

TWSE: 2832



臺灣產物保險股份有限公司

Taiwan Fire & Marine Insurance Co., Ltd.

2025 Annual Report

Printed on March 31, 2026

Taiwan Stock Exchange Market Observation Post System: <http://mops.twse.com.tw/>

Taiwan Fire & Marine Insurance Co., Ltd Website: <https://www.tfmi.com.tw/>

Note to Readers:

If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese version shall prevail.

1. Spokesperson

Name: Chih-Chieh Huang
Title: Senior Vice President
Tel: 886-2-23821666#196
E-mail: gjhuang@tfmi.com.tw

Acting Spokesperson

Name: Cathi Chen
Title: Senior Manager
Tel: 886-2-23821666#246
E-mail: cathichen@tfmi.com.tw

2. Headquarters and Branches

Headquarters

Address: 8、9F, No. 49, Guanqian Road, Zhongzhang District, Taipei, Taiwan 100
Tel: 886-2-23821666; Fax: 886-2-23882555
Website: <https://www.tfmi.com.tw/>

Branches

Banchiau Branch	9F, No.3, Sec. 1, Minsheng Road, Banqiao Dist., New Taipei City 220, Taiwan.	886-2-29573538
Taoyuan Branch	10F.-1, No.6, Minquan Road, Taoyuan Dist., Taoyuan City 330, Taiwan	886-3-3353577
Hsinchu Branch	4F, No.118, Sec.1, Dongda Road, East Dist., Hsinchu City 300, Taiwan.	886-3-5348699
Taichung Branch	No.35, Jiguang St., Central Dist., Taichung City 400, Taiwan.	886-4-22293176
Changhua Branch	5F, No.43, Xiaoyang Road, Changhua City, Changhua County 500, Taiwan.	886-4-7230664
Chiayi Branch	8F, No.127, Zhongxing Road, West Dist., Chiayi City 600, Taiwan.	886-5-2811177
Tainan Branch	7F, No.655, Sec.1, Ximen Road, North Dist., Tainan City 704, Taiwan.	886-6-2217600
Kaohsiung Branch	4-5F, No.117, Zhongshan 1st Road, Xinxing Dist., Kaohsiung City 800, Taiwan.	886-7-2865000
Yilan Branch	No.52, Gozgzhen Road, Luodong Town, Yilan County 265, Taiwan.	886-3-9549743

3. Stock Transfer Agent

Name: IBF Securities Co., Ltd.
Address: 15F, No.188, Sec. 5, Nanjing E. Road, Songshan Dist., Taipei City, Taiwan.
Tel: 886-2-25288988
Website: <https://www.ibfs.com.tw>

4. Auditors

Auditors: Chen-Hsiu Yang, Wen-Yea Shyu
Name: Deloitte & Touche Tax Consulting Co., Ltd
Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan
Tel.: 886-2-27259988
Website: <https://www.deloitte.com.tw>

5. Overseas Securities Exchange: None

6. Corporate Website

www.tfmi.com.tw

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I 、 Letter to Shareholders

Dear Shareholders,

In 2025, the Company delivered solid operating results, with revenue of NT\$7,274,586 thousand and net income reaching a record high of NT\$1,242,577 thousand. Earnings per share (EPS) were NT\$4.83 before tax and NT\$3.91 after tax. These achievements reflect the dedication of our employees and the continued trust and support of our shareholders, to whom I extend my sincere appreciation.

Amid a steadily growing market, total market written premiums increased by 5.66%, while the Company outperformed with a growth rate of 6.98%, reaching NT\$9,493,579 thousand. Growth was primarily driven by cargo and travel insurance, and we maintained our leading position in residential fire insurance. By upholding prudent underwriting and operational discipline, we continued to strengthen our distribution channels, expand diversified product offerings, and capture niche market opportunities. At the same time, we advanced digital transformation, enhanced service systems, and secured four new patents, further reinforcing our ability to deliver comprehensive and high-quality protection to policyholders. The Company's strong fundamentals are reflected in its credit ratings of "A- (Stable)" from S&P and "twAA (Stable)" from Taiwan Ratings.

We remain committed to sustainable development, with a continued focus on fair customer treatment, corporate governance, regulatory compliance, and social responsibility. During the year, we ranked among the top 35% of listed companies in the Corporate Governance Evaluation and received the Silver Award at the Taiwan Corporate Sustainability Awards (TCSA). In addition, we were honored with the "Outstanding Product Enhancement Award" and the "Excellence Award for ESG Sustainable Agricultural Insurance" by the Ministry of Agriculture. Supported by stable profitability and consistent dividend performance, the Company was selected as a constituent of the TIP Taiwan Pristine Stock Index effective January 2026.

Leveraging the resources of the TFMI Foundation, we actively engaged in a wide range of social initiatives, including supporting disadvantaged groups, advancing healthcare improvement, promoting education and anti-drug awareness, and fostering talent development. Through these efforts, we continue to contribute meaningfully to society and uphold our commitment to sustainable value creation.

Looking ahead, even the global economic condition remains subject to uncertainties arising from U.S. trade policies, geopolitical developments, and climate change. However, the rapid advancement of AI technology continues to drive investment and economic growth, with Taiwan positioned to benefit from these trends. Regulatory developments, including digital insurance initiatives and sustainability policies, are also expected to reshape the industry landscape.

Against this backdrop, we will continue to pursue our strategy of stable operations and customer orientation. We will further strengthen governance, risk management, and compliance, while enhancing our professional capabilities and digital competitiveness. By expanding high-quality business, optimizing distribution channels, advancing digital platforms, and implementing disciplined investment strategies, we are well positioned to sustain long-term growth and deliver value to our stakeholders. We remain confident in our ability to navigate future challenges and will continue to create sustainable value as a trusted partner to our customers and shareholders.

Thank you for your continued trust and support.

Chairman: Steve Lee

2025 Business Report and 2026 Business Plan are summarized below:

1.1 2025 Business Report

1.1.1 Operating Plan Implementation Results

The total insurance premium was NT\$9.98 billion. The premium from the direct policies written was NT\$9.5 billion (detailed in Table 1) accounted for 95.07% of total premium; inward reinsurance premium was NT\$493 million, 4.93% of total premium.

Table 1. 2025 Premium from Direct Policies Written

Unit: NT\$ thousands

Insurance Category	Amount	Business Breakdown by Direct Policies Written (%)
Automobile Insurance	3,425,818	36.09
Commercial Fire Insurance	1,374,557	14.48
Residential Fire Insurance	1,049,720	11.06
Compulsory Automobile Liability	730,935	7.70
Personal Accident Insurance	697,027	7.34
Engineering Insurance	475,607	5.01
Liability Insurance	468,944	4.94
Marine Cargo Insurance	429,671	4.53
Other Property Insurance	372,774	3.93
Others*	468,526	4.92
Total	9,493,579	100.00

* Note: Products that account for less than 2% of the total written premiums are collectively indicated under Others*.

1.1.2 Goal Execution and Financial Income for the Current Year

The operating margin was NT\$3.2 billion and the net profit before tax was NT\$1.5 billion. The net profit after tax was NT\$1.2 billion.

1.1.3 Profitability Analysis

For 2025 overall business profitability indicators, the return on assets (ROA) was 4.92%, return on equity (ROE) was 10.31%, net profit ratio was 17.08%, and the earnings per share (EPS) was NT\$3.91, as shown in Table 2.

Table 2. Profitability Indicators

Item	2025	2024
ROA (%)	4.92	4.87
ROE (%)	10.31	9.91
Net profit ratio (%)	17.08	15.83
Earnings per share (NT\$)	3.91	3.21

Note: "Earnings per share before tax (NT\$)" for 2025 are calculated based on the weighted average number of shares outstanding, following the Company's capital reduction in 2025.

1.1.4 Research and Development

In 2025, a total of 19 new insurance products and clauses were submitted (refer to "Operational Highlights 4.1.3.C Overview of technology and R&D" on Page 144 of this annual report for more details).

1.2 2026 Business Plan Outline

1.2.1 Business Policy

Adhering to a “prudent operation and customer-oriented” strategy, the Company strives to achieve sustainable corporate development while upholding its core principles of fair customer treatment, financial inclusion, social responsibility, and employee well-being. By continuously enhancing professional capabilities, we strengthen our core competitiveness and implement systematic management frameworks and action plans to effectively achieve our strategic objectives. We remain committed to reinforcing corporate governance and fair customer treatment, fulfilling our corporate social responsibilities, and balancing business growth with risk management to deliver sustainable profitability.

In terms of business development, the Company strictly complies with regulatory requirements and operational guidelines. To expand target markets and secure stable sources of profitability, we focus on niche insurance segments and leverage competitive pricing and diversified distribution channels to grow our auto insurance business, including dealership, government employee, occupational group, and tender-based segments. Through disciplined underwriting, continuous monitoring of market rates, and appropriate adjustments to pricing and loss ratio controls, we selectively develop quality business to enhance underwriting profitability. We also continue to optimize digital platforms and operational processes to improve e-commerce efficiency.

By integrating insurance technology into product development, marketing, underwriting, and claims services, we enhance service quality, safeguard customer rights, and respond to evolving customer needs. We actively advance digital transformation and patent development, and in 2025 obtained four additional patents, namely the “Document Overlay Printing System,” “Electronic Verification System,” “Premium Billing and Reconciliation System,” and “Residential Building Data Digital Assistance System,” bringing the total number of patents held to 15.

In terms of social responsibility, the Company has established an ESG task force to align with regulatory policies and assess business risks and opportunities. Guided by the philosophy of “Cherish the Present, Safeguard the Future,” we remain committed to social engagement and to demonstrating the positive value of insurance through our corporate social responsibility initiatives.

In terms of management, we are committed to cultivating well-rounded talent by implementing structured training programs based on job functions and levels. We continue to promote digitalization, optimize workflows, and enhance operational efficiency, while establishing a sound compensation system and fostering a positive workplace environment.

On the investment side, the Company is committed to optimizing asset utilization and pursuing diversified investment strategies, with an increasing focus on ESG-related investments. We actively invest in green financial products, including renewable energy industries, sustainable funds, and green bonds. Through prudent investment selection, we aim to mitigate risks and enhance expected returns, while strengthening collection efficiency and cost control to improve overall capital utilization and investment performance.

1.2.2 Projected Premium Income

The 2026 target of total premium written from direct policies is NT\$9.0 billion.

1.2.3 Significant Production and Marketing Policies

1. Monitor market trends and enhance flexibility in developing innovative products while building a diversified product portfolio, and actively support government policy-driven insurance to fulfill corporate social responsibility.
2. Increase the proportion of high-quality business and optimize distribution channel quality, adjust business structure and portfolio quality, and closely monitor loss ratio trends. Pricing levels and product mix will be reviewed in a timely manner to stabilize earnings.
3. Develop and launch tailored products based on distribution channel characteristics, and implement marketing incentive programs to motivate sales teams to enhance service quality and efficiency, expand new business, and strengthen multi-line business development.
4. Strengthen professional expertise and ensure compliance with fair customer treatment principles, financial consumer protection, financial inclusion, and ESG requirements. Regular training programs will be conducted to improve operational processes and service quality, thereby enhancing customer satisfaction.
5. Enhance digital financial applications by expanding e-commerce marketing capabilities and information services, supporting digital transformation, improving sales efficiency, and reducing operating costs to increase overall operational efficiency.
6. Implement structured training and job rotation programs to cultivate well-rounded talent, enhance professional capabilities, and improve organizational flexibility and effectiveness.

1.3 Development Strategies for the Company in the Future

The ongoing impact of U.S. tariff measures continues to unfold, and uncertainties surrounding the evolution and implications of related trade policies are expected to weigh on global economic momentum. Geopolitical risks and climate change will continue to disrupt global supply chains, contributing to heightened inflationary uncertainty.

Driven by the rapid advancement of AI technologies and the resulting global investment momentum, Taiwan has benefited significantly, with economic growth primarily supported by trade and investment. The technology sector has emerged as a key engine of overall economic expansion. However, the scheduled phase-out of the “New Youth Housing Loan Program” in July 2026 may reduce the number of borrowers and weaken rigid demand for residential fire insurance. At the same time, the increasing severity of climate change and the rising frequency of extreme weather events have elevated natural catastrophe risks, thereby increasing the exposure of insured assets. In addition, compliance with ESG-related initiatives, the implementation of IFRS 17, and fair customer treatment requirements are expected to increase operating costs.

The Company adheres to a prudent management strategy and prioritizes the protection of customer rights. Under the oversight of the Board of Directors and the Sustainability Committee, we continue to strengthen corporate governance, environmental stewardship, and social responsibility as integral elements of our corporate culture, advancing toward low-carbon and sustainable development. We also continue to enhance digital operations, service quality, and operational efficiency to improve customer convenience and satisfaction.

In terms of marketing, we closely monitor market trends, deepen relationships with key distribution channels, and maintain competitive advantages. On the business front, we focus on increasing the proportion of high-quality business, actively developing niche insurance products, and enhancing retention premiums to stabilize earnings. In underwriting, we implement loss prevention services and maintain disciplined risk selection to improve portfolio quality. On the investment front, the Company emphasizes stable returns and asset liquidity, while pursuing consistent investment performance to support overall profitability.

1.4 Influences from External, Regulatory and Overall Business Environment

According to the latest World Economic Outlook report released by the International Monetary Fund (IMF) on January 19, 2026, global economic growth is projected at 3.3%. Driven by the rapid advancement of AI technologies and the resulting surge in global investment, Taiwan has benefited significantly, with the technology sector serving as a key engine of economic expansion. The Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan, forecasts Taiwan's economic growth rate at 3.54% for 2026.

The non-life insurance market is expected to remain supported by favorable fundamentals in 2026. With continued growth in business and tourism activities, outbound travel remains robust, sustaining steady demand for travel insurance. The extension of the NT\$50,000 tax reduction for vehicle replacement through the end of 2030, together with the potential reduction in tariffs on imported U.S. vehicles, is expected to stimulate automobile demand and support motor insurance growth. Meanwhile, the expansion of social housing and increased housing completions are expected to drive residential fire insurance demand. In line with government green energy policies, demand for engineering insurance related to renewable energy projects—such as solar and offshore wind power—continues to grow.

Regulatory authorities are actively promoting digital finance and technological innovation, while the gradual relaxation of regulations is expected to facilitate the development of e-commerce platforms. Strengthened discipline in pricing and product supervision is expected to mitigate excessive price competition and contribute to market stability. Supported by resilient domestic economic activity, the overall outlook for business expansion and growth in the non-life insurance market remains positive. In terms of strategic development, the Company will continue to review pricing adequacy and optimize its product mix and business structure to enhance overall market competitiveness.

