------|--------------|---|------------------|--------------------|---------------------------------|---------------------------|
| None | None | None | None | None | None | None | None | None |

Note 1: Filled out with the names of the Company's directors, supervisors, managers, and shareholders with more than ten percent of the shares.

Note 2: Fill in whether it is pledged or redeemed.

VII. Information on shareholders with top 10 shareholdings who are related parties, spouses, or relatives within the second degree of kinship :

| Name (Note 1) | Held by shareholder | | Shareholdings of spouse, minor children | | Total shares held by the person under others' names | | Spouse, Relative Of Second Degree Or Closer, Or Related Parties Defined In Statement Of Financial Accounting Standards No. 6 Among The Top Ten Shareholders; State Their Names And Relationships. (Note 3) | | Remarks |
|---|---------------------|--------------------|---|--------------------|---|--------------------|--|--|---------------------------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| SHINKONG TEXTILE CO., LTD | 51,547,530 | 16.31% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | 19,000,000 shares pledged |
| Representative of SHINKONG TEXTILE CO., LTD: WU, XIN-EN | 900 | 0.00% | 0 | 0.00% | 0 | 0.00% | Hong En Co., Ltd | The representative is a relative within the second degree of kinship | |
| SHINKONG CO., LTD. | 16,061,515 | 5.08% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of SHINKONG CO., LTD.: PENG, HSUEH-FEN | 4,000 | 0.00% | 0 | 0.00% | 0 | 0.00% | Hong En Co., Ltd | The representative is a relative within the second degree of kinship | |
| Shin Kong Life Insurance | 13,048,000 | 4.13% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Shin Kong Life Insurance: Wei Bao-Sheng | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Bank of Taiwan, Custodian of the Yuanta Taiwan High Dividend Low Volatility | 12,055,000 | 3.82% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |

| Name (Note 1) | Held by shareholder | | Shareholdings of spouse, minor children | | Total shares held by the person under others' names | | Spouse, Relative Of Second Degree Or Closer, Or Related Parties Defined In Statement Of Financial Accounting Standards No. 6 Among The Top Ten Shareholders; State Their Names And Relationships. (Note 3) | | Remarks |
|---|---------------------|--------------------|---|--------------------|---|--------------------|--|--|---------|
| | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Number of shares | Shareholding ratio | Name | Relationship | |
| ETF Securities Investment Trust Fund Account | | | | | | | | | |
| Hong Pu Co., Ltd. | 7,412,900 | 2.35% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Hong Pu Co., Ltd.: LI, BI-FANG | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Cosmos Hotels & Resorts | 6,439,000 | 2.04% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Cosmos Hotels & Resorts: CHANG, MAO-SONG | 614 | 0.00% | 29,060 | 0.01% | 0 | 0.00% | KONG MIN ENTERPRISES CO., LTD. | The representative is the same person | |
| KONG MIN ENTERPRISES CO., LTD. | 6,115,472 | 1.94% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Kong Min Enterprise Co. Ltd.: CHANG, MAO-SONG | 614 | 0.00% | 29,060 | 0.01% | 0 | 0.00% | Cosmos Hotels & Resorts | The representative is the same person | |
| Qian Chengyi CO., LTD. | 5,466,533 | 1.73% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Qian Chengyi CO., LTD.: QIU, WEI-PING | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Hong En Co., Ltd | 4,514,986 | 1.43% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Hong En Co., Ltd.: SUN, RUO-NAN | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | SHINKONG TEXTILE CO., LTD | The representative is a relative within the second degree of kinship | |
| | | | | | | | SHINKONG CO., LTD. | The representative is a relative within the second degree of kinship | |
| Beitou Hotel Co., Ltd. | 4,070,740 | 1.29% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |
| Representative of Beitou Hotel Co., Ltd.: WU, BANG-SHENG | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | Omitted | Omitted | |

Note 1: Illustrate the top-ten shareholders. The name of the corporate shareholders and the name of its representative should be illustrated separately.

Note 2: The calculation of shareholding ratio refers to the shareholding ratio calculated in accordance with the shareholding of the shareholders, spouse, minor children, and in the name of others.

Note 3: The relationship among the shareholders (including legal person and natural person) in the preceding paragraph should be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

VIII. Number of shares held by the Company, Directors, managers of the Company, and businesses directly or indirectly controlled by the Company in a single investee company and the consolidated shareholding ratio: No such situation.

Three. Funding Status

I. Capital and Shares

(I) Source of Capital

Source of Capital

| Month, Year | Issuing price (NT\$) | Authorized capital | | Paid-up capital | | Remarks | | |
|----------------|----------------------------|--|------------------------------|---------------------------------------|---------------------------|--|---|--------|
| | | Number of shares (in thousands) | Amount (NT\$ thousand) | Number of shares (in thousands) | Amount (NT\$ thousand) | Source of capital | Using property other than cash as payment of shares | Other |
| 1963/05 | 10 | 3,200 | 32,000 | 3,200 | 32,000 | Authorized capital of NT\$32,000,000 at the time of establishment, \$16,000,000 collected for the first time and \$16,000,000 for the second time | None | None |
| 1977/11 | 10 | 10,000 | 100,000 | 5,440 | 54,400 | Increased capital from earnings of NT\$6,000,000 Increased capital from the capital surplus of NT\$16,400,000 | None | None |
| 1978/06 | 10 | 10,000 | 100,000 | 10,000 | 100,000 | Increased capital from earnings of \$6,432,000 Increased capital by cash of \$39,168,000 | None | None |
| 1984/05 | 10 | 20,000 | 200,000 | 16,500 | 165,000 | Increased capital from earnings of NT \$9,000,000 Increased capital from the capital surplus of NT\$16,000,000 Increased capital by cash NT\$ 40,000,000 | None | None |
| 1987/10 | 10 | 20,000 | 200,000 | 18,150 | 181,500 | Increased capital from earnings of NT\$16,500,000 | None | None |
| 1988/10 | 10 | 20,000 | 200,000 | 19,965 | 199,650 | Increased capital from earnings of NT\$18,150,000 | None | None |
| 1995/05 | 10 | 50,000 | 500,000 | 30,000 | 300,000 | Increased capital by cash of NT\$ 100,350,000 | None | Note 1 |
| 1995/09 | 10 | 50,000 | 500,000 | 35,000 | 350,000 | Increased capital from earnings NT\$50,000,000 | | None |
| 1996/09 | 10 | 50,000 | 500,000 | 43,500 | 435,000 | Increased capital from earnings \$50,000,000 Increased capital from the capital surplus of NT\$35,000,000 | None | Note 3 |
| 1997/08 | 10 | 150,000 | 1,500,000 | 104,980 | 1,049,800 | Increased capital by cash NT\$ 614,800,000 | None | Note 4 |
| 1998/08 | 10 | 150,000 | 1,500,000 | 115,478 | 1,154,780 | Increased capital from the capital surplus of NT\$ NT\$104,980,000 | None | Note 5 |
| 1999/03 | 10 | 150,000 | 1,500,000 | 130,000 | 1,300,000 | Increased capital by cash NT\$145,220,000 | None | Note 6 |
| 1999/08 | 10 | 210,000 | 2,100,000 | 150,020 | 1,500,200 | Increased capital from earnings NT\$62,400,000 Increased capital from the capital surplus of NT\$137,800,000 | None | Note 7 |
| 2000/08 | 10 | 210,000 | 2,100,000 | 180,024 | 1,800,240 | Increased capital from earnings NT\$150,020,000 Increased capital from the capital surplus of NT\$150,020,000 | None | Note 8 |
| 2001/08 | 10 | 210,000 | 2,100,000 | 202,167 | 2,021,670 | Increased capital from earnings NT\$72,009,600 Increased capital from the capital surplus of NT\$149,419,920 | None | Note 9 |

| Month, Year | Issuing price (NT\$) | Authorized capital | | Paid-up capital | | Remarks | | |
|-------------|----------------------|---------------------------------|------------------------|---------------------------------|------------------------|---|---|---------|
| | | Number of shares (in thousands) | Amount (NT\$ thousand) | Number of shares (in thousands) | Amount (NT\$ thousand) | Source of capital | Using property other than cash as payment of shares | Other |
| 2002/08 | 10 | 215,000 | 2,150,000 | 212,275 | 2,122,753 | Increased capital from earnings NT\$101,083,470 | | None |
| 2004/08 | 10 | 250,000 | 2,500,000 | 228,196 | 2,281,959 | Increased capital from earnings NT\$133,733,424 Increased capital from the capital surplus of NT\$25,473,036 | None | Note 11 |
| 2005/08 | 10 | 254,000 | 2,540,000 | 251,016 | 2,510,155 | Increased capital from earnings NT\$205,376,346 Increased capital from the capital surplus of NT\$22,819,594 | None | Note 12 |
| 2006/08 | 10 | 350,000 | 3,500,000 | 271,097 | 2,710,968 | Increased capital from earnings NT\$150,609,323 Increased capital from the capital surplus of NT\$50,203,107 | None | Note 13 |
| 2007/08 | 10 | 350,000 | 3,500,000 | 300,917 | 3,009,174 | Increased capital from earnings NT\$271,096,782 Increased capital from the capital surplus of NT\$27,109,678 | None | Note 14 |
| 2008/08 | 10 | 350,000 | 3,500,000 | 315,963 | 3,159,633 | Increased capital from earnings NT\$123,376,151 Increased capital from the capital surplus of NT\$27,082,569 | None | Note 15 |