The Company remains committed to upholding the principles of fair customer treatment, financial inclusion, and consumer protection, safeguarding customer rights and interests. We will continue to innovate and diversify our product offerings to meet evolving customer needs. At the same time, we are expanding e-commerce channels, enhancing digital insurance services, and streamlining operational processes to improve efficiency. We also remain vigilant to the increasing risks of cyber threats, strengthening fraud prevention and protecting policyholder interests.

In addition, the Company adheres to market discipline and regulatory requirements by closely monitoring market conditions, legal developments, and customer needs to ensure pricing adequacy and avoid excessive competition. We continue to strengthen data security and personal information protection, and through a systematic risk management framework, establish robust and compliant operational processes to effectively manage corporate risks.

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1 Directors and Supervisors

As of 3/31/2026

Title (Note 1) (Note 5)	Nationality/ Country of Registration	Name (Note 5)	Gender/ Age (Note 2)	Date Elected	Term (Years) (Note 6)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	R.O.C.	Steve Lee	Male/ 51~60	2023.06.16	3	1999.05.12	7,509,939	2.07%	5,256,957	2.07%	721,160	0.28%	-	-	PhD, Political Economics, School of Economics, Nankai University Chairman, TFMI Assets Management Co., Ltd	Independent Director of My Humble House Hospitality Management Consulting Co., Ltd.; Independent Director of DaDa Broadband Cable Co., Ltd. Director, Tong-Sheng Development Co Ltd; Director, Navigator Investment Co Ltd; Director, Navigator Real Estate Co Ltd Director, Ten Outstanding Young Persons Foundation; Director, Taipei City Renai Yiyangyuan Senior's Home; Council Member, Taiwan Industrial Economics Association; Chairman, TFMI Foundation; Council Member, Taiwan Chamber of Commerce & Industry; Director, Pilot Investment Enterprise Co Ltd; Director, Sirtec International Co Ltd Director, Sirtec International (BVI) Co Ltd; Director, SIRFA (B.V.I.) Co Ltd; Director, Sirlight Trading Co Ltd; Director, Xielong (Dong Guan) Plastics & Electronics Co Ltd Director, Dongguan Sheysun Plastics and Electronics Co Ltd; Director, Dongguan Sirtec Image Co Ltd; Director, Forland Auto Trade Holding Co Ltd; Director, Forland Auto Co Ltd; Director, Forland Trading Co Ltd; Director, Navigator Financial Leasing Co Ltd; Director, Navigator Financial Leasing Co Ltd; Director, Forland Auto (China) Trade Co Ltd; Director, Nanjing Forland Auto Trade Co Ltd; Director, Nanjing Golden Forland Auto Sales & Services Co Ltd; Consultant, Cross-Border Innovation and Entrepreneur Association; Supervisor, Sirtec International (Suzhou) Co Ltd; Zhuhai Xielong Plastic & Electronic Co Ltd; Consultant, New Taipei City Government; Consultant, TaoYuan City Government; Director, Sirtec International (Vietnam) Co Ltd; Director, Zhuhai Sirtec Image Technology Co Ltd, Director, Infotrend Technology, Inc.	Director	Chain- Cheng Lee	Sibling

Title (Note 1) (Note 5)	Nationality/ Country of Registration	Name (Note 5)	Gender/ Age (Note 2)	Date Elected	Term (Years) (Note 6)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director / Corporate shareholder	R.O.C.	Yong-Shin Development Company.	-	2023.06.16	3	1999.05.12	24,158,535	6.67%	16,910,974	6.67%	-	-	-	-	None	None	None	None	None
Director	R.O.C.	Charles Sung (Representative of Yong-Shin Development Company)	Male / 71~75	2023.06.16	3	2011.06.10	355,000	0.10%	217,000	0.09%	-	-	-	-	Master, College of Management, National Taiwan University - President, Central Insurance President, AIG General Insurance (Taiwan)	Director, TFMI Foundation	None	None	None
Director	R.O.C.	Chung-Chou Chang (Representative of Yong-Shin Development Company)	Male / 61~70	2023.06.16	3	2008.06.13	4,762,984	1.32%	3,424,388	1.35%	152,600	0.06%	-	-	Master, Department of Computer Science, Northrop University - Chairman, Ambassador.	Director, Jinshen Tech Co Ltd.; Changmin Development Co Ltd; Director, Ambassador Co Ltd; Director, Meidoli Film Co Ltd; Director, DaiTaipei Enterprise Ltd; Chairman, Ambassador Film Inc.; Director, Full Shine Digital Co Ltd; Chairman, Ambassador Theatres; Director, Good Hands Film Co Ltd; Director, Bole Film Co Ltd.	None	None	None
Director	R.O.C.	Bin-Fu Chen (Representative of Yong-Shin Development Company.)	Male / 51~60	2023.06.16	3	2008.09.04	-	-	-	-	-	-	-	-	EMBA, College of Management, National Taiwan University Chairman, Guang Shi Co., Ltd.	Chairman, Guang Shi Co Ltd; Chairman, Guang Fu Investment Ltd., Chairman, Cai Yu Investment Ltd; Chairman, Cheng Chung Kuang Foundation. Director, Meng Di Na Co Ltd;Chairman, Integrated Information Technology Co Ltd; Director, Tien-Chai Su Cultural And Educational Foundation, Managing Director , Taipei City Renai Yiyang Social Welfare Foundation, Director, KALI FORES INC., Independent Director, Chainqui Construction Development Co Ltd; and Director of Taipei City Chen Yu-Mei Charity Foundation Chairman, Gongbei Social Enterprise Co., Ltd.	None	None	None
Director / Corporate shareholder	R.O.C.	Shan-Yue Industrial Co., Ltd.	-	2023.06.16	3	2023.06.16	240,000	0.07%	168,000	0.07%	-	-	-	-	None	None	None	None	None

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							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director	R.O.C.	Chain-Cheng Lee (Representative of Shan-Yue Industrial Co., Ltd.)	Male / 51~60	2023.06.16	3	2002.05.20 (Note 7)	6,038,909	1.67%	4,227,236	1.67%	29,694	0.01%	-	-	Ph.D., Economics, Shanghai Univ. of Finance / Economics, Shanghai. MBA, Financial Risk Management, St John's University MBA, Business Administration, Johnson & Wales University. Director, IBF Financial Holdings Co., Ltd.	Chairman, Yong-Shin Development Co Ltd; Chairman, Navigator Real Estate Co Ltd; Chairman, Tong-Sheng Development Co Ltd; Director, Jia De Investment Co., Ltd., Co Ltd; Director, Navigator Investment Co Ltd; Chairman, Forland Auto Trade Holding Co Ltd; Director, Navigator Financial Leasing Co Ltd. (Samoa); Director of Navigator Financial Leasing Co Ltd.(China); Chairman, Taiwan Navigator Asset Investment Co Ltd; Director, Navigator Investment Industry Co Ltd; Director, Taiwan Fire and Marine Foundation, Chairman, Forland Auto Trade Holding Co Ltd. Taipei Branch (Cayman), Representative of Corporate Director, Zhengrong Industrial Co Ltd; Chairman, Forland Auto Trade Holding (China), Chairman, Nanjing Forland Auto Trade Co Ltd; Chairman, Nanjing Jingfu Forland Auto Sale Service Co Ltd.	Chairman	Steve Lee	Sibling
Director / Corporate shareholder	R.O.C.	Bank of Taiwan	-	2023.06.16	3	1997.09.30	64,608,278	17.84%	45,225,794	17.84%	-	-	-	-	None	None	None	None	None
Director	R.O.C.	Mei-Ling Wu (Representative of Bank of Taiwan)	Female/ 61~70	2023.06.16	3	2018.10.12	-	-	-	-	-	-	-	-	MS, Dept of International Business, National DongHwa University; Manager, Bank of Taiwan, Tamsui Br; Manager, Bank of Taiwan, Luzhou Br; Manager, Dept of Consumer Finance, Bank of Taiwan Manager, Department of Credit Analysis, Bank of Taiwan	Senior Executive Vice President, Bank of Taiwan	None	None	None

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Director	R.O.C.	Yi-Bao Lin (Representative of Bank of Taiwan) (Note 8)	Female/ 51~60	2025.02.19	3	2025.02.19	-	-	-	-	-	-	-	-	BS of Laws, National Chengchi University Vice President & General Manager, Minchuan Branch, Bank of Taiwan Vice President & General Manager, Panchiao Branch, Bank of Taiwan Executive Vice President & General Manager, Department of Domestic Operations, Bank of Taiwan	Senior Executive Vice President & Chief Compliance Officer (Concurrently GM of Department of Compliance), Bank of Taiwan Co., Ltd. Senior Executive Vice President & Chief Compliance Officer, Taiwan Financial Holding Co., Ltd. Deputy Chairperson, Financial Regulations and Discipline Committee, Bankers Association of the ROC Member, Disciplinary Committee for OTC Derivatives Central Clearing Services, Taiwan Futures Exchange Corporation Director, China Tea Corporation	None	None	None
Director	R.O.C.	Wei-Hsin Wang (Representative of Bank of Taiwan.)	Male / 51~60	2023.06.16	3	2022.02.07	-	-	-	-	-	-	-	-	MS, Finance Department, National Taiwan University VP & DGM, Department of Corporate Finance, Bank of Taiwan VP & GM, Hoping Branch, Bank of Taiwan EVP & GM, Department of Precious Metals, Bank of Taiwan EVP & General Manager, Department of Business, Bank of Taiwan	Executive Vice President & General Manager, Department of Corporate Finance, Bank of Taiwan	None	None	None

Title (Note 1) (Note 5)	Nationality/ Country of Registration	Name (Note 5)	Gender/ Age (Note 2)	Date Elected	Term (Years) (Note 6)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	R.O.C.	Christopher Chang	Male / 71~75	2023.06.16	3	2023.06.16	-	-	-	-	-	-	-	-	College of Law, National Chengchi University, Chairman, Continental Development Corporation Partner/Senior Advisor, Lee and Li Attorneys at Law. Executive Director, Grand River Development Limited. Independent Director, Wistron Corporation. Director, Taipei City Real Estate Development Association; Consultant, BVI Grand River Holdings. Member, TFMI Remuneration Committee.	Director, Sanlien Tech Education Foundation;	None	None	None

Title (Note 1) (Note 5)	Nationality/ Country of Registration	Name (Note 5)	Gender/ Age (Note 2)	Date Elected	Term (Years) (Note 6)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	R.O.C.	Cheng Ching Huang	Female/ 61~70	2023.06.16	3	2008.07.30 (Note 9)	-	-	-	-	-	-	-	-	MBA University of Tennessee, Knoxville Master of Business Administration, University of Tennessee, Knoxville Bachelor of Business Administration, National Cheng Chi University. Executive Vice President, Land Bank of Taiwan General Manager of Department of International Banking General Manager of Department of Treasury General Manager of Hoping Branch General Manager of Offshore Banking Unit Branch Deputy General Manager of Credit Management Supervisor, Taiwan Fire & Marine Insurance. Director, United Taiwan Bank, S.A. Director, Agricultural Credit Guarantee Fund Director, Trust Association of R.O.C. Director, Bills Finance Association of R.O.C.	None	None	None	None

Title (Note 1) (Note 5)	Nationality/ Country of Registration	Name (Note 5)	Gender/ Age (Note 2)	Date Elected	Term (Years) (Note 6)	Date First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 4)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Independent Director	R.O.C.	Nien-Tsu Chiang	Female/ 51~60	2023.06.16	3	2020.06.12	-	-	-	-	-	-	-	-	Ph.D of Law, National Chengchi University. Ph.D of Business Administration, Macau University of Science and Technology. Executive master of Business Administration, National Chengchi University. Post Bachelor of Law, Graduate Department of Law, Fu Jen Catholic University. Bachelor of Arts, Department of Political Science, Tunghai University Consultant, Judicial Reform Foundation. Chairman, Taipei Awakening Association. Member, Taipei City Gender Equality Commission. Member, Crime Prevention Center, Ministry of the Interior.	Associate Professor, Interdisciplinary Bachelor's Program of the Longitudinal Valley College, National Dong Hwa University; Adjunct Associate Professor, Department of Public Finance and Taxation, National Taipei University of Business; Adjunct Associate Professor, LL.M. Program, Fu Jen Catholic University	None	None	None

Note 1: For corporate shareholders, the names of representatives shall be separately stated in Table below.

Note 2: Please provide age of each director in the form of age band

Note 3: Please list the first date to take the charge of director or supervisor of the Company, and note with illustrations for any disruption of duty occurred.

Note 4: Work experiences of anyone in the table above that are related to their current roles, such as previous employment at CPA firms or employment in affiliated companies, shall be disclosed along with job titles and responsibilities.

Note 5: If the Chairman and President or equivalent (the top manager) are the same person, or are spouses or relatives within the first degree of kinship, the reasons, rationality, necessity, and corresponding measures (such as increasing the number of Independent Directors and having more than half of the Directors who do not serve as employees or managers, etc.) shall be explained: None.

Note 6: The Company has set up an Audit Committee to replace supervisors.

Note 7: Mr. Chain-Cheng Lee first served as a Director of the Company on May 20, 2002, and stepped down on July 19, 2005. He was re-elected as a Director of the Company on November 11, 2020.

Note 8: Bank of Taiwan Co., Ltd. reassigned its representatives Yi-Bao Lin on February 19, 2025. The original representatives, Hsiu-Shiang Liu was dismissed.

Note 9: Ms. Cheng Ching Huang first served as a Supervisor of the Company on July 30, 2008, and stepped down on June 9, 2014. She was re-elected as an independent Director of the Company on June 12, 2020.

Note10: (-) in the table means (0)

Major Shareholders of the Corporate Shareholders

As of 3/31/2026

Name of Corporate Shareholders (Note 1)	Major Shareholders (Note 2)
Bank of Taiwan Co., Ltd.	Taiwan Financial Holding Co., Ltd. (100.00%)
Yong-Shin Development Co., Ltd.	Navigator Investment Co., Ltd. (19.11%), Qiao-Nong Investment Co., Ltd. (13.19%), Tong-Sheng Development Co., Ltd. (12.55%), Jia-Der Investment Co., Ltd. (10.43%), Chengyang Investment Co., Ltd. (10.23%), Navigator Real Estate Co., Ltd. (6.38%), Chain-Cheng Lee (6.19%), Julie Lee (5.6%), Cheng-Han Lee (2.13%), Bang-Wei Lee (2.13%), Bang-Yu Lee (2.13%)
Shan-Yue Industrial Co., Ltd.	Mu-Heng Wu (50%) 、 Wei Wang (50%)

Note 1: If the Directors and Supervisors are representatives of corporate shareholders, indicate the names of the corporate shareholders.