- Note 1: Approved by letter (1995) Tai-Cai-Sheng (1) No. 53752
Note 2: Approved by letter (1995) Tai-Cai-Sheng (1) No. 39290
Note 3: Approved by letter (1996) Tai-Cai-Sheng (1) No. 41138
Note 4: Approved by letter (1997) Tai-Cai-Sheng (1) No. 40519
Note 5: Approved by letter (1998) Tai-Cai-Sheng (1) No. 59063
Note 6: Approved by letter (1999) Tai-Cai-Sheng (1) No. 109780
Note 7: Approved by letter (1999) Tai-Cai-Sheng (1) No. 67525
Note 8: Approved by letter (2000) Tai-Cai-Sheng (1) No. 55857
Note 9: Approved by letter (2001) Tai-Cai-Sheng (1) No.137331
Note 10: Approved by letter (2002/07/04) Tai-Cai-Sheng (1) No.0910136764
Note 11: Approved by letter (2004/07/20) Jing-Guan-Zheng-Yi-Zi No. 093132429
Note 12: Approved by letter (2005/07/20) Jing-Guan-Zheng-Yi-Zi No. 0940127001
Note 13: Approved by letter (2006/07/25) Jing-Guan-Zheng-Yi-Zi No. 0950131230
Note 14: Approved by letter (2007/08/01) Jing-Guan-Zheng-Yi-Zi No. 0960039174
Note 15: Approved by letter (2008/08/05) Jing-Guan-Zheng-Yi-Zi No. 0970037816

(II) Share Type

| Share Type | Authorized capital | | | Remarks |
|-----------------|---------------------------|-----------------|-------------|---------------|
| | Outstanding shares (Note) | Unissued Shares | Total | |
| Ordinary shares | 315,963,300 | 184,036,700 | 500,000,000 | Listed shares |

Note: Please indicate whether the shares are listed on TWSE or TPEx (add a note if it is restricted from being listed on TWSE or TPEx).

II. List of major shareholders

List of major shareholders

| Major shareholder | Share | Number of shares held | Shareholding |
|--|-------|-----------------------|--------------|
| Shinkong Textile Co., Ltd. | | 51,547,530 | 16.31% |
| SHINKONG CO., LTD. | | 16,061,515 | 5.08% |
| Shin Kong Life Insurance Co., Ltd. | | 13,048,000 | 4.13% |
| Bank of Taiwan, Custodian of the Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund Account | | 12,055,000 | 3.82% |
| Hong Pu Co., Ltd. | | 7,412,900 | 2.35% |
| Cosmos Hotels & Resorts | | 6,439,000 | 2.04% |
| KONG MIN ENTERPRISES CO., LTD. | | 6,115,472 | 1.94% |
| Qian Chengyi CO., LTD. | | 5,466,533 | 1.73% |
| Hong En Co., Ltd. | | 4,514,986 | 1.43% |
| Beitou Hotel Co., Ltd. | | 4,070,740 | 1.29% |

Note: The names of the top ten shareholders and their shareholding ratio.

III. Dividend Policy and Implementation Status:

1. Dividend policy:

(1). Dividend policy stated in the Articles of Incorporation

If there are any earnings in the Company's annual final accounts, they shall be first applied to pay taxes and make up for the losses. Then, appropriate 20% of the remaining amount as the legal reserve, but when the legal reserve equals the Paid-in Capital of the Company, it is not subject to this requirement. In addition, appropriate or reverse special reserve lawfully. Combine the remaining earnings, if any, with the accumulated undistributed surplus at the beginning of the period and the adjusted amount of undistributed earnings of the year, and the Board shall formulate the proposal for earning distribution and submit it to the shareholders' meeting for resolution.

The Company has adopted a residual dividend policy in order to secure the Company's sustainable development, improve financial planning, enhance the efficiency of capital use, and protect the rights and interests of the investment public. The annual capital need is measured after considering the company's future capital budget plan; also, the surplus is allocated and distributed in accordance with the provision in the preceding paragraph, of which, the distribution of cash dividend should not be less than 25% of the total dividend distributed.

However, if the distribution or restriction of dividends is otherwise stipulated by the law and regulations or the competent authorities, it shall be handled accordingly without being subject to the restriction in the preceding paragraph.

(2). Specified dividend policy

Historical dividend distribution

| <u>Year</u> | <u>Cash dividend</u> | <u>Date of distribution</u> |
|-------------|----------------------|-----------------------------|
| 2016 | 1.570 | 105/08/10 |
| 2017 | 1.510 | 2017/08/04 |
| 2018 | 1.820 | 2018/08/01 |
| 2019 | 2.650 | 2019/07/29 |
| 2020 | 1.800 | 2020/08/28 |
| 2021 | 1.950 | 2021/08/17 |
| 2022 | 3.200 | 2022/07/07 |
| 2023 | 2.540 | 2023/07/07 |
| 2024 | 4.990 | 2024/07/08 |

The Articles of Incorporation have not stated the distribution ratio of dividends; however, to reinforce the Company's underwriting capacity and solvency, the adjustments were made with equal considerations given to the long-term financial planning for the capital requirements in the investment environment in the future, appropriate satisfaction to shareholders regarding their requirements for cash inflow, and other factors after a resolution was made at the shareholders' meeting.

Regarding the estimated dividend distribution principle for the following three years, the earnings available for distribution shall be the earnings from the final account after paying taxes, compensating losses from previous years, providing statutory surplus reserve, special surplus reserve, and remunerations of directors and employees; the dividend distributed shall be no less than 30% of the earnings available for distribution increased during the year, and the cash dividend shall be no less than 25% of the total dividend.

2. Dividend distribution proposed at the shareholders' meeting:

The Board meeting passed the 2024 earning distribution proposed on March 7, 2025, and the proposal will be submitted to the shareholders' meeting for resolution; the distribution is as follows:

Distribute cash dividends from earnings; a distribution of NT\$7.15 per share shall be made, NT\$2,259,138 thousand in total.

3. Estimated material changes: None.

IV. The impact of the proposed stock dividend in the shareholders' meeting on the Company's operating performance and earnings per share: Not applicable

V. Remuneration for employees and Directors :

- (I) The percentage and range of remuneration for employees and Directors as set forth in the Articles of Incorporation.
- As set forth in Article 27 of the Article of Incorporation, The Company may apply the profits, if any, for the distribution of remunerations to employees and directors as follows: However, if there remains accumulated loss, the company shall reserve funds for making up the loss in advance.
- (1) Employee remuneration shall not be less than 1%
 - (2) Director remuneration shall not be more than 2%.
- The remuneration to employees is paid in the form of share or cash dividends. The remuneration to Directors is paid in the form of cash, which is to be carried out by the Board of Directors with the presence of more than two-thirds of the Directors and resolved by more than half of the Directors present; also, it should be reported to the shareholders' meeting.
- (II) The basis for estimating the amount of employee and director compensation, calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure the current period.
- (1) The amount of the employees' remuneration of the Company for the year of 2024 is within the range specified in the Articles of Incorporation. According to the company's 2024 profit status, the the year of 2024 employee remuneration and director's remuneration are estimated at 4.8% and 1.6%, and the remunerations recognized for employees and directors were NT\$ 205,570 thousand and NT\$ 68,523 thousand.
 - (2) The basis for calculating the number of shares to be distributed as employee compensation: None.
 - (3) If there is a discrepancy between the estimated amount in the current period and the actual amount distributed by the resolution of the board of directors, it will be listed as the annual profit and loss of the next year.
- (III) Information on proposed employee remuneration as approved by the Board of Directors.
- (1) Remuneration for employees (including managers'): NT\$ 205,570 thousand
 - (2) Remuneration for Directors: NT\$ 68,523 thousand
 - (3) Number of employee bonus shares proposed to be distributed in stock: None
- There is no difference between the above-proposed employee and Director remuneration and the expense recognized in 2024.
- (IV) The actual distribution of employees' and Directors' remuneration (including the number of shares distributed, amount and share price) in the previous year, and the differences in recognition of employees' and Directors' remuneration, together with a description of the differences, the reasons for the differences and the circumstances under which the differences were handled.
- The actual amounts of employees' and Directors' remuneration for 2023 were NT\$204,214 thousand and NT\$ 54,835 thousand, respectively, which were consistent with the amounts estimated in the previous year, and there was no difference.