Note 2: Fill in the names of the dominant shareholders of the corporate shareholders (Top 10 of shareholding) and the proportion of shareholding. If the dominant shareholders of the corporate shareholders are also corporate shareholders, fill in Table 2 below

Note 3: If a corporate shareholder is not a company entity, its shareholders' names and shareholding ratio should be disclosed; the names of the contributors or sponsors and ratio of contribution or sponsorship should be disclosed. If contributors' deceased, please indicate as well.

Major Shareholders of the Company's Major Corporate Shareholders

As of 3/31/2026

Name of Corporate Shareholders (Note 1)	Major Shareholders (Note 2)
Taiwan Financial Holding Co., Ltd.	Ministry of Finance, R.O.C. (100.00%)
Navigator Investment Co., Ltd.	Navigator Real Estate Co., Ltd. (37.26%), Jia-Der Investment Co., Ltd. (30.00%), Qiao-Nong Investment Co., Ltd. (24.78%), Yong-Shin Development Co., Ltd. (6.19%), Julie Lee (0.88%), Mu-Heng Wu (0.35%), Steve Lee (0.18%), Chain-Cheng Lee (0.18%), Chao-Tzu Lee Chen (0.18%)
Qiao-Nong Investment Co., Ltd.	Julie Lee (38.66%), Zhenbang International Hotel Management Consultant Co., Ltd. (41.38%), Chain-Cheng Lee (11.84%), Steve Lee (8.12%)
Tong-Sheng Development Co., Ltd.	Chain-Cheng Lee (64.07%), Navigator Real Estate Co., Ltd. (16.95%), Wei Wang (16.95%), Julie Lee (1.69%), Wen-Yung Lee (0.34%)
Jia-Der Investment Co., Ltd.	Chengyang Investment Co., Ltd. (48.85%), Steve Lee (46.85%), Mu-Heng Wu (1.00%), Chao-Tzu Lee Chen (0.50%), Wen-Yung Lee (0.30%), Min-Tzu Lee (1.25%), Cheng-Han Lee (1.25%)
Navigator Real Estate Co., Ltd.	Chain-Cheng Lee (41.57%), Tong-Sheng Development Co., Ltd. (40.79%), Wei Wang (14.29%), Julie Lee (2.64%), Chao-Tzu Lee Chen (0.71%)
Chengyang Investment Co., Ltd.	Min-Tzu Lee (38.46%), Cheng-Han Lee (38.46%), Steve Lee (23.08%)

Note 1: If the Directors and Supervisors are representatives of Institutional Directors, fill in the names of the Institutional Directors.

Note 2: Fill in the names of the dominant shareholders of the Institutional Shareholders (Top 10 by quantity of shareholding) and the proportion of shareholding. If the dominant shareholders of the Institutional Shareholders are also institutional shareholders, fill in Table 2 below

Note 3: If a corporate shareholder is not a company entity, its shareholders' names and shareholding ratio should be disclosed; the names of the contributors or sponsors and ratio of contribution or sponsorship should be disclosed. If contributors' deceased, please indicate as well.

Directors and Supervisors

I. Professional Qualifications and Independence Analysis of Directors and Supervisors :

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Steve Lee	PhD, School of Economics, Nankai University Chairman, TFMI Asset Management Company Chairman of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directorship or voting shares of the Company. 4. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, chairman, president or equivalent of the Company. 5. Not a professional individual, owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 6. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	2
Mei-Ling Wu	Master, Department of International Business, National Dong Hua University Manager, Bank of Taiwan, Tamsui Branch and Luzhou Branch Manager, Consumer Banking Dept., Bank of Taiwan Manager, Department of Credit Analysis, Bank of Taiwan Department of Credit Analysis,	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Bank of Taiwan Senior Executive Vice President, Bank of Taiwan Free from any circumstances referred to in Article 30 of the Company Act.	issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 6. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 7. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 8. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial,	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 9. Not a spouse or relative of the second degree of kinship of any other directors.	
Yi-Bao Lin	Bachelor of Laws, National Chengchi University Vice President & General Manager, Minchuan Branch, Bank of Taiwan Vice President & General Manager, Panchiao Branch, Bank of Taiwan Executive Vice President & General Manager, Department of Domestic Operations, Bank of Taiwan Deputy Chairperson, Financial Regulations and Disciplinary Committee, The Bankers Association of the Republic of China Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor or employee of any company controlled by the same person	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		that holds a majority of the directors or voting shares of the Company. 6. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 7. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 8. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 9. Not a spouse or relative of the second degree of kinship of any other directors.	
Wei-Hsin Wang	Master of Finance, National Taiwan University Deputy Manager, Corporate Banking Dept., Bank of Taiwan Manager, Bank of Taiwan, Heping Branch Manager, Precious Metal Dept., Bank of Taiwan Manager, Sales Dept., Bank of Taiwan EVP & General Manager,	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Department of Business, Bank of Taiwan EVP & General Manager, Department of Corporate Finance, Bank of Taiwan Free from any circumstances referred to in Article 30 of the Company Act.	10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 6. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 7. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 8. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 9. Not a spouse or relative of the second degree of kinship of any other directors.	
Charles Sung	MBA, National Taiwan University Director, Taiwan Residential Earthquake Insurance Fund Vice Chairman, AON Taiwan President, Central Insurance Company President, Chartis Insurance Company President of the Company Director of the Company Vice Chairman of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors.	
Chung-Chou Chang	Master, Department of Computer Science, Northrop	1. Not an employee of the Company or its affiliates.	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	University, Director of the Company Free from any circumstances referred to in Article 30 of the Company Act.	2. Not a director or supervisor of the Company or its affiliates. 3. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 5. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 6. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 7. Not a director, supervisor, officer, or shareholder holding 5% or more	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		of the shares, of a specified company or institution that has a financial or business relationship with the Company. 8. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 9. Not a spouse or relative of the second degree of kinship of any other directors.	
Bin-Fu Chen	EMBA, National Taiwan University Supervisor of the Company Director of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a	2

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors.	
Chain-Cheng Lee	PhD, Finance and Economics, Shanghai University Master, Financial Risk Management, St. John's University MBA, Johnson & Wales University Director, IBF Financial Holdings Co., Ltd. Director of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 5. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 6. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof.	
Christopher Chang	College of Law, National Chengchi University Chairman, Continental Development Corporation Partner/Senior Advisor, Lee and Li Attorneys at Law Executive Director, Grand River Development Limited Member, TFMI Remuneration Committee Director of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Cheng Ching Huang	MBA, University of Tennessee, Knoxville Department of Business Administration, National Chengchi University Vice President, Land Bank of Taiwan Manager, International Banking Dept., Land Bank of Taiwan Manager, Finance Dept., Land Bank of Taiwan Manager, Land Bank of Taiwan, Heping Branch Manager, OBU, Land Bank of Taiwan Director, United Taiwan Bank Director, Agricultural Credit Guarantee Fund; Director, Trust Association of R.O.C. Director, R.O.C. Bills Finance Association Supervisor, R.O.C. Bills Finance Association Supervisor of the Company Independent Director of the Company Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	
Nien-Tsu Chiang	Ph.D. in Law, National Chengchi University Ph.D. in Business Administration, Macau University of Science and Technology M.B.A. Program, National	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse,	0

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Chengchi University LL.B. (Post-Baccalaureate Program in Law), Fu Jen Catholic University B.A. in Political Science, Tunghai University Bachelor's Degree, Rift Valley Interdisciplinary College, National Dong Hwa University Associate Professor, Rift Valley Interdisciplinary College, National Dong Hwa University Adjunct Assistant Professor, Department of Public Finance and Tax Administration, National Taipei University of Business Adjunct Assistant Professor, Professional Master's Program in Law, Fu Jen Catholic University Adjunct Assistant Professor, Department of Business Administration, Nanhua University Adjunct Assistant Professor, College of Law, National Chengchi University Adjunct Assistant Professor, Department of Law, Chinese Culture University Consultant on Judicial Reform Legislation, Judicial Reform Foundation Chairperson, Taipei Awakening Association Member, Taipei City Gender Equality Committee Member, Crime Prevention Center, Ministry of the Interior Independent Director of the Company Free from any circumstances	minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is	

Qualification Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	referred to in Article 30 of the Company Act.	the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Note 1: Professional Qualifications and Experience: Please specify individual director's and supervisor's professional qualifications and experience. If the director is a member of the Audit Committee and specialized in accounting or finance, please specify his/her accounting or financial background and working experience, and also whether he/she meets any circumstances referred to in Article 30 of the Company Act.

Note 2: Please specify the independent directors' compliance of independence, including but not limited to, whether they or their spouses or relatives within the second degree of kinship serve as supervisors, supervisors or employees in the Company or any of its affiliates; the number and percentage of the Company's shares held in their own names or names of the spouses, relatives within the second degree of kinship (or proxy shareholder); whether they serve as directors, supervisors, or employees in any company engaged in specific relationship with the Company (please refer to the subparagraphs 5–8, Paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received in the last two years for providing commercial, legal, financial, accounting or other professional services to the Company and its affiliates.

Note 3: Since June 6, 2014, the Company has Audit Committee established in lieu of the functions of Supervisors.

II. Diversity and Independence of the Board of Directors

(I) Management goals for the Board of Directors diversity policy and attainment thereof

The Company expressly states in its “Corporate Governance Best Practice Principles” that the composition of the Board of Directors shall take diversity into consideration and formulating an appropriate policy on diversity based on the Company’s business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards: 1. Basic requirements and values: gender, age, nationality and culture. 2. Professional knowledge and skills: professional background (e.g. law, accounting, industry, finance, marketing and technology), professional skills, and industry experience.

The Company’s 27th Board of Directors consist of eleven (11) directors (including three (3) independent directors). The Company adopts the member diversity policy, and the members comprise of the elites from the areas of law, finance and insurance industry, including three (3) doctorates and six (6) masters specialized in business administration, information, law and business; all possess the knowledge, skill and literacy required by their job duties. For terms served, one independent director has taken the position for less than three years, and two independent directors for three to six years. Age-wise, six (6) directors are between 51–60 years of age, and three (3) directors are between 61–70 years of age, and two (2) directors are between 70-75 years of age. The Company also values the gender equality in the composition of the Board members. Currently, two (2) of our independent directors are women, marking our board female member reached four (4) and composition 36% in total. We have also achieved our goal of having at least one female independent director and whose professional background is law and with large law firm partnership experience.

The expertise Board member possessed is summarized in the table below.

Diversified evaluation Items Name	Gender	Ability to make sound business judgments	Ability to conduct accounting and financial analysis	Ability to manage a business	Risk management knowledge and skills	Ability to respond to crisis	Industry knowledge	Understanding of international markets	Leadership ability	Decision making abilities
Steve Lee	Male	V	V	V	V	V	V	*	V	V
Charles Sung	Male	V	*	V	V	V	V	V	V	V
Mei-Ling Wu	Female	V	V	V	V	V	V	V	*	*
Yi-Bao Lin	Female	V	V	V	V	V	V	*	V	V
Wei-Hsin Wang	Male	V	V	V	V	*	V	V	V	*
Chung-Chou Chang	Male	V	V	V	V	V	*	*	V	V
Bin-Fu Chen	Male	V	V	V	V	V	*	*	V	V
Chain-Cheng Lee	Male	V	*	V	V	V	V	V	V	V
Christopher Chang	Male	*	V	V	V	V	V	*	V	V
Cheng-Ching Huang	Female	V	V	V	V	V	V	V	V	V
Nien-Tsu Chiang	Female	V	V	V	V	*	V	V	V	V

Note: * Possess partial capabilities

(II) Independence of the Board of Directors

As it states in the Company “Corporate Governance Best Practice Principles,” the structure of the Board of Directors shall be determined by choosing an appropriate number of Board members, with consideration of its business scale, the shareholdings of its major shareholders and practical operational needs, and that directors concurrently serving as the Company’s managerial officers should not exceed one-third of the total Board members. If the Company appoints independent directors, it shall give careful consideration to the professional composition of the Board and their independence in fulfilling duties.

The Company’s Board of Directors comprise of eleven (11) directors, including three (3) independent directors, which represents 27% of the Board. None of the Company’s directors serves as the Company’s managerial officer concurrently nor as an employee of the Company. More than 81% of the Board have no spousal relationship nor relatives of the second degree of kinship with each other. The Company has satisfied Paragraph 3 of Article 26-3 of the Securities and Exchange Act.

2.1.2 Management Team

As of 3/31/2026

Title (Note 1) (Note 3)	Nationality/ Country of Origin	Name (Note 3)	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
President	R.O.C.	Chao-Feng Chen	Male	2021.01	104,100	0.04%	-	-	-	-	Master in Long Term Care, Taipei Medical Univ. Department of Accounting, Chung Yuan Christian University Vice Chairman, Taiming Assurance Broker Vice Chairman, Navigator Financial Leasing Partner, Deloitte & Touche CPA Executive Vice President, Taiwan Fire & Marine Insurance	Director, TFMI Foundation Supervisor, E-Life Company Supervisor, Guanyi Investment Corporation	None	None	None
Chief Auditor	R.O.C.	Hong-Hsing Chuang	Male	2025.05	4,900	0.00%	-	-	-	-	BA, Department of History, Fu Jen Catholic University Assistant Manager, Tokyo Marine Newa Insurance Senior Manager, Taiwan Fire & Marine Insurance Vice President, Taiwan Fire & Marine Insurance	None	None	None	None
HQ Chief compliance officer and AML/CFT compliance officer	R.O.C.	Tsui-Jung Chen	Female	2021.08	164,307	0.06%	-	-	-	-	Graduate School of Business Administration, San Diego State University School of Law, Soochow University Vice President, TFMI Insurance Vice Chairman, Taiming Assurance Broker Legal Representative, General Manager, Kunshan Feng Sheng Insurance Agency	Director, TFMI Foundation	None	None	None
Executive Vice President	R.O.C.	Chia-Lin Sheu	Male	2023.04	56,112	0.02%	-	-	-	-	MS, Nankai Institute of Economics Vice President, Taiwan Fire & Marine Insurance Senior Vice Presiden, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Vice President	R.O.C.	Andrew Hsieh	Male	2023.04	-	-	-	-	-	-	MS, Dept. of Harbor & River Engineering, National Taiwan Ocean University Vice President, Nan Shan General Insurance Vice President, Chartis Taiwan Insurance	None	None	None	None
Senior Vice President	R.O.C.	Jimmy Chu	Male	2025.05	-	-	-	-	-	-	Department of Social Works, Soochow University Chief Risk Officer, Mingtai Insurance Vice President, Taiwan Fire & Marine Insurance	None	None	None	None