VI. Repurchase the Company's shares

(1) Repurchases of the Company's shares (for those executed)

December 31, 2023

| Repurchase term (Note) | 1 st time (tranche) | 2 nd time (tranche) | 3 rd time (tranche) | 4 th time (tranche) |
|--|-------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|
| Purpose | Transfer to employees | Transfer to employees | Transfer to employees | Transfer to employees |
| Repurchase period | August 25, 2006 to October 24, 2006 | August 10, 2011 to October 9, 2011 | August 28, 2015 to October 27, 2015 | November 6, 2015 to January 5, 2016 |
| Price range | NT\$9.80 – NT\$19.00 | NT\$11.35 – NT\$30.90 | NT\$14.25 – NT\$32.10 | NT\$16.00 – NT\$33.70 |
| Type and number of shares repurchased | 2,714,000 ordinary shares | 6,119,000 ordinary shares | 27,000 ordinary shares | 1,477,000 ordinary shares |
| Amount of shares repurchased | NTD 35,744,378 | NT\$107,255,271 | NT\$567,375 | NT\$34,383,454 |
| Ratio of repurchased shares to shares repurchase planned | 54.28 | 61.19 | 0.27 | 14.77 |
| Number of shares canceled and transferred | 2,714,000 shares | 6,119,000 shares | 27,000 shares | 1,477,000 shares |
| Accumulated shareholdings of the Company | 0 | 0 | 0 | 0 |
| Ratio of accumulated shareholdings of the Company to total issued shares | 0 | 0 | 0 | 0 |

| Repurchase term (Note) | 5 th time (tranche) | 6 th time (tranche) |
|--|--------------------------------|-------------------------------------|
| Purpose | Transfer to employees | Transfer to employees |
| Repurchase period | March 19, 2020 to May 18, 2020 | August 15, 2024 to October 14, 2024 |
| Price range | NT\$22.60 – NT\$57.10 | NT\$65.31 – NT\$90.61 |
| Type and number of shares repurchased | 50,000 ordinary shares | 0 ordinary shares |
| Amount of shares repurchased | NT\$1,528,149 | 0 |
| Ratio of repurchased shares to shares repurchase planned | 1.00 | 0 |
| Number of shares canceled and transferred | 50,000 shares | 0 |
| Accumulated shareholdings of the Company | 0 | 0 |
| Ratio of accumulated shareholdings of the Company to total issued shares | 0 | 0 |

VII. Corporate bonds: None

VIII. Preferred stocks: None

IX. Overseas depository receipts: None

X. Employee stock options: None

XI. Issuance of new shares in connection with mergers or acquisitions of shares of other companies: None

XII. Implementation of capital utilization plan :

- (I) Plan content: As of the quarter preceding the publication date of the annual report, for previous issues or private placements of marketable securities that have not yet been completed or have been completed within the last three years and the benefits of the plans have not yet been realized, the Company shall provide details of each previous issuance or private placement of marketable securities, including the contents of each change, the source and use of funds, the reasons for the change, the benefits before and after the change, and the date when the change was submitted to the shareholders' meeting, and shall publish the date of input into the information reporting website designated by the authority: None.
- (II) Implementation status: For each of the purposes of the plan mentioned in the preceding paragraph, analyze the implementation status of each plan as of the quarter preceding the publication date of the annual report and compare it with the original estimated benefits. If the progress of implementation or the benefits do not meet the estimated targets, the reasons, the impact on shareholders' equity, and improvement plans should be specified. If the content of each plan in the preceding paragraph fall under the below items, the following shall also be disclosed.
1. In the case of merger or acquisition of other companies, expansion or new construction of fixed assets, a comparison of fixed assets, operating revenues, operating costs and operating profits should be provided: No such matters.
 2. For investment in another company, the operating conditions of the invested enterprise and the effect on the Company's investment income or loss should be explained: No such matters.
 3. If the purpose is to increase operating capital and repay debts, a comparative description of the increase or decrease in current assets, current liabilities and total liabilities, interest expense, operating revenues and earnings per share should be provided, and the financial structure should be analyzed: No such matters.

Four. Operation Overview

I. Description of business

(I) Scope of business

1. Main content: The Company's business is property insurance
2. Business weightage

2023

| Type | Premium revenues (Thousands of NTD) | Weight |
|---------------------------|-------------------------------------|----------|
| Fire insurance | 5, 852, 099 | 22. 26% |
| Marine insurance | 1, 064, 434 | 4. 05% |
| Automobile insurance | 12, 500, 258 | 47. 55% |
| Engineering insurance | 2, 923, 908 | 11. 13% |
| Liability insurance | 2, 282, 337 | 8. 68% |
| Injury & health insurance | 1, 664, 604 | 6. 33% |
| Total | 26, 287, 640 | 100. 00% |

Source: The Non-Life Insurance Association's 2024 industry performance of written policies

3. Current products

- (1) Fire insurance: residential fire insurance, residential earthquake insurance, comprehensive home insurance, commercial fire insurance, commercial earthquake insurance, typhoon and flood insurance.
- (2) Transportation insurance: cargo insurance, hull insurance, fishing vessel insurance, aviation insurance, commercial movable property comprehensive insurance, cargo carrier liability insurance, ocean freight champerty liability insurance.
- (3) Automobile insurance: Any loss of vehicle, any theft loss, any automobile liability insurance, mandatory automobile liability insurance.
- (4) Engineering insurance: construction comprehensive insurance, installation engineering insurance, construction machinery insurance, boiler insurance, machinery insurance, and electronic equipment insurance.
- (5) Liability insurance: general liability insurance, professional liability insurance, guarantee insurance, personal comprehensive insurance, comprehensive commercial insurance, agricultural insurance, other property insurance, and credit insurance.
- (6) Injury insurance: group injury insurance, personal injury insurance, travel safety insurance, and travel comprehensive insurance.
- (7) Health insurance: individual medical insurance, group health insurance.

4. Products and services planned to be developed.

The Company focuses on the research and development of new products, designs diversified product contents, and attaches attention to the principles of damage compensation and reasonable pricing in the hope of developing new business sources and stabilizing premiums from written policies, and in turn, increasing the overall business scale of the Company. At the same time, we will strengthen the selection of quality businesses and implement the underwriting policy of each insurance company, so as to keep the loss ratio within the estimated range and improve the Company's operating profit. In terms of service, we aim to improve the speed and quality of our claims service and strengthen the professional training of our service staff to create a satisfactory and reliable insurance environment for our customers, as the primary goal of ShinKong Insurance Co., Ltd.

(II) Industry overview:

1. Current status and development of the industry

In 2024, the total premiums from written policies in the general property insurance market were \$270.221 billion, representing a growth rate of 10.86%. The following table summarizes the information on each insurance type in the past two years in terms of premiums from written policies, growth rate and percentage.

Unit: NT\$ thousand

| Item \ Year | 2023 | 2024 | Growth rate | Weight |
|---------------------------|-------------|-------------|-------------|--------|
| Fire insurance | 40,192,602 | 45,497,792 | 13.20% | 16.84% |
| Marine insurance | 11,486,497 | 12,728,425 | 10.81% | 4.71% |
| Automobile insurance | 125,055,982 | 134,673,426 | 7.69% | 49.84% |
| Engineering insurance | 11,149,467 | 16,766,576 | 50.38% | 6.20% |
| Liability insurance | 29,847,907 | 33,521,756 | 12.31% | 12.41% |
| Injury & health insurance | 26,008,048 | 27,033,358 | 3.94% | 10.00% |
| Total | 243,740,503 | 270,221,333 | 10.86% | 100% |

Note: Excluding the reinsurance portion

Source: The Non-Life Insurance Association's 2024 industry performance of written policies

2. Correlation among the upstream, midstream and downstream industries

The Company is in the property insurance industry and not in the manufacturing industry, so it is engaged only in the sale of various types of property insurance and its related business operations.

3. 2024 Various development trends and competition of products

Automobile insurance: The automotive market has returned to pre-pandemic levels, and the overall motor insurance market is expected to experience steady growth in 2025. On the business front, in addition to actively targeting the new car insurance segment and improving renewal rates among existing policyholders, efforts are being made to develop new distribution channels and expand new business. On the product side, in order to maintain adequate premium levels, the company will adjust product rates in response to market changes. Through professional and flexible underwriting guidelines, the company aims to increase the proportion of high-quality business and will regularly review the structure of each business line to ensure balanced development, thereby further enhancing underwriting profitability.

Fire insurance: In response to the increasing risks of natural disasters brought by extreme weather in recent years, Shin Kong continues to adhere to a rigorous underwriting policy. By adopting adequate premium rates and reasonable reinsurance arrangements for risk diversification, the company aims to attract high-quality business and improve renewal rates, thereby enhancing underwriting profitability while maintaining stable operations.

Marine insurance: With inflationary pressures easing and major economies beginning interest rate cuts, global trade momentum has generally rebounded. Increased capital

expenditures by leading international manufacturers have also supported growth in information technology and electronic product exports. However, global economic uncertainty persists due to tariff-related issues. As demand for goods directly impacts the growth of the marine insurance market, the company will continue to pursue quality business under its current underwriting policies and appropriately use facultative reinsurance to diversify risk, thereby improving underwriting performance.

Engineering Insurance: The government continues to expand investment in both private and public infrastructure projects, including multiple lines of the Taipei and Kaohsiung MRT systems, the construction of large-scale power plants, and the three-section Taoyuan railway underground project. Although market competition has intensified compared to last year following a period of rate increases, the overall market outlook and volume of projects suggest that there is still room for growth in engineering insurance this year. The company will actively pursue large-scale engineering projects while also capturing high-quality small to mid-sized projects. For high-risk underwriting cases, careful assessment and rate adjustments will be implemented, along with reinsurance arrangements to diversify risk, all aimed at strengthening risk control and enhancing underwriting profitability.

Liability insurance: The company will continue to respond to government regulations mandating compulsory liability insurance and to the growing public infrastructure investment driven by the green energy industry. As businesses align with industrial development, demand for liability insurance is expected to rise. In response, the company is actively developing policy-based insurance and expanding quality customer segments, while continually reviewing its business structure. By leveraging its professional expertise and claims handling experience, the company aims to enhance the quality of its underwriting portfolio.

Personal Accident and Health Insurance: The travel insurance market is expected to see steady premium growth in 2025. The company will continue its proactive strategy in expanding travel insurance through both product offerings and distribution channels. For group and individual accident insurance, the company will attract business with appropriately structured premium rates and work to improve renewal rates. In addition, it will actively assess the development of its business structure to enhance underwriting profitability.

(III) Technology and R&D overview: Please refer to item (V) of the 2024 Business Report.

(IV) Short and long-term business development plan:

1. Short-term plan
 - (1) Expand market share for market ranking.
 - (2) Grasp the opportunity of the Internet and strengthen e-commerce.
 - (3) Eliminate non-performing businesses and develop quality businesses.
 - (4) Increase renewal rate and retain existing customers.
 - (5) Implement business restructuring and balance development.
 - (6) Develop innovative products and improve market diversity.
 - (7) Implement internal operation control system and sound legal compliance.
2. Long-term plan
 - (1) Continuing education and training to enhance the underwriting claims profession.
 - (2) Customer-oriented to improve customer satisfaction.

- (3) Develop various quality channels and expand related businesses.
- (4) Deepen the bank and local channels to strengthen customer trust.
- (5) Integrate the company's overall resources and professional division of labor, and give full play to efficient team spirit.
- (6) Stable growth to enhance underwriting profitability.

II. Market and Production and Sales Overview

(I) Market analysis

1. The Company's main products (services) are sold (provided) in the following regions: Taiwan, Penghu, Kinmen, and Matsu regions of the Republic of China.
2. Market share in 2024: Approximately 9.73%
3. Future market supply/demand and growth potentials

Taiwan's overall general property insurance market is limited in size and greatly influenced by economic factors, and with the increasing liberalization of the general insurance market and the impact of rate liberalization in recent years, the market is under greater competitive pressure. The market has shown the phenomenon that the winner takes it all, and the powerful are always powerful. The top five insurance companies have a market share of over 60%. All the property insurance companies are seeking to improve the quality of their services, reduce costs and respond to market changes with marketing strategies in order to compete for limited market resources.

(1) Domestic market supply forecast

Under the government's policy of promoting economic liberalization and internationalization and liberalizing the establishment of insurance companies, there were 14 domestic companies and several foreign companies as of the end of 2022. It is expected that the market will become more competitive in the future. The top five insurance companies have accounted for more than 60% of the market, and the market has shown the phenomenon that the winner takes it all and the powerful are always powerful, making the market increasingly competitive for smaller companies.

(2) Domestic market supply forecast

The demand for insurance is closely related to economic growth and national income. In recent years, the domestic economy has grown steadily, coupled with the popularity of education, the concept of insurance risk transfer has become more mature, and the increase in various emerging risk products has contributed to the expansion of the general insurance market. The domestic economy is expected to continue to recover with the releases of pandemic control measures one after another in 2023, and the awareness of insurance is expected to increase, and under the influence of many factors, such as policy liberalization, the demand in the domestic market is expected to increase in 2023.

4. Expected sales volume and its basis, competitive niche.

Based on the above factors, it is expected that the overall market will continue to grow steadily in 2023, and the company will maintain steady growth based on the following competitive advantages.

(1) Policy liberalization and expansion of the overall market size.

(2) Actively deploy in the e-commerce market to seize online business opportunities.

(3) The affiliated enterprise group includes banks, life insurance companies and insurance brokerage with abundant resources.

(4) Further cultivate the banking channel and develop quality business.

- (5) Coach corporate insurance talents and strengthen the development of corporate clients.
 - (6) Develop quality channels for auto insurance and sales channels for car dealers.
 - (7) Grasp emerging risk opportunities and actively develop new products and services.
5. Analysis of the advantages and disadvantages of the development prospect and countermeasures.
- (1) Advantages:
 - A. Long history, rich insurance experience and professional talents.
 - B. High brand awareness, diversified affiliates, and good strategic cooperation benefits.
 - C. Customer service-oriented and ethical corporate operation.
 - D. The third largest insurance company, with market influence and competitiveness.
 - E. Steady operation, stringent risk control, financial soundness, excellent credit rating.
 - F. Good employee quality, professional young management team
 - G. Emphasis on professional training, education and training was recognized by the Insurance Excellence Award "Talent Training Excellence Award," the Ministry of Labor "Taiwan Training Quality (TTQS) Silver Medal," and "Faith, Hope & Love Awards of Insurance – Best Insurance Professional Award."
 - H. The whole province is connected by video, and there is a zero-time lag in the delivery of orders and education training.
 - I. Powerful MIS core information system to provide various cross-platform insurance services.
 - J. Premium operations; we received the honorary gold award under the "Taiwan Outstanding Insurance Award," a national award for the insurance industry" in terms of risk management, insurance customer services, and promotion of compulsory automobile liability insurance.
 - K. Establish an internal control system in accordance with laws and regulations to implement risk control and corporate governance.
 - L. Implement ESG development, promote green finance, care for the disadvantaged and public welfare, and improve corporate governance; we were recognized with the "Taiwan Outstanding Insurance Award – Social Care Silver Award" and the "Best Insurance Rating – Best ESG Award" and Faith, Hope & Love Awards of Insurance –Best Social Responsibility Award" with favorable social images.
 - (2) Disadvantages:
 - A. The market has become more competitive with the entry of new operators.
Countermeasures: Consolidate the original customer base and explore new business opportunities by strengthening channel development and product differentiation.
 - B. The social climate has changed for the worse, and moral risks have increased.
Countermeasures: Strengthen professional training in underwriting and use the information for comparison and screening, develop AI assistance and use Big Data for data analysis and comparison to reduce the generation of risks.
 - C. External policy factors affect the investment environment and the outward migration of industries to reduce the market size.
Countermeasures: Establish OIU business to undertake foreign business and cultivate international reinsurance talents.

D. In recent years, domestic natural disaster losses have affected foreign reinsurance companies' ability to take on gains and losses, and the cost of reinsurance arrangements has increased.

Countermeasures: Improve underwriting risk identification and capital utilization efficiency to increase retention appetite. Develop excellent reinsurance and actuarial staff to properly arrange underwriting risks.

(V) Key applications and production processes of major products

1. Important Uses

The main function of property insurance is to transfer the risk away from the policyholder by paying the premium and to provide protection and damage prevention services.

2. Production Process

The insurance products designed and issued by the property insurance company must be approved by the relevant regulations in accordance with the loss rate and cost rate, and the policy terms must be approved by the competent authorities before issuance.

(III) Supply of major raw materials: The Company is not a manufacturing company, so it is not applicable.

(IV) List of major suppliers and customers for the most recent 2 years

1. The names of customers who have accounted for more than 10% of the total sales in any of the most recent 2 years and the amounts and percentages of sales: None.

2. The names of suppliers who have accounted for more than 10% of the total sales in any of the most recent 2 years and the amounts and percentages of purchases: None.

III. The information on employees within the last two years and up to the printing date of the annual report

| | | March 31, 2025 | | |
|--------------------------|------------------------|-----------------------|--------|---|
| Item | Year | 2023 | 2024 | Current year as of March 31, 2025 |
| Number of employees | Headquarters | 417 | 416 | 436 |
| | Branches | 1, 120 | 1, 105 | 1, 129 |
| | Total | 1, 537 | 1, 521 | 1, 564 |
| Average age | | 39 | 40 | 40 |
| Average seniority | | 11.59 | 12. 28 | 12. 44 |
| Education distribution % | Doctor | 0 | 0 | 0 |
| | Master | 5. 66 | 5. 26 | 5. 24 |
| | University and college | 88. 61 | 89. 35 | 88. 43 |
| | High school | 5. 73 | 5. 39 | 6. 33 |
| | Below high school | 0. 00 | 0. 00 | 0. 00 |

IV. Information on environmental protection expenditures :

The Company is engaging in the insurance service industry and has no significant contamination; therefore, this is not applicable.

V. Labor Relations :

The Company follows the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and abides by government labor laws to formulate policies to protect human rights such as the Employee Work Rules and the Key Points for the Prevention and Treatment of Sexual Harassment, to create an employment environment of gender equality and non-discrimination, and to establish a diverse and effective communication mechanism to protect employees' human rights, employment freedom, humane treatment, sound salary and benefits, training and development opportunities, and equal employment opportunities.

The company strictly abides by the government's labor standards laws and human rights-related laws. In 2024, there were no complaints of discrimination or human rights violations, nor were there any cases involving discrimination, use of child labor, violation of freedom of association and collective agreements, forced or compulsory labor, violation of indigenous rights, or human rights-related complaints through formal mechanisms.