Title (Note 1) (Note 3)	Nationality/ Country of Origin	Name (Note 3)	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Senior Vice President / Head of Risk Manageme nt	R.O.C.	Yuan-Yi Liao	Male	2026.01	-	-	-	-	-	-	Master of Arts in Economics, National Dong-Hwa University Manager, TLG Insurance Vice President, Taiwan Fire & Marine Insurance	None	None	None	None
Vice President / governance officer	R.O.C.	Chih-Chieh Huang	Male	2026.01	-	-	-	-	-	-	MS, Graduate Institute of Finance, Chung Cheng University College of Management Senior Manager, Taiwan Life Insurance Vice President, TLG Insurance	Director, TFMI Foundation Director, AcSun Energy Incorporated.	None	None	None
Vice President	R.O.C.	Steven Lin	Male	2021.02	858	0.00%	-	-	-	-	MS, Insurance and Finance Management, Department of Insurance, Chaoyang University of Science and Technology Vice Section-chief, Union Insurance Senior Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Kent Lee	Male	2015.02	21,092	0.01%	-	-	-	-	MS, Tamkang University Department of Risk Management and Insurance Section Head, Taian Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Yung-Fu Su	Male	2016.11	6,402	0.00%	-	-	-	-	MS, Department of Economics, Ming Chuan University Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Yu-Jen Hsiao	Male	2019.02	-	-	-	-	-	-	MS, Department of Labor Relations, National Chung Cheng University Manager, MSIG Mingtai Insurance	None	None	None	None
Senior Manager	R.O.C.	Chyi- Shyang Chiu	Male	2020.02	7,000	0.00%	-	-	-	-	Department of Mechanical Engineering, Chien-Hsin Junior College Deputy Manager, Kuo Hua Insurance Manager, TLG Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Jonathan Tu	Male	2020.02	-	-	-	-	-	-	BS, Department of Business Administration, Ling Tung University Section Head, MSIG Mingtai Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None

Title (Note 1) (Note 3)	Nationality/ Country of Origin	Name (Note 3)	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Senior Manager	R.O.C.	Chin-Ho Lin	Male	2021.02	-	-	13,500	0.01%	-	-	MS, Mathematics, Applied Mathematics, Statistical Sciences, Department of Mathematics, - National Chung Cheng University Manager, TLG Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Chiu-Shan Chung	Male	2017.07	3,377	0.00%	-	-	-	-	MBA, National Chiayi University - Section Chief, Union Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Cathi Chen	Female	2024.04	-	-	-	-	-	-	MBA, Western Washington University - Senior Project Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	April Wang	Female	2025.05	10,500	0.00%	-	-	-	-	BA, Department of Sociology, National Chengchi University - Deputy Manager, TLG Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Senior Manager	R.O.C.	Shang-Jen Tung	Male	2025.05	-	-	-	-	-	-	MS, Institute of Engineering [Industrial Safety and Disaster Prevention], National Chiao Tung - University Section Chief, Walsun Insurance Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Eric Hsu	Male	2018.05	1,000	0.00%	-	-	-	-	BS, Department of Information Management, Shih Hsin University - Acting Manager, Taiwan Fire & Marine Insurance Project Manager, Sirtec International Company Manager, TLG Insurance	None	None	None	None
Manager	R.O.C.	Wun-Bin, Hou	Male	2019.02	11,000	0.00%	1,000	0.00%	-	-	MS, Applied Statistics, Tamkang University - Deputy Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Ben Yu	Male	2020.09	-	-	-	-	-	-	MA, Department of Management, Fo Guang University Section Chief, Zurich Insurance - Deputy Manager, Union Insurance Manager, Cathay Century Insurance Assistant Manager, Taiwan Fire & Marine Insurance	None	None	None	None

Title (Note 1) (Note 3)	Nationality/ Country of Origin	Name (Note 3)	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Manager	R.O.C.	Feng-Wei Chen	Male	2022.04	-	-	-	-	-	-	MS, Department of Risk Management and Insurance, Tamkang University Manager, Taiwan Fire & Marine Insurance Manager, CTBC Insurance	None	None	None	None
Manager	R.O.C.	Kuan-Yeu Chen	Male	2023.04	-	-	-	-	-	-	BS, Department of Finance, Lughwa University of Science and Technology - Claim Adjuster, Taian Insurance; Deputy Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Ting-Kuo Huang	Male	2023.07	56	0.00%	-	-	-	-	BS, Department of Chemical Engineering and Biotechnology, National Taipei University of Technology Sales, Taian Insurance; Deputy Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Shih-Ting Hsiao	Male	2023.07	-	-	-	-	-	-	BS, Applied Mathematics, Chung Hua University Senior Assitanct Section Chief, China Life General Insurance Manager, Service Center, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Ching-Tzung Lu	Male	2023.07	10,000	0.00%	-	-	-	-	BS, Department of Applied Science of Living, ShihChien University Deputy Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Gavin Hsiao	Male	2023.07	-	-	-	-	-	-	Master, Nanhua University College Of Management - Section Chief, Union Insurance Deputy Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Ming-Ta Tan	Male	2024.09	2,800	0.00%	7,000	0.00%	-	-	BS, Dept of Finance, Chung Hua University Deputy Manager, Taiwan Fire & Marine Insurance Assistant Manager, Taiwan Fire & Marine Insurance	None	None	None	None

Title (Note 1) (Note 3)	Nationality/ Country of Origin	Name (Note 3)	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 2)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Manager	R.O.C.	Ben Hsu	Male	2024.09	700	0.00%	14,200	0.00%	-	-	MS, Dept of Risk Management and Insurance, Feng Chia University Deputy Manager, Taiwan Fire & Marine Insurance Assistant Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Nan-Chou Liu	Male	2025.05	-	-	-	-	-	-	MS, Engineering Management Program, National Cheng Kung University Project Manager, Taiwan Fire & Marine Insurance	None	None	None	None
Manager	R.O.C.	Yi- Hsin Lin	Female	2025.05	-	-	-	-	-	-	BS, Depat of Business Design, Ming Chuan University. Manager, Uni-President Group; Chief Officer, Mitake Inc	None	None	None	None

Note 1: Shall include information regarding General Manager and Deputy General Manager, Associate Managers, Supervisors of Departments and Branch Agencies. Persons who hold positions equivalent to General Manager and Deputy General Manager, or Associate Managers shall also be disclosed.

Note 2: For the current positions in the accounting firm or affiliates in the first term mentioned above, please explain the titles and duties of such positions.

Note 3: If the President or equivalent (the top manager) are the same person as the Chairman, or are spouses or relatives within the first degree of kinship, the reasons, rationality, necessity, and corresponding measures (such as increasing the number of Independent Directors and having more than half of the Directors who do not serve as employees or managers, etc.) shall be explained: None.

Note 4: (-) in the table means (0)

2.1.3 Remuneration of Directors, Supervisors, President, and Vice President

Remuneration of Directors

Unit : NT\$ thousands

Title	Name (Note 1)	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note10)		Compensation paid to Directors from an invested company other than the Company's subsidiaries or parent company (Note11)									
		Base Compensation (A) (Note2)		Severance Pay (B)		Bonus to Directors (C) (Note3)		Allowances (D) (Note4)				Salary, Bonuses, and Allowances (E) (Note5)		Severance Pay (F)		Profit Sharing- Employee Bonus (G) (Note6)															
		The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company		Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements (Note7)											
Chairman	Steve Lee	15, 943	15, 943	-	-	40, 335	40, 335	2, 773	2, 773	59, 051 4. 75%	59, 051 4. 75%	-	-	-	-	-	-	-	59, 051 4. 75%	59, 051 4. 75%	None										
Director	Yong-Shin Development Co., Ltd.																					None									
Director	Bank of Taiwan Co., Ltd.																						None								
Director	Yong-Shin Development Co., Ltd. Representative: Charles Sung																							None							
Director	Yong-Shin Development Co., Ltd. Representative: Chung-Chou Chang																								None						
Director	Yong-Shin Development Co., Ltd. Representative: Bin-Fu Chen																									None					
Director	Shan-Yue Industrial Co., Ltd. Representative: Chain-Cheng Lee																										None				
Director	Bank of Taiwan Co., Ltd. Representative: Mei-Ling Wu																											None			
Director	Bank of Taiwan Co., Ltd. Representative: Wei-Hsin Wang																												None		
Director	Bank of Taiwan Co., Ltd. Representative: Hsiu-Shiang Liu (Note 13)																													None	
Director	Bank of Taiwan Co., Ltd. Representative: Yi-Bao Lin (Note 14)																														None

Title	Name (Note 1)	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+ F+G) to Net Income (%) (Note10)		Compensation paid to Directors from an invested company other than the Company's subsidiaries or parent company (Note11)
		Base Compensation (A) (Note2)		Severance Pay (B)		Bonus to Directors (C) (Note3)		Allowances (D) (Note4)				Salary, Bonuses, and Allowances (E) (Note5)		Severance Pay (F)		Profit Sharing- Employee Bonus (G) (Note6)						
		The company	All companies in the consolidated financial statements (Note7)	The company	All companies in the consolidate d financial statements (Note7)	The company	All companies in the consolidate d financial statements (Note7)	The company	All companies in the consolidate d financial statements (Note7)	The company	All companies in the consolidated financial statements (Note7)	The company	All companies in the consolidated financial statements (Note7)	The company	All companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note7)			
Independent Director	Christopher Chang	5, 400	5, 400	-	-	-	-	780	780	6, 180 0. 50%	6, 180 0. 50%	-	-	-	-	-	-	-	6, 180 0. 50%	6, 180 0. 50%	None	
Independent Director	Cheng Ching Huang																				None	
Independent Director	Nien-Tsu Chiang																				None	
1. Please state the payment policy, system, standards and structure for the remuneration of Independent Directors, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested and other factors: The Independent Directors of the company do not participate in the distribution of directors' remuneration. The remuneration is determined in consideration of the Company's overall operating performance, future business risks and development trends of the industry, as well as individual performance and contribution to the company's performance. Related performance evaluation and remuneration reasonableness are reviewed by the Remuneration Committee and the Board of Directors and the remuneration system is reviewed in a timely manner based on the actual operating conditions and relevant laws and regulations, in order to strike a balance between the company's sustainable operations and risk control. 2. Remuneration to Directors for rendering services (such as consultants) in favor of the companies included in the financial statements in the most recent year other than the disclosures in the above table : None.																						

Note: The total remuneration for drivers in 2025 is NT\$2.1 million

Remuneration of Directors

Title	Name (Note 1)	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+ F+G) to Net Income (%) (Note10)		Compensation paid to Directors from an invested company other than the Company's subsidiaries or parent company (Note11)
		Base Compensation (A) (Note2)		Severance Pay (B)		Bonus to Directors (C) (Note3)		Allowances (D) (Note4)				Salary, Bonuses, and Allowances (E) (Note5)		Severance Pay (F)		Profit Sharing- Employee Bonus (G) (Note6)						
		The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidated financial statements (Note7)	The company	Companies in the consolidate d financial statements (Note7)	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements (Note7)	
																Cash	Stock	Cash	Stock			
Chairman	Steve Lee	15, 103	15, 103	-	-	5, 042	5, 042	1, 811	1, 811	21, 956 1. 77%	21, 956 1. 77%	-	-	-	-	-	-	-	-	21, 956 1. 77%	21, 956 1. 77%	None
Director	Yong-Shin Development	-	-	-	-	15, 126	15, 126	-	-	15, 126 1. 22%	15, 126 1. 22%	-	-	-	-	-	-	-	-	15, 126 1. 22%	15, 126 1. 22%	None
Director	Bank of Taiwan Co., Ltd.	360	360	-	-	15, 126	15, 126	230	230	15, 716 1. 26%	15, 716 1. 26%	-	-	-	-	-	-	-	-	15, 716 1. 26%	15, 716 1. 26%	None

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company (Note8)	Companies in the consolidated financial statements (Note 9) H	The company (Note8)	Companies in the consolidated financial statements (Note 9) I
Under NT\$ 1,000,000	Yong-Shin Development Co., Ltd. Representative : Chung-Chou Chang 、 Bin-Fu Chen 、 Charles Sung Shan-Yue Industrial Co., Ltd Representative : Chain-Cheng Lee Bank of Taiwan Co., Ltd. Representative : Mei-Ling Wu Wei-Hsin Wang Hsiu-Shiang Liu Yi-Bao Lin	Yong-Shin Development Co., Ltd. Representative : Chung-Chou Chang 、 Bin-Fu Chen 、 Charles Sung Shan-Yue Industrial Co., Ltd Representative : Chain-Cheng Lee Bank of Taiwan Co., Ltd. Representative : Mei-Ling Wu Wei-Hsin Wang Hsiu-Shiang Liu Yi-Bao Lin	Yong-Shin Development Co., Ltd. Representative : Chung-Chou Chang 、 Bin-Fu Chen 、 Charles Sung Shan-Yue Industrial Co., Ltd Representative : Chain-Cheng Lee Bank of Taiwan Co., Ltd. Representative : Mei-Ling Wu Wei-Hsin Wang Hsiu-Shiang Liu Yi-Bao Lin	Yong-Shin Development Co., Ltd. Representative : Chung-Chou Chang 、 Bin-Fu Chen 、 Charles Sung Shan-Yue Industrial Co., Ltd Representative : Chain-Cheng Lee Bank of Taiwan Co., Ltd. Representative : Mei-Ling Wu Wei-Hsin Wang Hsiu-Shiang Liu Yi-Bao Lin
NT\$1,000,000 (inclusive)~ NT\$2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) ~NT\$3,500,000 (exclusive)	Independent Director : Christopher Chang Cheng Ching Huang Nien-Tsu Chiang	Independent Director : Christopher Chang Cheng Ching Huang Nien-Tsu Chiang	Independent Director : Christopher Chang Cheng Ching Huang Nien-Tsu Chiang	Independent Director : Christopher Chang Cheng Ching Huang Nien-Tsu Chiang
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive)~ NT\$10,000,000 (exclusive)	Shan-Yue Industrial Co., Ltd	Shan-Yue Industrial Co., Ltd	Shan-Yue Industrial Co., Ltd	Shan-Yue Industrial Co., Ltd
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	Yong-Shin Development Co., Ltd. Bank of Taiwan Co., Ltd. Steve Lee	Yong-Shin Development Co., Ltd. Bank of Taiwan Co., Ltd. Steve Lee	Yong-Shin Development Co., Ltd. Bank of Taiwan Co., Ltd. Steve Lee	Yong-Shin Development Co., Ltd. Bank of Taiwan Co., Ltd. Steve Lee
NT\$30,000,000 (inclusive)~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive)~ NT\$100,000,000 (exclusive)	-	-	-	-
Over NT\$100,000,000	-	-	-	-
Total	15	15	15	15