Employees are an important human asset of the company. The company implements the provisions of laws and regulations, through fair and open recruitment channels, based on professional ability and suitability. The selection mechanism is based on merit and is not affected by factors such as race, ideology, religion, party, place of origin, gender, sexual orientation or marital status. There has never been any violation of human rights and other discrimination incidents, and everyone is guaranteed fair employment and equal opportunities. In addition, in order to comply with international human rights norms, we strictly abide by and implement the prohibition of child labor in recruitment. In addition to stably meeting the overall internal manpower needs, our recruitment policy can also provide sustainable employment and development opportunities for local talents, fulfilling corporate responsibility and giving back to society.

(I) All kinds of employee welfare measures, continuing education, training, retirement system and its implementation, labor agreement, and all kinds of employee rights protection measures:

1. Employees benefit measures:

In addition to statutory entitlements such as vacation, labor insurance, and national health insurance, employees of the Company also receive a birthday leave during their birth month and a monthly meal subsidy for departmental gatherings. The Company also provides group accident insurance for all employees and has established an "Employee Welfare Committee" to promote various welfare initiatives.

The Employee Welfare Committee offers annual travel subsidies, condolence allowances, child education subsidies, wedding and funeral subsidies, marriage and childbirth subsidies, medical subsidies, and holiday gift vouchers. It also collaborates periodically with major vendors to launch special employee discount programs. Furthermore, a subsidy application mechanism is in place for natural disaster and emergency relief.

In addition, the Company has implemented an employee compensation system to ensure that corporate profits are shared with employees..

2. Employee education and training:

The Company actively conducts a variety of on-the-job training programs for employees. In addition to training in various domestic educational institutions, or sending employees to attend seminars and workshops, the Company provides overseas training opportunities for employees in order to enhance their professional skills. With regards to employees' on-the-job training, if an employee meets the requirements of the company's incentive program, he/she will be given a grant for each semester of study. In order to encourage colleagues to further their insurance-related knowledge, we have set up a book club and a database of past exams on underwriting and claims, and collected questions on

underwriting and claims and invited qualified and professional colleagues to provide answers for colleagues' reference. We also provide assistance and rewards such as meal fees and bonuses to encourage colleagues to actively take the exam. In addition, the "e-Learning" platform and video equipment have been built so that colleagues at all locations in the province can learn new knowledge and enrich themselves anytime and anywhere, without the restrictions of time and place. It has obtained the silver medal level in the TTQS assessment of the Development Administration of the Ministry of Labor; in 2023, we received the Outstanding Talent Cultivation Silver Award in the 10th Taiwan Outstanding Insurance Award, in the same year, we obtained the iCAP quality certification for The New Marketing Employee Orientation. This is a recognition of the company's efforts and professionalism in human resources training.

To establish an effective career development training program, pass on the Company's culture and business philosophy, and fulfill its talent cultivation goals, the Company develops an annual education plan each year with relevant training courses. Examples include: onboarding training for new employees, training for newly hired sales personnel, professional workshops and case studies on underwriting and claims, as well as introductions to insurance products.

2024 Employee Training Program Content:

| Item | Training Recipients | Training Topics |
|-----------------------------------|--|--|
| New Employee Training | New Employees | Introduction to Department Functions |
| Sales Onboarding Training | Sales Staff with Less Than 1 Year Tenure | Sales Techniques for Various Insurance Products |
| Underwriting and Claims Workshop | Underwriting / Claims Personnel | Professional Knowledge in Underwriting and Claims |
| Insurance Claims and Case Studies | Claims Personnel | Practical Case Studies on Insurance Claims |
| Insurance Product Introduction | Sales Personnel | Overview and Key Points of Various Insurance Products |
| Underwriting Key Considerations | Underwriting Personnel | Important Considerations for Underwriting Various Insurance Products |
| Others | All Employees | AED/CPR Training and Health Promotion Seminars |

2024 Annual Training Hours, Number of Participants, and Total Expenditure:

| Item | Training Hours | Number of Training Participants |
|-----------------------|----------------|---------------------------------|
| Management Category | 10, 730 | 210 |
| Technical Expertise | 41, 603 | 1252 |
| Product Signature | 729 | 50 |
| Audit Personnel | 546 | 7 |
| Total amount for 2024 | | NT\$8,006 thousand |

3. Retirement system:

The Company's retirement plan is summarized as follows: 5% of the total salaries paid in a given year is allocated and deposited into a dedicated account in the Bank of Taiwan's trustee department; for managers, variable amounts are allocated and deposited into the Labor Retirement Reserve Fund Account.

A. Voluntary retirement:

- (1) Those with more than 25 years of service.
- (2) Those who have at least fifteen years of service and are at least fifty-five years old.
- (3) Those who have at least ten years of service and are at least sixty years old.

B. Compulsory

Retirement:

- (1) Those who are sixty-five years old or older.
- (2) A person who is mentally or physically incapacitated for work.

The above-mentioned retirees are paid with their respective pension plans, for up to 45 months of their pension bases, with an additional 20% for those who suffer from mental or physical disability or serious injury or illness as a result of performing their duties.

The Labor Pension Regulation came into effect on July 1, 2005, and adopts a Defined Contribution Plan. After its implementation, employees may now choose to adopt the pension regulations applicable to the Labor Standards Act or adopt the pension system as stipulated in the Act and retain the work seniority prior to their application of the Act. For those who choose to adopt applicable regulations, the Company shall contribute no less than 6% of the employee's monthly salary to the employee's monthly pension.

4. Labor management agreements

In order to protect the rights and interests of employees and harmonize labor relations, the Company strengthens labor harmony and does two-way communication and coordination to resolve problems. Therefore, there have been no significant unresolved labor disputes up to now.

5. Employee rights protection measures.

The Company has established rules and regulations for the work of its employees and enforces them to protect their rights and interests. Regular quarterly labor-management meetings and Labor Pension Supervisory Committee meetings are held to discuss and record the contents of the meetings on labor relations and retirement issues. A Personnel Review Committee is established to handle the promotion, reward and punishment of employees in a fair and impartial manner. In addition, we have implemented the regulations of the Gender Equality Act in the field of attendance management, maternity leaves without pay, recruitment and sexual harassment prevention.

In addition, we have set up a mailbox for employees' opinions (public@skinsurance.com.tw), and employees can make suggestions for work improvement in a confidential manner. The receiving and responsible unit should handle the matter promptly within the prescribed period and report the result to the president and then reply to the proposer. All matters related to labor laws and regulations may be appealed to the head of each department or the human resources unit.

(II) Formulation of Code of ethical conduct for employees.

The Company's code of conduct and ethics for its employees is set out in the Service Code section of the Work Rules and the Code of Ethical Conduct for employees to follow.

1. Employees shall be loyal to their duties, obey all company rules and orders, and obey the direction and supervision of supervisors at all levels.

2. The staff shall handle the cases as they come and shall not accumulate any backlog. The staff shall keep the documents and properties under their management in the designated place, and shall not take them out or damage them or lose them. In the event of extraordinary events, the staff shall make every effort to make the most appropriate disposal.
3. Employees shall maintain a high degree of confidentiality regarding the Company's business, customer information and trade secrets and shall not disclose them to outside parties or to unrelated colleagues, nor shall they do so after leaving (retiring) the Company.
4. Employees shall not use the name of the Company or the name of their position to assume debts or guarantees for others without authorization.
5. Employees shall not bring prohibited items, dangerous items, or items not authorized or related to official duties into the workplace.
6. Employees are not allowed to bring friends or relatives into the workplace without permission.
7. Employees shall take good care of the public property and shall not steal or arbitrarily damage or waste it; they shall not use public property for private purposes or take it out without permission.
8. Staff members are not allowed to read any cards, forms, documents, correspondence, etc., that are not part of their duties.
9. Staff should always keep the workplace clean and sanitary.
10. Staff should go on and off duty according to the stipulated time and sign in (out) according to the regulations.
11. Staff members shall not use the convenience of their duties for personal gain or to benefit themselves or others.
12. Staff members are not allowed to leave their duties during working hours without permission from their supervisor. If employees are away on business, they must complete the outbound application process.
13. Staff should serve customers honestly.
14. Employees shall abstain from bad habits and shall not take drugs, gamble on the property, or engage in any other behavior that is illegal or detrimental to the reputation of the Company.
15. Employees shall cultivate integrity and take care to protect the reputation of the Company and shall not accept hospitality, gifts or other unlawful benefits through their duties.