- Note 1: The name of directors shall be listed separately (for institutional shareholders, the name of institutional shareholders and representative shall be listed separately), and the payments shall be disclosed collectively. If a director also serves as a General Manager or Deputy General Manager, he/she should fill up this form and the (3-1) or (3-2) below.
- Note 2: Remuneration of directors in the most recent year (including salaries, professional allowance, severance pay, bonuses, and performance fees).
- Note 3: Remuneration paid to directors in the most recent year upon the approval of Board of Directors.
- Note 4: Business expenses paid out to directors in the most recent year (including transport, special expenses, various allowances, accommodation, vehicles, and provision of physical goods and services). If housing, vehicle or other means of transportation, or personal expense is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included.
- Note 5: Remuneration for directors concurrently holding positions in the Company (for positions that include the General Manager and Deputy General Manager, other managerial officers, or employees) shall include salaries, job remuneration, severance, bonuses, performance fees, transport fees, special expenses, various subsidies, accommodation, vehicles, and provision of physical items and services. If housing, vehicle or other means of transportation, or personal expense is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed.
If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included. Furthermore, any compensation recognized in the IFRS 2 Share-Based Payment section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, should be included in the calculation of remuneration.
- Note 6: For directors concurrently holding positions in the Company in 2025 (including the General Manager, Deputy Manager, other managerial officers, or employees) and receiving the remuneration (including stock and cash), the employee remuneration paid in 2024 upon the approval of the Board of Directors shall be disclosed. If such remuneration cannot be estimated, the remuneration to be distributed in 2025 shall be based on the proportion of the remuneration distributed last year and filled in Schedule 1-3.
- Note 7: Total remuneration in various items paid out to the Company directors by all companies (including this Company) listed in the consolidated statement shall be disclosed.
- Note 8: For the total remuneration in various items paid out to the Company directors, the name of each director shall be disclosed in the corresponding range of the remuneration.
- Note 9: Total remuneration in various items paid to every director of this Company by all companies (including this Company) listed in the consolidated statement shall be disclosed.
The name of the director shall also be disclosed in the proper remuneration range.
- Note 10: Net income refers to the net income in 2024; if IFRS is adopted, the net income refers to the net income in parent Company only or individual financial report in 2024.
- Note 11: a. Compensations received by the directors from other non-subsidiary companies invested by the Company shall be disclosed in this column.
b. If the director receives remuneration from investments in other companies that are not subsidiaries of this Company, the said remuneration shall be included in Column J in the remuneration range table. The name of the column shall also be changed to "All investments in other companies".
c. Remuneration refers to the compensation, rewards (including rewards distributed to employees, directors and supervisors) and remuneration related to business expenses that are received by the company's directors who serve as directors, supervisors or managerial officers at investment companies other than subsidiaries.
- Note 12 : [-] in the table means [0] .
- Note 13 : Dismissal on February 19, 2025
- Note 14 : Appointment on February 19, 2025
- * The content disclosed in this table is based on a concept different from the Income Tax Act. The purpose of the table is for the disclosure of information, instead of taxation.

Remuneration of Supervisors: None

Remuneration of the President and Vice President

Title	Name (Note1)	Salary(A) (Note2)		Severance Pay (B)		Bonuses and Allowances (C) (Note3)		Profit Sharing- Employee Bonus (D) (Note4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note8)		Compensation paid to Directors from an invested company other than the Company's subsidiaries or parent company (Note9)
		The company	Companies in the consolidated financial statements (Note5)	The company	Companies in the consolidated financial statements (Note5)	The company		Companies in the consolidated financial statements (Note5)		The company	Companies in the consolidated financial statements (Note5)			
						Cash	Stock	Cash	Stock					
President	Chao-Feng Chen	17, 545	17, 545	633	633	15, 006	15, 006	2, 787	-	2, 787	-	35, 971 2. 89%	35, 971 2. 89%	None
Senior Vice President / chief corporate governance officer	Nicholas N.C. Sheu (Note 11)													None
Chief Auditor	Hong-Hsing Chuang													None
HQ Chief compliance officer and AML/CFT compliance officer	Tsui-Jung Chen													None
Executive Vice President	Chia-Lin Sheu													None
Senior Vice President	Andrew Hsieh													None
Senior Vice President	Allen Cheng (Note 13)													None
Vice President	Yuan-Yi Liao (Note 14)													None
Vice President	Jimmy Chu (Note 14)													None
Vice President	Su-Chen Lin (Note 15)													None

Note: The total remuneration for directors in 2025 is NT\$954 thousand.

Range of Remuneration	Name of President and Senior Vice Presidents	
	The company (Note6)	Companies in the consolidated financial statements (Note7) E
Under NT\$ 1,000,000	Allen Cheng Su-Chen Lin	Allen Cheng Su-Chen Lin
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Nicholas N.C. Sheu Hong-Hsing Chuang Tsui-Jung Chen Yuan-Yi Liao Jimmy Chu	Nicholas N.C. Sheu Hong-Hsing Chuang Tsui-Jung Chen Yuan-Yi Liao Jimmy Chu
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Chia-Lin Sheu Andrew Hsieh	Chia-Lin Sheu Andrew Hsieh
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	-	-
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	Chao-Feng Chen	Chao-Feng Chen
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000(exclusive)	-	-
NT\$50,000,000 (inclusive) ~ T\$100,000,000(exclusive)	-	-
Over NT\$100,000,000	-	-
Total	10	10

* Disclosure is required regardless of the occupational title. Positions that are equivalent to the presidency and senior vice presidency (such as President, CEO, Director) should be disclosed.

Note 1: The names of President and Senior Vice Presidents shall be listed separately and the payments shall be disclosed collectively. If a director also serves as a President or Senior Vice Presidents, he/she should fill this form and (1-1) or (1-2) above.

Note 2: President and Senior Vice Presidents' compensations in the most recent year (including salary, professional compensation and severance).

Note 3: Compensations of President and Senior Vice Presidents concurrently holding positions in the Company shall include bonuses, performance fees, transport fees, special expenses, various subsidies, accommodation, vehicles, and provision of physical items and services. If housing, vehicle or other means of transportation, or personal expense

is provided, the nature and cost of the asset provided, the rental calculated based on the actual cost or the fair market value, fuel, and other payments shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included. Furthermore, any compensation recognized in the IFRS 2 Share-Based Payment section, including issuance of employee stock options, new restricted employee shares and capital increase by stock subscription, should be included in the calculation of remuneration.

Note 4: Employee compensations (including shares and cash) given to President and Senior Vice Presidents as approved by the Board of Directors for the most recent fiscal year shall be disclosed. But in case an estimated figure cannot be derived, this year's budgeted compensations shall be calculated based on last year's actual compensations. Please fill Schedule 1-3 with related information. Net profit refers to the after-tax net income for the most recent fiscal year; for those that have already adopted the IFRS principles, net profit refers to the after-tax net income in individual or consolidated financial reports for the most recent fiscal year.

Note 5: Total compensations of various items paid out to this Company's President and Senior Vice Presidents by all companies (including this Company) listed in the consolidated statement shall be disclosed.

Note 6: Names of the Company's President and Senior Vice Presidents shall be disclosed in the range corresponding to the total of compensations paid to them.

Note 7: Total compensation of various items paid to every President and Senior Vice Presidents of this Company by all companies (including this Company) listed in the consolidated statement shall be disclosed. The name of the President and Senior Vice Presidents shall also be disclosed in the proper compensation range.

Note 8: Net income refers to the after-tax net income for the most recent fiscal year; for those that have already adopted the IFRS principles, net income refers to the after-tax net income in individual or consolidated financial reports for the most recent fiscal year.

Note 9: a. Compensations of the Company's President and Senior Vice Presidents received from other non-subsidiary companies invested by this Company shall be disclosed in this column.

b. If the President and Senior Vice Presidents of the Company receives remuneration from investment companies other than subsidiaries, the amount of remuneration received by the President and Senior Vice Presidents from investment companies other than subsidiaries shall be combined into Column E of the table for ranges of remuneration, and this column shall be renamed as "All Investment Companies".

(Merge)

c. Remuneration refers to the compensation, rewards (including rewards distributed to employees, directors and supervisors) and remuneration related to business expenses that are received by the company's President and Senior Vice Presidents who serve as directors, supervisors or managerial officers at investment companies other than subsidiaries.

Note 10: [-] in the table means [0] .

Note 11: Dismissal on January 02, 2026

Note 12: Appointment on May 27, 2025

Note 13: Dismissal on May 07, 2025

Note 14: Appointment on May 01, 2025

Note 15: Dismissal on July 09, 2025

* The content disclosed in this table is based on a concept different from the Income Tax Act. The purpose of the table is for the disclosure of information, instead of taxation.

Performance Bonus of the Management Team

Unit: NT\$ thousands

	Title (Note 1)	Name (Note 1)	Employee Bonus - in Stock (Fair Market Value)	Employee Bonus - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	President	Chao-Feng Chen	-	6,158	6,158	6,158 0.50%
	Senior Vice President/ as the chief corporate governance officer	Nicholas N.C. Sheu (Note 5)				
	General Auditor	Hong-Hsing Chuang (Note 6)				
	HQ Chief compliance officer and AML/CFT compliance officer	Tsui-Jung Chen				
	Executive Vice President	Chia-Lin Sheu				
	Senior Vice President	Andrew Hsieh				
	Senior Vice President	Allen Cheng (Note 7)				
	Senior Vice President	Yuan-Yi Liao (Note 8)				
	Senior Vice President	Jimmy Chu (Note 8)				
	Senior Vice President	Su-Chen Lin (Note 9)				
	Vice President	Chih-Chieh Huang				
	Vice President	Steven Lin				
	Senior Manager	Yung-Fu Su				
	Senior Manager	Kent Lee				
	Senior Manager	Yu-Jen Hsiao				
	Senior Manager	Chyi-Shyang Chio				
	Senior Manager	Jonathan Tu				
	Senior Manager	Chin-Ho Lin				
	Senior Manager	Chiu-Shan Chung				
	Senior Manager	Cathi Chen				
	Senior Manager	April Wang (Note10)				
	Senior Manager	Shang-Jen Tung (Note10)				
	Senior Manager	Chih-Hung Wang (Note11)				
	Manager	Eric Hsu				
	Manager	Wun-Bin Hou				
	Manager	Ben Yu				
	Manager	Feng-Wei Chen				
	Manager	Kuan-Yeu Chen				
	Manager	Ting-Kuo Huang				
	Manager	Shih -Ting Hsiao				
	Manager	Ching-Tzung Lu				
	Manager	Gavin Hsiao				
	Manager	Ming-Ta Tan				
	Manager	Ben Hsu				
	Manager	Nan-Chou Liu (Note 12)				
	Manager	Yi- Hsin Lin (Note 12)				
	Accounting Manager	Pi-Chen Wang				

Note 1: Individual names and titles shall be disclosed, but compensations received can be disclosed as total sum.

Note 2: Employee compensations (including shares and cash) given to managers as approved by the Board of Directors for the most recent fiscal year shall be disclosed. But in case an estimated figure cannot be derived, this year's budgeted compensations shall be calculated based on last year's actual compensation distribution proportion. After-tax net income refers to the after-tax net income for the most recent fiscal year; for those that have already adopted the IFRS principles, after-tax net income refers to the after-tax net income in parent company only or individual financial reports for the most recent fiscal year.

After-tax net income

Note 3: The scope of the term "manager" will be applied based on the below standards as stated by Memorandum No. 1120384295 issued on October. 4, 2023 by the TPEX:

- (1) President and its equivalent
- (2) Senior Vice President and its equivalent
- (3) Vice President and its equivalent
- (4) Supervisor of Finance Department
- (5) Supervisor of Accounting Department
- (6) Other personnel authorized to manage Company operations and sign for approval.

Note 4: If Directors, President or Senior Vice President have received employee compensations (including shares and cash), this form shall be filled out in addition to table 1 -2.

Note 5: Dismissal on January 02, 2026

Note 6: Appointment on May 27, 2025

Note 7: Dismissal on May 07, 2025

Note 8: Appointment on May 01, 2025

Note 9: Dismissal on July 09, 2025

Note 10: Appointment on May 01, 2025

Note 11: Dismissal on April 11, 2025

Note 12: Appointment on May 01, 2025

Note13: [-] in the table means [0]

2.1.4 Comparison of Remuneration for Directors, Supervisors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, Presidents and Vice Presidents

A. Analysis of Ratio of Total Compensations Paid to Directors, Supervisors, the President and Vice Presidents by the Company and All Companies Listed in the Consolidated Financial Statements to Net Income in the Most Recent Two Years

Unit : NT\$ thousands

Job title	2025				2024			
	Total remuneration		Percentage of after-tax net profit (%)		Total remuneration		Percentage of after-tax net profit (%)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Directors	65,231	65,231	5.25	5.25	59,088	59,088	5.08	5.08
Supervisors (Note)	-	-	-	-	-	-	-	-
President and Vice Presidents	35,971	35,971	2.89	2.89	27,994	27,994	2.41	2.41

Note: The Company set up an Audit Committee on June 6, 2014 to replace the supervisor function, so it was not applicable since 2015.

B. Policies, Standards and Packages of Director Remuneration, as well as Procedures for Determining Remuneration, and Its Correlations with Business Performance and Future Risk Exposure

Remuneration are paid to Directors in accordance with Article 35-1 of the Company's Corporate Charter which stipulates that "If the Company posts a profit in a particular year, one (1) percent to five (5) percent of the profit shall be distributed as employee bonus and at least 20% thereof shall be allocated to non-managerial employees; whereas less than five (5) percent of the profit shall be distributed as Directors remuneration (excluding Independent Directors)...", this is to combine the Company's operating performance and Directors' contributions to the Company's performance to provide remuneration for the Directors. Salaries are paid to the President and senior Vice President in accordance with the Company's Rules Governing the Management of Compensation for Managerial Officers, and by taking into consideration the salary level of the position in the industry to which the Company belongs, the scope of duties within the Company and the manager's contributions to the Company's operating goals. Rules related to performance appraisal for the Company's Directors and managerial officers serve as the basis for determining remuneration. In addition to the Company's overall operating performance, the future operating risks and development trend of the industry, an individual's performance accomplishments and his/her contributions to the Company's performance shall also be taken into account in order to determine reasonable remuneration. The Remuneration and Nomination Committee and the Board of Directors shall review related performance appraisal and the reasonableness of the remuneration determined. The Company's remuneration procedure shall be reviewed periodically, based on the actual business performance and the relevant laws and regulations to maintain a balance between the Company's sustainable business continuity and risk control.

Our company has established a comprehensive management system for addressing material sustainability issues and has set clear short-, medium-, and long-term goals encompassing environmental, social, and governance (ESG) aspects. We are committed to maximizing our positive impact on society and the environment to achieve sustainable corporate development. Furthermore, we have linked compensation factors to sustainability performance indicators and included it as a key performance indicator in annual performance evaluations.

Key Performance Indicator		Percentage (%)
Department Performance		50%
Management Performance		5%
Corporate Governance Performance		15%
Sustainable Development	Implementation of Key ESG Issues -- Environmental Protection (E): Climate Change Management -- Social Responsibility (S): Product Marketing and Information Transparency, Talent Development and Training, Talent Attraction and Retention, Employee Health and Workplace Safety -- Corporate Governance (G): Ethical Business Practices, Regulatory Compliance, Corporate Governance, Information Security and Customer Privacy, Operational Performance, Digital Finance and Innovation, Risk Management	4%
Talent Development		4%
Work Innovation		12%
Work Attitude		10%
		100%

2.2 Implementation of Corporate Governance

2.2.1 Board of Directors

A total of Seven (7) 【A】 meetings of the Board of Directors were held in the previous period. The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person 【B】	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Steve Lee	7	0	100	
Director	Yong-Shin Development Co., Ltd. Representative: Chung-Chou Chang	6	1	85.7	
Director	Yong-Shin Development Co., Ltd. Representative: Bin-Fu Chen	6	1	85.7	
Director	Yong-Shin Development Co., Ltd. Representative: Charles Sung	7	0	100	
Director	Yong-Shin Development Co., Ltd. Representative: Chain-Cheng Lee	7	0	100	
Director	Bank of Taiwan Co., Ltd. Representative: Mei-Ling Wu	7	0	100	
Director	Bank of Taiwan Co., Ltd. Representative: Yi-Bao Lin	6	0	100	Appointment 2025. 02. 19
Director	Bank of Taiwan Co., Ltd. Representative: Wei-Hsin Wang	6	1	85.7	
Director	Bank of Taiwan Co., Ltd. Representative: Hsiu-Shiang Liu	1	0	100	Dismissal 2025. 02. 19
Independent Director	Christopher Chang	7	0	100	
Independent Director	Cheng Ching Huang	7	0	100	
Independent Director	Nien-Tsu Chiang	7	0	100	

Note 1: If director / supervisor are corporate shareholders, the representative of the corporate shareholder should be disclosed.

Note 2: (1) If any director/supervisor is dismissed before the end of fiscal year, the date of dismissal should be disclosed, and the actual attendance rate is determined based on the duration of the directorship.

(2) If any director/supervisor is dismissed/appointed before the end of fiscal year, the appointment date should be disclosed, and the actual attendance rate is determined based on the duration of the directorship.

Attendance of Independent Directors to the sessions of the Board in 2025

◎ : in person; ☆: by proxy; *: Absent;

Session (Date)	the 12 th meeting of the 27th Board of Directors (1/20/2025)	the 13 th meeting of the 27th Board of Directors (3/7/2025)	the 14 th meeting of the 27th Board of Directors (4/18/2025)	the 15 th meeting of the 27th Board of Directors (4/25/2025)	the 16 th meeting of the 27th Board of Directors (8/27/2025)	the 17 th meeting of the 27th Board of Directors (10/31/2025)	the 18 th meeting of the 27th Board of Directors (12/26/2025)
Name							
Christopher Chang	◎	◎	◎	◎	◎	◎	◎
Cheng Ching Huang	◎	◎	◎	◎	◎	◎	◎
Nien-Tsu Chiang	◎	◎	◎	◎	◎	◎	◎

Other required disclosure:

I.If the operation of the Board of Directors includes one of the following circumstances, the date, period of the Board of Directors, the contents of proposals, all Independent Directors' opinion and the reaction toward Independent Directors' opinions by the Company shall be specified.

(I) All conditions listed in Article 14-3 of the Securities and Exchange Act.

Not applicable, as the Company has established the Audit Committee. Based on Paragraph 1, Article 14-5 of the Securities and Exchange Act, Article 14-3 of the Act is not applicable

(II) In addition to the preceding matter, other resolutions of the Board of Directors on which independent directors have dissenting opinions or qualified opinions, and that are documented or issued through written statements: None

II.In regards to the recusal of independent directors from voting due to conflict of interests, the name of the independent directors, the proposal, reasons for recusal due to conflict of interests and voting outcomes should be stated:

(I) The 12th meeting of the 27th Board of Directors: A proposal was made to authorize an investment of up to NT\$80 million in Top Taiwan XV Venture Capital Limited Partnership. Chairman Steve Lee as the corporate representative of the director of Sirtec International Co., Ltd., Taiwan Navigator Asset Investment Co., Ltd. Chain-Cheng Lee as the Chairman of Taiwan Navigator Asset Investment Co., Ltd. Their conflicts of interest were disclosed, and both of them recused themselves from the discussion and voting accordingly. When the Company reviewed the remuneration to the Company's independent directors and discussed the remuneration about Independent Director Liang-Chi Chang and Independent Director Nien-Tsu Chiang, both independent directors disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly. When the Company reviewed the proposal for the distribution of the 2024 year-end performance bonus to the Company's Chairman Steve Lee, and discussed his remuneration, he disclosed his conflicts of interest and recused himself from the discussion and voting accordingly.

(II) The 13th meeting of the 27th Board of Directors: When the Company reviewed the remuneration to the representative director of the Company's institutional shareholder, Bank of Taiwan, Ms. Yi-Pao Lin, and discussed the remuneration to Director Yi-Pao Lin, she disclosed the conflicts of interest and recused herself from the discussion and voting accordingly. When the Company reviewed the details about the 2024 remuneration for the Company's directors and discussed the 2024 remuneration for the representative director of the Company's institutional shareholder, Bank of Taiwan, Directors Mei-Ling Wu, Yi-Pao Lin and Wei-Hsin Wang disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly. When discussing the 2024 remuneration for Chairman Steve Lee, the representative director of the Company's institutional shareholder, Yong-Shin Development Co., Ltd., and the representative director of the Company's institutional shareholder, Shan Yue Industrial Co., Ltd., Chairman Steve Lee, Directors Chung-Chou Chang, Bin-Fu Chen, Charles Sung and Chain-Cheng Lee each disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly.

- (III) The 16th meeting of the 27th Board of Directors: In the proposal to donate NT\$8 million to the Taiwan Fire and Marine Foundation, Chairman Steve Lee as the chairman of the Foundation, and Directors Charles Sung and Chain-Cheng Lee as the directors of the Foundation, each have disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly.
 - (IV) The 19th meeting of the 27th Board of Directors: When the Company reviewed the proposal for the distribution of the 2025 year-end performance bonus to the Company's Chairman, Steve Lee, and discussed his remuneration, he disclosed his conflicts of interest and recused himself from the discussion and voting accordingly.
 - (V) The 20th meeting of the 27th Board of Directors: When the Company reviewed the proposal for the distribution of the 2025 year-end performance bonus to the directors representing the institutional shareholder Bank of Taiwan, Ms. Mei-Ling Wu, Ms. Yi-Pao Lin, and Mr. Wei-Hsin Wang, each disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly; when discussing the remuneration of Chairman Steve Lee, as well as the directors representing the institutional shareholders Yongxin Development Co., Ltd. and Shan Yue Industrial Co., Ltd., Chairman Steve Lee, Directors Chung-Chou Chang, Ping-Fu Chen, Charles Sung and Chain-Cheng Lee, each disclosed their conflicts of interest and recused themselves from the discussion and voting accordingly.
- III. The information regarding self or peer evaluation cycle and frequency, evaluation scope, method and evaluation content for the Board of Directors, please refer to page 50 for the implementation of the Board.
- IV. Goals (e.g., establishing an Audit Committee, enhancing information transparency) primed to enhance the Board of Directors' professionalism and the assessment on their execution process for the year and the most recent year:
- (I) For the basis of implementation of the Board of Directors' external performance assessment, and the independence of the assessment unit, assessment method and date, assessment criteria, assessment results and the Company's future improvement plan, please refer to the Board of Directors' 2024 performance assessment results on Page 51.
 - (II) The Company established the Audit Committee on June 6, 2014 and 6 meetings of the Audit Committee were convened in 2024.
 - (III) To facilitate management and execution of the sustainable business development, Sustainable Development Committee is established on June 16, 2023 to replace Ethical Management Committee.
 - (IV) In order to strengthen corporate governance and enhance the Board's performance, the Board of Directors passed a resolution on December 26, 2025 to transform the Remuneration Committee into the Remuneration and Nomination Committee.

Implementation on the Evaluation of the Board of Directors:

Evaluation cycle (Note 1)	Once a year.
Period of evaluation (Note 2)	from January 1, 2025 to December 31, 2025
Scope (Note 3)	The scope of the evaluation of the Board of Directors includes the evaluation of the performance of the entire Board of Directors, individual Board members, the Audit Committee, the Remuneration Committee, Sustainable Development Committee and Risk Management Committee.
Evaluation method (Note 4)	Performance evaluation is conducted through internal self-evaluation by the Board of Directors, self-evaluation by Board members, and peer evaluations. If the term of office of the subjects of the preceding paragraphs does not expire in that year, the performance evaluation shall be conducted during the term of office in that year.
Evaluation content (Note 5)	The Company shall consider its situation and needs to establish the criteria for board performance evaluation, and shall include at least the following five major aspects: I.Extent of participation in the Company's operations. II.Improvement in the quality of the Board's decision-making. III.Composition and structure of the Board of Directors. IV.Election of Directors and Continuing Education. V.Internal Control. The measurement items of the self-assessment questionnaire for Board members and peers should include at least the six following aspects: I.Familiarity with the Company's goals and undertakings. II.Awareness of Directors' responsibilities. III.Extent of participation in the Company's operations. IV.Internal relationship management and communication. V.Professionalism and continuing education of Directors. VI.Internal Control. The measurement items of the Audit Committee's performance evaluation should include at least the five following aspects: I.Extent of participation in the Company's operations. II.Recognition of the Audit Committee's responsibilities. III.Improvement in the quality of decision-making of the Audit Committee. IV.The composition of the Audit Committee and the selection of its members. V.Internal Control. The measurement items of the Remuneration Committee's performance evaluation should include at least the four following aspects: I.Extent of participation in the company's operations. II.Recognition of the Remuneration Committee's responsibilities. III.Improvement in the quality of decision-making of the Remuneration Committee. IV.Composition and Selection of Remuneration Committee Members The measurement items of the Sustainability Development Committee's performance evaluation should include at least the four following aspects: I.Extent of participation in the company's operations. II.Recognition of the Sustainability Development Committee's responsibilities. III.Improvement in the quality of decision-making of the Sustainability Development Committee. IV.Composition and Selection of Sustainability Development Committee Members. The measurement items of the Risk Management Committee's performance evaluation should include at least the four following aspects: I.Extent of participation in the company's operations. II.Recognition of the Risk Management Committee's responsibilities. III.Improvement in the quality of decision-making of the Risk Management Committee. IV.Composition and Selection of Risk Management Committee Members.

Note 1: Fill in the execution cycle of the evaluation for the Board of Directors, for example: once a year.

Note 2: Fill in the covered period of the evaluation for the Board of Directors, for example: the performance evaluation of the Board from January 1, 2019 to December 31, 2019.

Note 3: The scope of evaluation includes the performance of the Board of Directors, individual board members and functional committees.

Note 4: The methods of evaluation include internal self-evaluation by the board members, peer evaluation, appointment of external professional institutions, experts, or other appropriate methods to carry out the evaluation of performance.

Note 5: The contents of evaluation include at least the following items according to:

- (1)The evaluation of performance for the board: at least include the level of participation in the operations for the Company, the quality of decisions for the board, the composition and structure of the board, selection of Directors and training, internal control, etc.
- (2)The evaluation of performance for individual Directors: at least include the handling of goals and tasks for the Company, the responsibilities for Directors, and the level of participation in the operations for the Company, the management and communication for internal relationship, the profession of Directors, training, and internal control, etc.
- (3)The evaluation of performance for the functional committees: the level of participation in the company operations, the responsibilities of the functional committees, the quality of decisions of the functional committees, the composition of the functional committee, the selection for members, internal control, etc.

The Board of Directors' Performance Assessment Report

Basis of implementation	According to Article 3 of the "Regulations Governing the Board of Directors' Performance Assessment" of the Company, the Board of Directors' performance assessment shall be performed by a professional independent institution or external team of experts at least once every three years.
Entity performing the assessment and independence thereof	In July 2024, the Company commissioned the Taiwan Corporate Governance Association (hereinafter referred to as Taiwan Corporate Governance Association) to perform the 2024 Board of Directors' performance assessment. The Taiwan Corporate Governance Association has undertaken the performance assessment of the Board of Directors both as a whole and individually. It upholds a fair, objective and honesty attitude, and remains completely independent. It has also signed a non-disclosure agreement and statement on independence and ethical management.
Assessment Method and Date	The Company completed the self-assessment covering the period from September 1, 2023 to August 31, 2024. The Taiwan Corporate Governance Association assessment member and specialist conducted the documentary specialists and members of the Company's self-assessment unit conducted the assessment jointly. On November 4, 2024, the Taiwan Corporate Governance Association expert and members of the Company's self-assessment unit conducted an on-site visit to the Company. The attendees included the Chairman of the Board, conveners of the Audit Committee, Remuneration Committee, Risk Management Committee and Sustainable Development Committee, Independent Directors, the President, Chief Corporate Governance Officer, General Auditor, Head of the Audit Committee, Chief Compliance Officer of the Head Office and Manager of the Risk Management Office.
Assessment Criteria	The Taiwan Corporate Governance Association conducts the performance assessment on the Board of Directors in five major aspects: (I)The composition and division of labor of the Board of Directors (II)The direction and supervision of the Board of Directors (III)Authorization and risk management of the Board of Directors (IV)Communication and cooperation with the Board of Directors (V)Self-discipline and improvement of the Board of Directors