(III) Circumstances in which the Company's personnel involved in the transparency of financial information obtain the relevant licenses specified by the competent authorities:

| License type | Organizer | No. of Person |
|--|--|---------------|
| Property insurance salesperson test | The Non-life Insurance Association of the Republic of China | 1, 504 |
| Life insurance salesperson test | The Life Insurance Association of the Republic of China | 904 |
| Investment insurance instrument salesperson test | Taiwan Insurance Institute | 251 |
| Foreign currency non-investment policy salesperson | Taiwan Insurance Institute | 461 |
| Qualification Examination for Property Insurance Underwriting and Claim Settlement Personnel | The Non-life Underwriters Society of the Republic of China | 314 |
| R.O.C. Life Insurance Underwriters and Claim Settlement Personnel | Life Insurance Management Institute of the Republic of China | 27 |
| Regular member of the Actuarial Institute of the Republic of China (Taiwan) | Actuarial Institute of the Republic of China (Taiwan) | 2 |
| Associate member of the Actuarial Institute | Actuarial Institute of the Republic of | 1 |
| Personal Risk Manager | Risk Management Society of Taiwan | 3 |
| Project Management Professional (PMP) | Project Management Institute | 2 |
| Attorney | Examination Yuan | 1 |
| Fire Protection Technician | Examination Yuan | 1 |

(IV) Work Environment and Employee Safety and Health Protection Measures and Their Implementation Status :

1. Access Control Security: The office is equipped with an access control system, and security guards are hired to control the people entering and leaving the office, and security guards are available at night and on holidays to maintain the safety of staff and facilities.
2. Maintenance and inspection of equipment: The Company regularly commissions professional companies to conduct public safety inspections of buildings in accordance with the relevant regulations on public safety inspections of buildings, and uses infrared scanners to check the temperature status of power distribution panels in the headquarters building once every two years to maintain the safety of employees' lives. We also implement and report the maintenance and inspection of fire-fighting apparatus and other equipment on a regular basis by March each year to ensure the safety of the office environment in accordance with the fire-fighting regulations and other relevant provisions. Air conditioning is regularly maintained and cleaned every two years to ensure the air quality in the office.
3. Physiological/mental health: In line with the government's decree and policy, our office is completely smoke-free to maintain the air quality of the working environment. The Company provides employee health checkups every two years with items that are better than the regulations. We select hospitals with TAF certification to conduct

employee health checkups. Health promotion activities (e.g., flu vaccination, smoking cessation classes, weight loss classes) and health seminars (e.g., first aid seminars, AED use seminars, tobacco prevention and control seminars) are held from time to time to keep our employees physically and mentally healthy.

(V) Losses incurred due to labor-management disputes in the most recent year and in the current year up to the date of the publication of the annual report and disclosure of the estimated amount of current or future potential losses and countermeasures:

1. Losses incurred due to labor-management disputes in the most recent year: In the most recent year and in the current year and up to the date of the publication of the annual report, the Company did not suffer any significant losses due to labor disputes.

2. The estimated amount of current or future potential losses and countermeasures:

The Company has applied the provisions of the Labor Standards Act since April 1, 1998. In addition to the employee's entitlement to leave, labor insurance, and national health insurance, the Company also purchases group accident insurance for employees and establishes an "Employee Welfare Committee" to promote various welfare activities, such as club activities and employee travel. In addition, we will cooperate with the company to give gifts, condolences, and memorials in case of marriage, hospitalization, or death. We also actively conduct a variety of on-the-job training programs for employees. In addition to training in various domestic educational institutions, or sending employees to attend seminars, workshops, and further education, the Company provides overseas training opportunities for employees in order to enhance their professional skills. In 2007, the Company established the Employees' Retirement Measures and set aside reserves for employees' pensions, and since 1999, the Company has deposited pension funds in a special account in the Trust Department of the Bank of Taiwan to take care of employees' livelihood. Therefore, labor relations are harmonious. In addition, active labor-management communication and full coordination, as well as employee bonus shares, enable employers and employees to establish mutual assistance and common prosperity, so as to create profits to share together and eliminate the incentive for disputes to arise. In order to protect the rights and interests of employees and harmonize labor relations, the Company strengthens labor two-way communications. Therefore, there have been no significant unresolved labor disputes up to now.

VI. Cybersecurity management

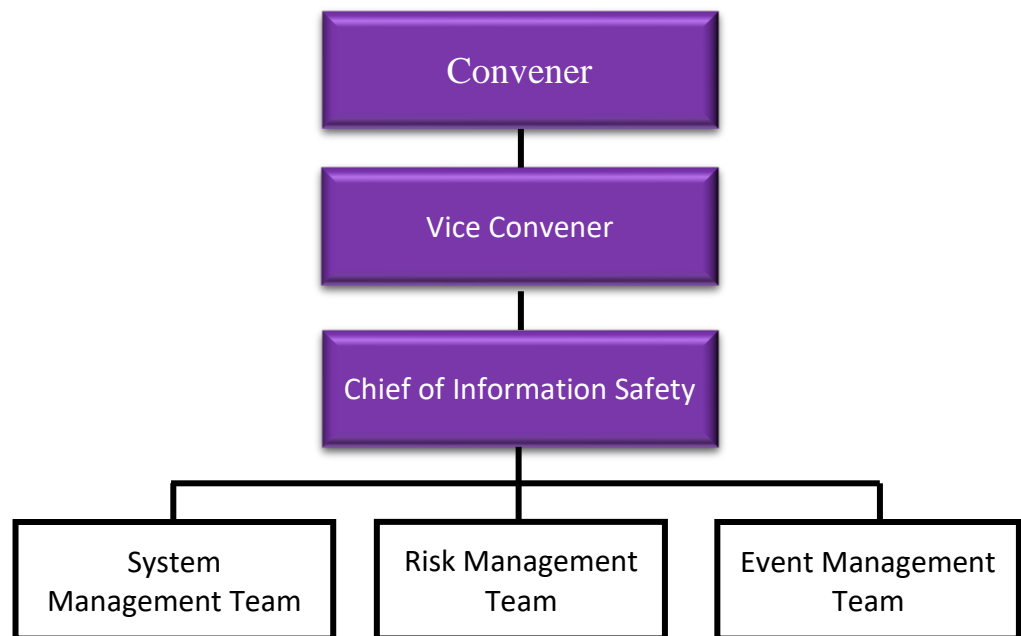
(I) Describe Information Security Risk Management Structure, Information Security Policy, Specified Cybersecurity Management Plan, and Resources Invested in Cybersecurity Safety Management :

1. Information Safety Risk Management Structure

To implement relevant tasks of the information safety management of the Company, coordination for information safety operations between all departments, and external communications, the Company has established and formed the “Information Safety Management Committee” according to the “Information Safety Policy” to coordinate the negotiations and discussions regarding information safety policies, plans, resource allocations, and other matters.

The dedicated information safety unit shall report to the Board regarding the overall execution status of information safety to reinforce information safety protection.

We continue to maintain the effectiveness of the ISMS certification through third-party audits and implement our management systems. The Company has passed the ISO 27001 International Information Safety Certification.



2. Information Security Policy

In order to strengthen our information security management, implement information security policies, and measure and consider the needs of our units to ensure the confidentiality, integrity and availability of information, the reliability of information equipment (including computer hardware, software, and peripherals) and network systems, and the awareness of information security among our employees, and to ensure that the above-mentioned resources are protected from interference, destruction, intrusion, or any adverse actions and attempts by any factors, we have established this policy.

3.Specified Cybersecurity Management Plan

(1) Management side

- ①The company's continuous information security management system (ISMS)certification effectiveness and PDCA cycle implementation were completed on November 20 and November 21, 2024 by the BSI review team in accordance with the ISO/IEC 27001:2022 system.
- ②Cooperate with laws and regulations to regularly carry out various operations of computer system information security assessment (e.g., host operating system vulnerability scanning, external service website penetration testing, web page vulnerability scanning) to ensure the company's information system security protection capabilities.

(2) Technical

- ① We have continuously strengthened our information security defenses to protect the security of our information equipment, and have built firewalls (FireWall) in each network security area, and network application firewall (WAF) and intrusion prevention system (IPS) information security equipment for external Internet services to defend against external attacks.
- ② We have joined F-ISAC to enhance our information security protection capabilities through the information security information provided by F-ISAC.
- ③ The Information Security Monitoring Center (SOC) is outsourced and operates 24/7 for continuous monitoring and maintenance.
- ④ To prevent the accidental transmission, theft, or leakage of personal or sensitive information, we have implemented measures such as external email auditing, control of USB and optical disc external devices, and monitoring of employee internet usage behavior.

4.Invest resources in information security management

The company regards information security as the core asset of the enterprise and invests necessary resources to ensure the effective operation of information security.

Specific projects for investment in information security resources are as follows:

①Information Security Dedicated Personnel

A dedicated Information Security Supervisor and personnel are appointed to be responsible for the planning, implementation, and supervision of the information security management system.

②Information Security Drills

Regular drills are conducted, including operations such as off-site backup system drills, Distributed Denial of Service (DDoS) attack drills, virus outbreaks, and malicious software drills.

③Information Security Equipment

Firewalls, intrusion detection systems, web application firewalls, and other security devices are established to defend against external attacks.

④Information Security Education and Training

Employees receive 3 hours of information security training, while the Information Security Supervisor and dedicated personnel undergo 15 hours of specialized information security training to enhance employee awareness and improve the capabilities of the security personnel.

(II) Set out the losses, possible effects, and countermeasures resulting from significant cybersecurity events in recent years; for those that cannot be reasonably estimated, please describe the fact that cannot be reasonably estimated: None.

VII. Major contracts

| Nature | Party | Effective period | Major contents | Restrictive clause |
|--------------------|---|--------------------------|---|----------------------------|
| Reinsurance treaty | All reinsurers participating in the treaties, of which the lead reinsurers include: Central Re, Munich Re, Swiss Re, SCOR Re, General Re、Trans Re, Korean Re, etc. | 2024.01.01 2024.12.31 | Proportional and non-proportional reinsurance treaties for each line of insurance | According to the agreement |

Five. Review and Analysis of Financial Performance and Results of Operations, and Matters of Risk

I. Financial status

Unit: NT\$ thousand

| Item | Year | 2024 | 2023 | Difference | |
|---|------|-------------------|-------------------|------------------|---------------|
| | | | | Amount | % |
| Cash and cash equivalents | | 14,896,632 | 11,549,324 | 3,347,308 | 28.98% |
| Accounts receivable | | 2,250,214 | 2,192,574 | 57,640 | 2.63% |
| Financial assets and lending | | 25,007,698 | 23,643,530 | 1,364,168 | 5.77% |
| Reinsurance contract assets | | 10,123,560 | 7,368,012 | 2,755,548 | 37.40% |
| Property and equipment | | 1,166,795 | 1,166,760 | 35 | 0.00% |
| Right-of-use assets. | | 32,633 | 16,157 | 16,476 | 101.97% |
| Intangible assets | | 25,970 | 19,169 | 6,801 | 35.48% |
| Other assets | | 1,104,462 | 1,073,232 | 31,230 | 2.91% |
| Total assets | | 54,607,964 | 47,028,758 | 7,579,206 | 16.12% |
| Accounts Payables | | 3,688,499 | 3,099,150 | 589,349 | 19.02% |
| Various financial liabilities | | 108,915 | 30,933 | 77,982 | 252.10% |
| Lease liabilities | | 33,155 | 16,570 | 16,585 | 100.09% |
| Provisions for Insurance liabilities and insurance contracts with financial instruments | | 30,725,011 | 25,594,328 | 5,130,683 | 20.05% |
| Provisions for liabilities | | 19,367 | 51,076 | -31,709 | -62.08% |
| Other liabilities | | 796,944 | 717,872 | 79,072 | 11.01% |
| Total liabilities | | 35,371,891 | 29,509,929 | 5,861,962 | 19.86% |
| Capital stock | | 3,159,633 | 3,159,633 | 0 | 0.00% |
| Capital reserves | | 64,839 | 64,800 | 39 | 0.06% |
| Retained earnings | | 15,235,095 | 13,478,445 | 1,756,650 | 13.03% |
| Other equity | | 776,506 | 815,951 | -39,445 | -4.83% |
| Total equity | | 19,236,073 | 17,518,829 | 1,717,244 | 9.80% |

Those with a ratio of increase or decrease reaching 20% and above with the amount of change reaching NT\$10 million are analyzed as follows:

- (1) Cash and cash equivalents: primarily This is mainly due to the increase in operating profit due to performance growth in this period.
- (2) Reinsurance contract assets :Due to the increase in the asset reserve for reinsurance contracts for natural disaster insurance products in this period.
- (3) Right-of-use assets: Mainly due to the increase in new lease contracts in this period.
- (4) Various financial liabilities: Mainly due to the increase in financial liabilities arising from the valuation unrealized valuation of derivative instruments in this period.
- (5) Provisions for Insurance liabilities and insurance contracts with financial instruments: This is mainly due to the increase in the provision for outstanding claims reserves for natural disaster insurance in this period.
- (6) Provisions for liabilities: Mainly due to the increase in the remeasurement of defined benefit assets of pensions in this period.

II. Financial performance:

Unit: NT\$ thousand

| Item \ Year | 2024 | 2023 | Increase (decrease) | Change, by percentage |
|---|--------------|--------------|------------------------|--------------------------|
| Operating revenues | 20,853,743 | 19,938,669 | 915,074 | 4.59% |
| Operating costs | (12,942,922) | (12,723,662) | (219,260) | 1.72% |
| Operating expenses | (3,908,079) | (3,700,296) | (207,783) | 5.62% |
| Operating income | 4,002,742 | 3,514,711 | 488,031 | 13.89% |
| Non-operating revenues and expenses | 5,876 | 7,986 | (2,110) | -26.42% |
| Net profits before tax from continuing operations | 4,008,618 | 3,522,697 | 485,921 | 13.79% |
| Income tax | (699,338) | (608,514) | (90,824) | 14.93% |
| After-tax profits from continuing operations | 3,309,280 | 2,914,183 | 395,097 | 13.56% |

Those with a ratio of increase or decrease reaching 10% and above are analyzed as follows:

- (1) Operating income: Mainly due to the increase in operating income this year.
- (2) Non-operating revenues and expenses: Mainly due to the decrease in income from various items this year.
- (3) Net profits before tax from continuing operations Before Tax: Mainly due to the increase in operating profit this year.
- (4) Tax Expense: Mainly due to the increase in net profit before tax this year.
- (5) Income from Continuing Operations After Tax: Mainly due to the increase in operating profit this year.

III. Cash flow:

1. Analysis of changes in cash flows during the year

Unit: NT\$ thousand

| Opening cash balance (1) | Net cash flow from operating activities for the whole year (2) | Net cash inflow (outflow) from investment and financing activities (3) | Amount of cash balance (shortfall) (1)+(2)+(3) | Opening cash balance (1) | |
|--------------------------|--|--|--|--------------------------|-------------------------|
| | | | | Investment plans | Wealth management plans |
| 11,549,324 | 5,002,732 | (1,655,424) | 14,896,632 | - | - |

Description of analysis:

- (1) Operating activities: The net cash inflows of NT\$5,002,732 thousand were primarily due to the increase in the financial assets at amortized costs during the period.
- (2) Investing and financing activities: The net cash outflows of NT\$1,655,424 thousand were primarily due to the distribution of cash dividends during the year.

2. Remedies for estimated cash shortfall and liquidity analysis: None.

3. Cash liquidity analysis for the coming year:

Unit: NT\$ thousand

| Opening cash balance (1) | Estimated net cash flow from operating activities for the whole year (2) | Estimated net cash inflow (outflow) from investment and financing activities (3) | Estimated Amount of cash balance (shortfall) (1)+(2)+(3) | Remedies for estimated cash shortfall | |
|---|--|--|--|---------------------------------------|------------------|
| | | | | Investment plans | Investment plans |
| 14, 896, 632 | 2, 000, 000 | (2, 986, 386) | 13, 910, 246 | None | None |
| Description of analysis: | | | | | |
| (1) Operating activities: In 2025, in addition to the continued expansion of market scale, the Company actively and effectively utilizes its capital positions to generate investment benefits, and withdrawal of insurance reserves is stabilizing, so net cash from operating activities is expected to be an inflow. | | | | | |
| (2) Investment and financing activities: We expect to maintain the prudent business pattern and the cash dis according to the projection, but the distribution is still subject to the resolution of the shareholders' me we expect a net cash outflow from investments and financing. | | | | | |

IV. Effect of major capital expenditures on finance and business matters in the most recent year: No effect.

V. The major causes for profits or losses incurred by investments during the most recent year; rectifications and investment plans for the next year: None

VI. Risk matters should be analyzed and assessed for the most recent year and the current year up to the date of publication of the annual report as follows

1. The impact of the changes in the interest rate and exchange rate and inflation on the Company's profitability and future countermeasures

The impact of interest rate changes on the Company's profit or loss is recognized as amortized cost for most of the fixed-income assets that may be affected by interest rate fluctuations, therefore, when interest rates change, fixed-income assets held by the Company will not affect the current profit or loss, and new fixed-income assets purchased by the Company in the future will be recognized mainly at amortized cost. Therefore, the risk of changes in interest rates is relatively small and within the Company's control.

On exchange rate changes, for foreign currency-denominated investment assets, the Company uses currency swap contracts as a hedging instrument and sets foreign exchange risk limits for regular control, so the risk of exchange rate changes should be under control. In the future, the Company's new fixed-income assets denominated in foreign currencies are also required to be fully hedged in order to effectively control the risk of exchange rate fluctuations.

2. Policies on high-risk, highly-leverage investments, lending funds to others, endorsement and guarantee, and derivatives transactions, major reasons for gain or loss, and future countermeasures:

The capital utilization investments engaged by the Company are primarily domestic or foreign listed securities that we do not engage in high-leverage investment. We also established specifications for the "Currency Risks Management System" to organize operations related to finance. In addition, the Company prohibits loans to others and endorsement/guarantee provisions.

The Company's policy is to engage in derivative transactions mainly for hedging purposes to reduce the exchange rate risk arising from the Company's investment activities. The hedging instruments mainly include foreign exchange swaps and forward exchange contracts, etc. The Company's investment policy is not to engage in derivative transactions for trading purposes and to regularly control credit risk, liquidity risk and operational risk.

3. Future research and development plans and estimated research and development expenses:

I. R&D plans for the most recent year

- (1) E-commerce member authentication mechanism adds FIDO biometric quick login.
- (2) The new Oracle database host of the core and B2B systems replaced the old one and went online.
- (3) Deploy RAC high availability architecture on the Oracle database host of the B2B system.
- (4) IFRS17 project introduced into sub-account system.
- (5) Build a data leakage protection system.