Assessment results	The Taiwan Corporate Governance Association issued the performance assessment report on the Board of Directors on November 18, 2024. The contents thereof are summarized as following and submitted to the 10th meeting of the 27th Board of Directors on December 27, 2024. (I) Characteristics of Corporate Governance The Company's Board of Directors members have expertise in economics, business administration, finance, insurance, taxation, information and other fields, and are capable of making important decisions relating to business operations and business management. In addition to the Remuneration Committee and Audit Committee, the Company established the Risk Management Committee in October 2010 and the Sustainable Development Committee in June 2023. The Independent Directors make up the members of the four functional committees. The Company has appointed a Chief Corporate Governance Officer, who shall supervise matters relating to the Board of Directors and shareholders' meetings, prepare Board of Directors and Shareholders' meeting minutes, assist in Directors' assumption of their duties and continuing education, provide information needed by Directors to perform their duties, assist in Directors' compliance with laws, report to the Board of Directors on the qualifications of the independent directors relating to their qualifications, election and the term of office, and other matters stipulated in the Company's Articles of Incorporation. The Company's Chairman of the Board adopts an open leadership policy to direct the Company, and Board of Directors' meetings proceed in an open-minded manner. The Chairman values focusing on brainstorming ideas and respects the opinions all Board members, so that all of the motions proposed by the Board of Directors can be fully discussed, and the quality of the decision making can be improved accordingly. When electing the Board of Directors, the Company takes into consideration their professionalism, independence and diversity. All the Independent Directors are elite in the relevant industry and are willing to serve the Board. They participate in the Board's operations and contribute their own expertise, in order to help the Board leverage performance. The Company values the cultivation and succession planning of the management personnel, including creation of a key talent pool and regular inventory-taking, utilization of training plans, project tasks and promotions, and any other methods to cultivate the competency. In April of each year, the management development plan implementation results will be reported to the Board of Directors to strengthen the depth and scope of functions of the Board of Directors, and continue to add to the sustainable development momentum for the Company. (II) Suggestions After the comprehensive evaluation by the Taiwan Corporate Governance Association, the following suggestions are proposed: 1. The Company has set up a whistle-blowing hotline and mailbox on its website, and announced the system for handling whistle-blowing cases. The Legal Compliance Department is responsible for handling related cases. In order to enable the Board of Directors and the whistle-blowing system to connect with each other closely, the Company is recommended to enable the independent directors (the Audit Committee) to receive all whistle-blowing information simultaneously, and further strengthen the whistle-blowing mechanism and functions.
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	2.The performance of the Company’s General Auditor is assessed by the Chairman of the Board. It is recommended that the opinions of the independent directors (Audit Committee) be considered to implement the independent directors’ responsibilities of internal audit supervision. 3.It is recommended that communication channels between the internal audit staff and the independent directors should be arranged (such as closed meetings), in order to exercise the Audit Committee’s internal supervisory function and internal control system. 4.The current scoring method applicable to the self-assessment questionnaire for the performance of the Company’s Board of Directors adopts the “Yes” or “No” format. It is recommended that the reliability and discriminative power of the Board’s performance self-assessment results should be enhanced by expanding it to a Likert scale (e.g., 1 to 5 points), in order to accurately reflect the effectiveness of the Board, functional committees, and individual directors in guidance and overseeing, and also to facilitate better communication, review, and improvement of the assessment outcomes.
The Company’s future improvement plan	1.Upon receipt of any whistle-blowing case, the Legal Compliance Office shall report it to the President and Chairman of the Board, and provide the information about the case to independent directors. 2.According to the existing laws and regulations, the performance of the Company’s General Auditor is assessed by the Chairman of the Board, and then the information about the performance evaluation and remuneration is submitted to the Remuneration Committee consisting of independent directors for review. The Independent Directors’ suggestions shall be taken into consideration before the Chairman assesses the General Auditor’s performance. The Company will discuss them in order to strengthen corporate governance and have the independent directors fulfill the responsibilities of internal audit supervision. 3.The Company will hold a communication meeting between the Audit Committee and the internal audit officers and a meeting between the directors and the internal auditors on the deficiencies of the internal control system at least once per year, and prepare the meeting minutes. 4.The self-evaluation questionnaire scoring method attached to the Company’s “Regulations Governing the Board of Directors’ Performance Assessment” will be amended to a Likert scale in accordance with the “Sample Template of the Regulations Governing the Board of Directors’ Performance Assessment.” The amended questionnaire will be adopted to perform the 2024 internal performance assessment on the Board of Directors upon agreement per the resolution of the Board of Directors meeting in January 2025.

2.2.2 Audit Committee (or Participating Supervisors at Board Meetings)

The Company's Audit Committee is composed of all Independent Directors. The key work and audit items include:

1. Adoption or amendment of an internal control system pursuant to Article 14-1.
2. Assessment of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
4. A matter bearing on the personal interest of a director.
5. A material asset or derivatives transaction.
6. A material monetary loan, endorsement, or provision of guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
9. The appointment or discharge of a financial, accounting, or internal auditing officer.
10. Annual and semi-annual financial reports.
11. Any other material matter so required by the Company or the Competent Authority.

A. Audit Committee

A total of seven (7) 【A】 Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person 【B】	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent Director	Christopher Chang	7	0	100	
Independent Director	Cheng-Ching Huang	7	0	100	
Independent Director	Nien-Tsu Chiang	7	0	100	

Other required disclosure:

I. If the audit Committee has any of the following issues; the date, period, proposal content, the resolution of the Audit Committee and the Company's reaction toward the audit Committee's opinions shall be specified.

(I) Items listed in Article 14-5 of Securities and Exchange Act:

Audit Committee Term/Date	Proposal	Objections or Issues raised by the Audit Committee
4th Term 11th Meeting (2025.01.20)	1. It is resolved to appoint the investment trust companies, Uni-President Assets Management Corp. and Fuh Hwa Securities Investment Trust Co., Ltd., as the discretionary investment trust service providers for Taiwan stocks.	No
	2. It is resolved to authorize the investment in the incorporation of Top Taiwan XV Venture Limited Partner.	No

Audit Committee Term/Date	Proposal	Objections or Issues raised by the Audit Committee
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	
4th Term 12th Meeting (2025.03.06)	1.Resolution of the 2024 Anti-Money Laundering and Counter Terrorism Financing Internal Control System Self-Assessment Report and Anti-Money Laundering and Counter Terrorism Financing Internal Control System Statement	No
	2.Resolution of 2024 internal control system Self-Assessment Report and the Company's 2024 Internal Control System Statement.	No
	3.Resolution of the Company's 2024 Financial Report.	No
	4.Resolution for appointing the CPAs Chen-Hsiu Yang and Wen-Yea Shyu of Deloitte, Taiwan to audit the 2025 financial and taxation statements and their remuneration.	No
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	
4th Term 13th Meeting (2025.04.17)	Resolution for the personnel change approval of Company's Chief Auditor	No
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	
4th Term 14th Meeting (2025.04.25)	Resolution of the engagement of Deloitte & touche to provides services for the Capital Reduction and the related service fees.	No
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	

Audit Committee Term/Date	Proposal	Objections or Issues raised by the Audit Committee
4th Term 15th Meeting (2025.08.26)	1. Resolution of the Company's Financial Report for the first half of 2025.	No
	2. Resolution of acquisition authorization of the real estate located at No. 210, Section 3, Chengde Road, Datong District, Taipei City.	No
	3. Resolution of the engagement of Deloitte & Touche to provide consulting services for the implementation of the accountability mapping system and the related service fees.	No
	4. Resolution for the donation to "Taiwan Fire & Marine Foundation".	No
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	
4th Term 17th Meeting (2025.12.24)	1. Resolution of the 2026 Company Audit Plan. °	No
	2. Resolution on the engagement approval of Deloitte & Touche to conduct a pre-review of IFRS 17 “Insurance Contracts” and the related service fees.	No
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	
4th Term 18th Meeting (2026.03.05)	1. Resolution of the 2025 Anti-Money Laundering and Counter Terrorism Financing Internal Control System Self-Assessment Report and Anti-Money Laundering and Counter Terrorism Financing Internal Control System Statement	No
	2. Resolution of 2025 internal control system Self-Assessment Report and the Company's 2024 Internal Control System Statement.	No
	3. Resolution of the Company's 2025 Financial Report.	No
	4. Resolution for appointing the CPAs Chen-Hsiu Yang and Chia-Ming Chang of Deloitte, Taiwan to audit the 2026 financial and taxation statements and remuneration.	No

Audit Committee Term/Date	Proposal	Objections or Issues raised by the Audit Committee
	Audit Committee Resolution: The Chair consulted all Independent Directors in attendance and the proposals were passed unanimously by the Independent Directors in attendance and filed for discussion in the board meeting. Response of the Company to the opinions of the Audit Committee: the Board acted in favor of the motion in common consent.	

- (II) In addition to the items in the preceding, any resolutions passed by two-thirds of the directors but not been approved by the Audit Committee: None.
- II. In regards to the recusal of independent directors from voting due to conflict of interests, the names of the independent directors, the proposal, reasons for recusal due to conflict of interests and voting outcomes should be stated: None
- III. Communication among independent directors and internal audit supervisors and CPA (shall include material matters, methods, and results of communication on the Company's finance and state of business):
- (I) The head of internal audit and the independent directors shall meet at least once every quarter, and the Audit Committee shall report on the status of the Company's audit and the execution of internal control measures in its 2024 Annual Meeting. In the event of major irregularities, a meeting may be convened at any time to discuss and communicate.
- (II) The independent directors and the head of internal audit shall hold a symposium at least once a year to fully communicate and make records on issues such as the company's internal auditing deficiencies and improvement plans, and submit the meeting minutes of the symposium to the Board of Directors for a report.
- (III) The independent directors and accountants shall meet at the audit committee meeting at least two (2) times a year to fully communicate on the Company's financial and business conditions, audit reports and the annual audit plan. In case of major irregularities, the meeting may be convened to discuss and communicate at any time.

Summary of communication:

Date	Venue	Parties Involved	Issues	Results
2025. 03. 06	Audit Committee	1. Company's Chief Auditor 2. Company's Chief Accounting Officer and CPA	1. Report on the Company's audit operations in the second half of 2024. 2. Report on the Company's 2024 internal control system Self-Assessment Report and the Company's 2024 Internal Control System Statement. 3. Review of the Company's 2024 Financial Report.	1. Approved for the records. 2. The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting. 3. The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting.

Date	Venue	Parties Involved	Issues	Results
2025. 04. 17	Independent Directors' Meeting with Internal Auditors	Chief Auditor and internal audit personnel	Explanation of deficiencies related to the "Regulations Governing Insurance Agents," along with the corresponding improvement and control measures, which have been included as key audit items for internal audits across all units	Acknowledged and submitted to the Audit Committee for reporting
2025. 04. 25	Audit Committee	1. Company's Chief Auditor 2. Company's Chief Accounting Officer and CPA	1. Report on the Improvement Status of deficiencies identified in General Audits and Self-Inspections for the Second Half of 2024. 2. Review the Company's financial report for the first quarter of 2025.	1. Approved for the records. 2. The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting.
2025. 08. 26	Audit Committee	1. Company's Chief Auditor 2. Company's Chief Accounting Officer and CPA	1. Report on the Company's audit operations in the first half of 2025. 2. Communication with the Company's CPA regarding the 2025 the audit plan and the audit for the second quarter of 2025. 3. Review the Company's financial report for the first half of 2025.	1. Approved for the records. 2.. Approved for the records. 1. The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting.
2025. 10. 30	Audit Committee	1. Company's Chief Auditor 2. Company's Chief Accounting Officer and CPA	1. Report on the status of improvements in response to the examination findings identified in the Financial Supervisory Commission's 2025 general business examination report of the Company (No. 114I011). 2. Report on the Improvement Status of deficiencies identified in General Audits and Self-Inspections for the First Half of 2025. 3. Review the Company's financial report for the third quarter of 2025.	1. Approved for the records. 2. Approved for the records. 3. The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting.

Date	Venue	Parties Involved	Issues	Results
2025. 10. 31	Board members and Internal Auditors	1. Company's Chief Auditor 2. Internal Auditors	1.Report on internal auditing. 2.The auditing deficiencies in the first half of 2025 and the improvement measures 3.The focus of financial inspection in 2025 - Nonlife insurance companies. 4.The main auditing deficiencies in the first half of 2025 - nonlife insurance companies. 5.Cases of enforcement in nonlife insurance industry from January to September in 2025. 6. 114 Financial Examination Bureau “Summary of the Symposium on Insurance Industry Applications for Implementing a Risk-Based Internal Audit System”	Approved for the records.
2025. 12. 24	Audit Committee	Company's Chief Auditor	1. The reply issued by the Financial Supervisory Commission regarding the Company’s reported status of corrective actions in response to the findings of the general business examination report (Ref. No. 114I011). 2.Review the Company's 2026 audit plan	The chair consulted all Committee Members in attendance. The proposals were passed unanimously and filed for discussion in the board meeting.

B. Attendance of Supervisors at Board Meetings: N/A, Company has Audit Committee set up in lieu of the functions of Supervisors.