II. Current progress of uncompleted R&D plans

- (1) Development and application of intelligent address correction system and insurance GIS policy map.
- (2) Electronic form system upgrade.
- (3) Replacement of network equipment across the company.

III. R&D expenses to be further invested, and the expected completion schedule of mass production

Unit: NT\$ thousand

| Item | R&D expenses | Status | Expected completion time |
|---|--------------|--------|--------------------------|
| Development and application of intelligent address correction system and insurance GIS policy map | 4,000 | 50% | June 2025 |
| Electronic form system upgrade | 8,000 | 20% | December 2025 |
| Replacement of network equipment across the company | 13,000 | 20% | June 2025 |

4. The impact of important domestic and foreign policy and legal changes on the Company's finance and business and corresponding measures: None

5. Effects of changes in technologies (including cybersecurity risks) and industries on the financial operations of the Company and countermeasures:

The application of emerging technologies is both a challenge and an opportunity for industrial development. Our company's information department continues to grasp the latest technological development trends, fully grasps the latest technological development trends, develops new services in a timely manner to assist business development, and continues to invest in research and development resources to meet the trend of the times. In addition, information and communication security has become an important issue in the company's operations. In order to strengthen the management of information and communication security, the company's internal regulations clearly state: It includes the information and communications security risk management framework, information and communications security policies and specific management

plans, and should disclose the losses suffered by major information and communications security incidents, possible impact assessments, etc.

6. The impact of corporate image change on corporate crisis management and Countermeasures:
The company has established internal control and risk management policies to effectively implement internal audits and controls, manage operational risks, and convene response teams for handling unforeseen incidents to minimize their impact. Additionally, relevant information is disclosed on official platforms such as the company's website, insurance industry information disclosure platform, and public information disclosure platform to address public concerns. Furthermore, press releases are issued through reputable media channels to ensure transparency and information disclosure beyond mere acknowledgment.
7. Expected benefits and possible risks of mergers and acquisitions and countermeasures: No such matters.
8. Expected benefits and possible risks of plant expansion and countermeasures: No such matters.
9. Risks of concentrations of purchases or sales and countermeasures: No such matters.
10. The impact on the Company and risks of the massive transfer or change of shares by Directors, supervisors or major shareholders with a 10% stake or more and countermeasures:
There has been no recent significant transfer or change in shareholding of directors, supervisors or major shareholders holding more than 10% of the shares, and therefore there is no impact or risk to the Company.
11. The impact on the Company and risks of change in management rights and countermeasures:
There has been no recent change in management rights, and therefore, there is no impact or risk to the Company.
12. For litigious and non-litigious matters, please list major litigious, non-litigious or administrative disputes that have been resolved or are still proceeding involving the Company and/or any Director, supervisor, President, any person with actual responsibility for the firm and any major shareholder holding a more than 10% of the shares, and the affiliates. Moreover, where such a dispute could materially affect shareholders' equity or the prices of the securities, the annual report shall disclose the facts of the dispute, the amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the publication date of the annual report: No such matters.
13. Other major risks and countermeasures: No such matters.

VII. Other important matters: The structure, organization and authority of risk management of the Company

The risk management-related units of the Company include the Board of Directors, Risk Management Committee, Risk Management Department, and Sales Department.

1. Board of Directors:

The Board of Directors is the Company's highest decision-making body on risk management and undertakes the ultimate responsibility for the company's overall risk management, and its responsibility is as follows:

- (I) Recognize the risks associated with operations and ensure the effectiveness of risk management.

- (II) Set up appropriate risk management mechanisms and risk management culture, approve and review appropriate risk management policies regularly, and allocate resources in the most effective way.
- (III) Risk management should consider the effect of the aggregation of various risks from the perspective of the company as a whole, as well as the statutory capital requirements set by the competent authorities and various financial and business-related regulations that affect capital allocation.
- (IV) Responsible for promoting and implementing risk management policies and ensuring that the overall operations of the Company are in line with the strategic objectives.
- (V) Review the risk appetite annually and make appropriate adjustments if necessary.
- (VI) Authorize the Chairman to review and approve various systems, regulations, manuals, procedures, rules, principles, standards, and specifications related to risks before implementation; the same shall apply upon any amendment.
- (VII) To implement sustainable development responsibilities, supervision should be conducted on the progress of sustainable development initiatives, including conducting risk assessments related to environmental, social, or corporate governance issues relevant to company operations, and completing greenhouse gas inventory and verification schedule planning. Quarterly reviews should be provided to the board for oversight and management.

2. Risk Management Committee:

The Risk Management Committee is established under the Board of Directors to assist in the formulation of risk management policies and the promotion of risk practices, and its functions are as follows.

- (I) Formulate risk management policies, structure and organizational functions, establish qualitative and quantitative management standards, report regularly to the Board of Directors, respond to the Board of Directors on the implementation of risk management in a timely manner, and make necessary recommendations for improvement.
- (II) Execute the risk management decisions of the Board of Directors and regularly review the development, establishment and implementation effectiveness of the overall risk management mechanism of the Company.
- (III) Assist and supervise the risk management activities of each department.
- (IV) Assist in reviewing operations related to the establishment of risk limits.
- (V) Adjust risk categories, risk limit allocation, and commitment methods according to changes in the environments.
- (VI) Coordinate the interactions and communication between departments regarding risk management functions.
- (VII) When a risk management officer is not appointed, the Risk Management Committee shall be responsible for the overall risk management of the Company
- (VIII) The Department of Risk Management is authorized to process matters related to the violations of risk limits by other departments.

3. Chief Risk Officer

The Company has an independent Chief Risk Officer who is responsible for the overall risk management of the Company and should participate in the discussion of important corporate decisions and express risk management-related views in a timely manner. The qualifications of the Chief Risk Officer shall comply with the relevant provisions of the Code of Practices on Risk Management in the Insurance Industry, and his or her appointment or removal shall be approved by the Board of Directors

4. Risk Management Department:

The Risk Management Department is an independent and dedicated risk control unit of the Company and is responsible for the day-to-day monitoring, measurement and evaluation of the Company's risks at the executive level. The Risk Management Department performs the following duties and responsibilities depending on the type of business.

- (I) Assist in the development and implementation of risk management policies approved by the Board of Directors.
- (II) Assist in the development of risk limits based on risk appetite.
- (III) Compile the risk information provided by each unit and coordinate and communicate with each unit to implement policies and limits.
- (IV) Provide quarterly reports related to risk management.
- (V) Monitor the risk limits and utilization status of each business unit on a quarterly basis.
- (VI) Assist with pressure testing and back-testing if necessary.
- (VII) Establish a self-risk and solvency assessment mechanism.
- (VIII) Other risk management-related matters. (Example: handle matters when other units violate the risk limit.)

5. Sales Development:

Each sales unit of the Company shall assign risk management personnel to assist each sales unit in carrying out risk management operations, and the responsibilities of each sales unit and unit head for risk management operations are set out below.

Sales unit:

- (I) Identify risks and report risk exposure status.
- (II) Measure the degree of impact (quantitative or qualitative) when risks occur and communicate risk information in a timely and accurate manner.
- (III) Review various risks and limits on a quarterly basis to ensure the effective implementation of risk limit regulations within business units.
- (IV) Monitor the status of risk exposures and report on exceedances, including the measures taken by sales units to address exceedances.
- (V) Assist in the development of risk models to ensure that the measurement of risks, the use of models, and the development of assumptions within sales units are conducted on a reasonable and consistent basis.
- (VI) Ensure that internal control procedures of sales units are effectively implemented to comply with relevant regulations and the Company's risk management policy.
- (VII) Assist in operational risk-related data collection.

Head of sales units

- (I) Responsible for the daily risk management and reporting of the unit and taking necessary countermeasures.
- (II) The Head of Sales Units should supervise the transmission of relevant risk management information to the risk management unit on a quarterly basis.

Six. Special Remarks

- I. Information on affiliated enterprises: The most recent consolidated financial statements of affiliated enterprises and affiliation prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises": No such matters.**
- II. For the most recent year and the current year as of the publication date of the annual report, the information on the private placement of marketable securities shall disclose including the date and amount approved by the shareholders' meeting or the board of directors, the basis and reasonableness of the price, the method of selection of specific person, the necessary reasons for the private placement, the target of the private placement, the eligibility criteria, the number of subscriptions, the relationship with the Company, its participation in the operation of the Company, the actual subscription (or conversion) price, the difference between the actual subscription (or conversion) price and the reference price, the impact of the private placement on shareholders' equity, the use of funds for the private placement of marketable securities from the date of full collection of stock price to the completion of the capital utilization plan, the progress of the implementation of the plan and the effectiveness of the plan: No such matters.**
- III. Other matters requiring supplementary information: None**
- IV. If any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, has occurred during the most recent year or during the current year up to the date of publication of the annual report: No such matters.**

ShinKong Insurance Co., Ltd.

Chairman WU, HSIN-HUNG