2.2.3 State of Corporate Governance, Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
1. Has the Company established and disclosed its code of practices on corporate governance based on "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?"	✓		The Company has established the "Corporate Governance Best Practice Principles" in accordance with the "Corporate Governance Best Practice Principles for Insurance Companies" and the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and disclosed on the Company's official website under the Company's important regulations (https://www.tfmi.com.tw).	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
2. The shareholding structure of the Company and shareholders' rights				
(1) Did the company establish an internal procedure for handling shareholder proposals, inquiries, disputes, and litigation? Are such matters handled according to the internal procedure?	✓		(1) The Company has designated a spokesperson, acting spokesperson, and shareholder service personnel to process shareholders' suggestions, questions, and disputes. The contact methods are disclosed on the Company's official website (https://www.tfmi.com.tw) to protect shareholder interests.	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(2) Did the company maintain a register of major shareholders with controlling interest as well as a register of persons exercising ultimate control over those major shareholders?	✓		(2) The Company has established shareholder service personnel to manage related information and assigned a professional shareholder service agency to provide the latest information.	
(3) Did the company establish and enforce risk control and firewall systems with its affiliate enterprises?	✓		(3) The Company and its affiliated enterprises adopted independent management of their assets and finances. The Company has also established the "Procedures Governing the Acquisition and Disposal of Assets," "Procedures on Transactions with Stakeholders," "Regulations on	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
(4) Did the company formulate internal regulations that prohibit company insiders from trading securities using information not disclosed to the market?	✓		Financial Businesses and Transactions with Stakeholders," "Internal Regulations on Transactions with Stakeholders," and "Reinvestment Management Regulations" to provide guidance. (4) The Company has established the "Regulations on Prevention of Conflicts of Interest and Insider Trading" and "Procedures for Handling Material Internal Information" to prevent internal staff from trading securities based on information that has not been disclosed to the market. The regulations are placed in the Company's internal regulations and announced on the Company's official website. (https://www.tfmi.com.tw)	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
3. Organization and responsibilities of the Board of Directors (1) Has a policy of diversity been established and implemented for the composition of the board of directors?	✓		(1) The Company's Corporate Governance Best Practice Principles provides that, to improve the structure of the Board of Directors, the Members of the Board should be diversified in terms of different professional backgrounds (such as legal, accounting, and industrial backgrounds), gender, or sectors. The composition of the members of the Board should have gender equality and incorporate knowledge, skills, and ethics required for the performance of duties. The Members of the Board elected by the Company on June 16, 2023 and their representatives all meet the preceding	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
(2) In addition to Salary and Remuneration Committee and Audit Committee established according to law, has the company voluntarily established other functional committees?	✓		qualifications for improving the structure of the Board of Directors and enhance the Company's corporate governance, details please refer to page 32. (2) The Company has established functional committees as follows: 1. Risk Management Committee: An Independent Director serves as Convener. The Risk Management Committee follows regulations, implements risk management system, effectively manages and correctly assesses the reasonable risks in the Company's business operations and assists the Board of Directors in recognizing the necessary risks in the insurance industry, establish appropriate risk management mechanisms and culture, and ensure the validity of risk management. A Risk Management Office is established to oversee the operations of the Committee. 2. Remuneration and Nomination Committee A. Periodically review the Charter of the Remuneration and Nomination Committee and propose amendments B. Establish and periodically review policies, systems, standards, and structures for the performance evaluation and remuneration of Directors and managers. C. Periodically evaluate and determine the remuneration of Directors and managers. D. Establish performance	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			evaluation and compensation standards for business personnel, as well as for insurance brokers and insurance agents engaged by the Company. E. Establish professional qualifications and independence criteria for Board members, and review and nominate candidates for Directors accordingly. F. Conduct performance evaluations of the Board of Directors, its committees, and individual Directors. G. Establish and periodically review training and continuing education programs for Directors. 3. Audit Committee: The main mission of the Committee is to supervise the Company's affairs. A. The fair presentation of the Company's financial reports. B. Appointment or dismissal of the certifying CPAs and evaluation of their independence and performance. C. The effective implementation of the Company's internal control system. D. The compliance to relevant regulations and rules. E. Management of existing or potential risks. 4. Sustainable Development Committee (established June 16 2023 to replace Ethical Management Committee):	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
(3) Does the company establish standards and method for evaluating Board performance, conduct annual performance evaluations, submit performance evaluation results to the Board, and use the results as a basis for determining the remuneration and nomination of individual Directors?	✓		To assist and promote all business activities to be in align with ethical management, stable and sustainable business development, adheres to government laws and code of ethics, creating values for all the stakeholders while promising sustainable growth. (3) The Company has formulated the Directors Performance Evaluation Procedures, which stipulates the procedures and indicators conducted for the annual Board evaluation, and the results of evaluation should be completed before the end of the first quarter of the following year. The Company's Directors' evaluation indicators are as follows: 1. The performance evaluation of the Board of Directors includes five major aspects: A. Extent of participation in the company's operations. B. Improvement in the quality of the Board's decision-making. C. Composition and structure of the Board of Directors. D. Election of Directors and Continuing Education. E. Internal Control. 2. The performance evaluation of Board members includes six major aspects: A. Familiarity with the Company's goals and undertakings. B. Awareness of Directors' responsibilities. C. Extent of participation in the Company's operations.	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			D. Internal relationship management and communication. E. Professional and continuing education of Directors. F. Internal Control. 3.The Audit Committee's performance evaluation includes five major aspects: A. Extent of participation in the company's operations. B. Recognition of the Audit Committee's responsibilities. D. Improvement in the quality of decision-making of the Audit Committee. E. The composition of the Audit Committee and the selection of its members. F. Internal Control. 4.The performance evaluation of the Remuneration Committee includes four major aspects: A. Extent of participation in the company's operations. B. Recognition of the Remuneration Committee's responsibilities. C. Improvement in the quality of decision-making of the Remuneration Committee. D. Composition and Selection of Remuneration Committee Members. 5. Performance Evaluation of the Sustainability Development Committee The evaluation of the Sustainability Development Committee's performance encompasses four key aspects:	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
(4) Does the company regularly implement assessments on the independence of the CPAs?	✓		A. Level of participation in company operations. B. Awareness of committee responsibilities. C. Enhancement of decision-making quality. D. Composition and selection of committee members. 6. Performance Evaluation of the Risk Management Committee The evaluation of the Risk Management Committee's performance includes four key aspects: A. Level of participation in company operations. B. Awareness of committee responsibilities. C. Enhancement of decision-making quality. D. Composition and selection of committee members. The evaluation results are to be categorized as "excellent", "acceptable" and "need improvement". The evaluation results were presented to the Board of Directors on March 06, 2026. The results of the performance evaluation for 2025 were "excellent" for each board member, the Audit Committee and the Remuneration Committee. (4) To maintain the independence of the CPAs and comply with regulations, the Company evaluates the independence of CPAs every year in accordance with the No. 10 Statement on Professional Ethics Standards for ROC Accountants on The	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			Independence of Audits and Review Engagements. The evaluation items are as follows: A. Statement of Independence B. Direct or indirect material financial interests C. Currently serving or having served as the Company's Director, Supervisor, or other positions that could seriously affect the audit in the most recent two years. D. Defended the Company's views or opinions that may affect his/her independence. E. The CPA and the audit team did not suffer or feel any threat from the Company that may cause it to be unable to maintain objectivity and clarify professional skepticism. The CPA and the audit team did not provide any non-auditing services that may affect their independence. F. There were no other occurrences of conditions specified in the No. 10 Statement on Professional Ethics Standards that may affect their independence. The Company conduct an assessment in reference to the 5 elements / 13 indicators based on the AQI provided by the external auditors. In reference to the AQI indicators, the Company confirmed that the CPAs and their offices were superior to the average level in the same	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			industry in terms of training hours, turnover rate, and quality control support capabilities. Meanwhile, the Company will continue to implement digital audit mechanism in next three years, in order to improve audit efficiency and quality. Aforementioned assessment report and AQI were also submitted to the Audit Committee and Board of Directors for review. According to the assessment, Chen-Hsiu Yang, CPA and Wen-Yea Shyu, CPA of Deloitte Taiwan appointed by the Company in 2025 and Chen-Hsiu Yang, CPA and Chia-Ming Cheng, CPA of Deloitte Taiwan appointed by the Company in 2026 have satisfied the requirements regarding independence and competence.	
4. Does the TWSE/TPEX listed company have a dedicated unit/staff member in charge of the Company's corporate governance affairs (including but not limited to providing information required for director/supervisor's operations, convening Board/Shareholder meetings in compliance with the law, apply for/change company registry and producing meeting minutes of Board/Shareholder meetings)?	✓		(I) In order to protect the rights of shareholders and strengthen the functions of the Board of Directors, the Company has allocated the appropriate corporate governance personnel in the legal compliance office, financial department and planning department. In the 18th meeting of the 27th Board of Directors on December 26, 2025, a resolution was passed to appoint Vice President Jerry Huang as the head of Corporate Governance. His main responsibilities are to supervise and manage the meetings for Board of Directors and shareholders in accordance	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			with the law, to prepare the minute book for the Board and shareholders, to assist Directors taking office and training, to provide Directors with the necessary information to perform duties, to assist Directors following laws and report the qualification of the independent Directors to the Board, and any other matters stipulated by the Company Charters or contracts. (II) 2025 the Head of Corporate Governance supervised and implemented corporate governance matters with the support of relevant units: 1. Assisted Directors to provide the necessary information regarding the business and to follow with laws and regulations. 2. Handled all matters relating to the Meetings of the Board and Shareholders in accordance with the law. 3. Prepare the minute books for the meeting of the Board and Shareholders. 4. Process Director changes. 5. Provide at least 6 hours of OJT training sessions for the Directors. 6. 2025 D&O liability insurance policy renewal for the Board of Directors. 7. Assist in conducting the External Performance Evaluation of the Board of Directors. 8. Strengthen information	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			disclosure: to safeguard Shareholder' rights and implement equal treatment of Shareholders, and the disclosure of English financial reports. 9. According to the index item of "Corporate Governance Evaluation," regularly review the implementation of corporate governance related matters with various authorities to follow with the laws. 10. Evaluate owns performance against the Articles of the "Corporate Governance Best Practice Principles for Insurance Companies." (III) The OJT of the corporate governance officer are listed under page 110-121.	
5. Has the company established channels of communication for stakeholders (including but not limited to shareholders, employees, customers and suppliers), dedicated a section of your company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	✓		Our company has established a Stakeholder Section on the official website as a communication channel to address corporate social responsibility issues of concern to stakeholders. Communication with stakeholders is managed by the relevant business units, with dedicated personnel responding to key social responsibility topics. For more details, please refer to our Sustainability Report and the Stakeholder Section on our official website: https://www.tfmi.com.tw/	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
6. Does the Company commission professional services agencies to hold Shareholders' Meetings and other relevant affairs?	✓		The Company has appointed the Department of Stock Affairs at IBF Securities Co., Ltd. to process affairs related to shareholders' meetings.	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
7. Information disclosure				
(1) Did the Company establish a website to disclose information on financial operations and corporate governance?	✓		(1) The Company has established an official website (https://www.tfmi.com.tw). A dedicated department is responsible for information collection and prompt updates of content of the website. Related financial and business information, Directors' attendance in Board of Directors meetings and their continuing education are also regularly disclosed on the website. In addition, the Company has established an Investor Service area for investor queries.	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(2) Did the company adopt other means of information disclosure (such as establishing an English language website, delegating a professional to collect and disclose company information, implement a spokesperson system, and disclosing the process of investor conferences on the company website)?	✓		(2) The Company has established an English website to provide foreign investors with related information, and set up a dedicated unit responsible for updating the important information on the Market Observation Post System (MOPS) and financial information. The Company has also established the Rules Governing Spokespersons to implement a unified spokesperson system. The Company held two investor conferences in 2025, and has disclosed the relevant information on its official website.	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(3) Does the Company publish annual financial statements within two months after the end of each fiscal year, and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?		✓	(3) The Company follows the Article 36 of Securities and Exchange Act and Article 36 of the Regulations Governing the Preparation of Financial Reports for Insurance Enterprises, published the annual financial report within seventy-five (75) days after the end of each fiscal year; discloses the first,	The Company disclosed the annual financial report within seventy-five (75) days after the end of the fiscal year in accordance with the law.

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			second, and third quarter financial reports and the monthly operating situation within the prescribed time limit.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance (Including but not limited to employee's rights, employee care, investor relations, supplier relations, stakeholders' rights, further studies of Directors and Supervisors, implementation of risk management policies and measurement standards, implementation of customer policies and purchase of liability insurance for the Directors and Supervisors of the Company)?	✓		(1) The Company conducts business in accordance with the Company Act and related laws and regulations. The Company's Articles of Incorporation established clear regulations on the appropriation of employee remuneration. The "Work Rules" established in accordance with the Labor Standards Act safeguards the rights and interests of employees. The Company also protects the rights and interests of employees through periodic labor-management meetings between representatives of the employees and management, the Labor Retirement Reserve Supervisory Committee, Sexual Harassment Prevention, Complaint, and Resolution Committee, Personnel Evaluation Committee. Implemented an Employee Assistance Program (EAP) to support employees in addressing personal issues that may affect work performance, including psychological counseling, legal, financial, and medical-related services. This initiative aims to enhance employee well-being and organizational effectiveness, and to foster a positive and supportive workplace environment. (2) The company established the Employee Welfare Committee to organize group insurance for	Consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			employees, conduct periodic medical examination, birthday parties, company outings, and provide subsidies for multiple clubs and activities to promote employees' physical and mental health. (3) The Company maintains long-term relationships with investors, established a spokesperson and acting spokesperson system, provides shareholders and corporate investors with contact windows, announces monthly operating performance reports, organizes annual general shareholders' meetings, establishes good communication channels with investors, periodically discloses financial information, and implements information disclosure and transparency to protect shareholder rights and interests. (4) The Company is a corporate member of the Risk Management Society of the Republic of China and the Taiwan Financial Services Roundtable, among other professional organizations. Through participation in related professional activities and exchanges, the Company continues to strengthen its risk management expertise and enhance relevant systems and practices. (5) The Company has established the "Procedures on Transactions with Stakeholders," "Internal Regulations on Transactions with Stakeholders," "Internal Regulations on Transactions with	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			Stakeholders,” and "Regulations on Financial Businesses and Transactions with Stakeholders,” to provide guidance. (6) The Company's Directors have all participated in continued education (please refer to page 118-120 of the Annual Report) and announced the progress of their training courses on the Market Observation Post System. (7) The Company has established the Risk Management Committee, which convenes at least once each quarter. An Independent Director serves as the Convener to implement regulations, oversee the implementation of the risk management system, effectively manage and correctly assess the risks in the Company's business operations and to assist the Board of Directors in recognizing the risks in the insurance industry, establish appropriate risk management mechanisms and culture, and ensure the validity of risk management. A Risk Management Office is established to oversee the operations of the Committee. (8) The Company regularly conducts internal control assessment tasks on various departments and subsidiaries as preventative controls. The Audit Department assigns auditing personnel to conduct related auditing and management tasks. (9) The Company has established a unit responsible for consumer	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			disputes, a toll-free customer service line (0809-068-888), and an online message system on the Company's official website. The Company has maintained free communication channels with customers and implementation was successful. Consumer disputes are processed in accordance with the "Fair Trade Act" and "Financial Consumer Protection Act" and the Company's policies are rigorously implemented. (10) The Company convenes a meeting of the Board of Directors once each month and the Directors' participation has been excellent. The attendance information is also disclosed on the Market Observation Post System. (11) The Company has purchased liability insurance for Directors, Supervisors and important corporate officers. (12) To establish regulations required for the corporate governance system to achieve the effects of early warning before audits and perform the functions of internal control, the Company has established the Legal Compliance Department in accordance with the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises" to take charge of the planning, management, and implementation of the legal compliance system.	

Assessed Item	Current Operation (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			(13) To protect shareholder interests and encourage shareholders to participate in corporate governance, the Company voluntarily adopted electronic voting as one of the channels for exercising voting rights in the shareholders meeting in 2015 to fully utilize technology for information disclosure and voting for the purpose of increasing shareholder attendance rates at Shareholder Meetings and to ensure that shareholders exercise their rights.	
9.Please specify the Company's measures to improve the items listed in the corporate governance review by the Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items to be improved. Improvement already imposed: 1.The Company has established specific measures to enhance corporate value, which have been submitted to and approved by the Board of Directors. Relevant information has also been disclosed on the Market Observation Post System (MOPS) under the “Corporate Value Enhancement Plan” section. 2.In 2025, the Company completed the greenhouse gas (GHG) inventory and assurance for 2024. 3.On December 26, 2025, the Board of Directors resolved to restructure the Remuneration Committee into the Remuneration and Nomination Committee. 4.The Company has disclosed its policy on linking senior executives’ remuneration to ESG-related performance evaluation. 5.The Company has designated a position equivalent to a Chief Sustainability Officer (CSO) to be responsible for the implementation of sustainability affairs. Items to be improved as the first priority: 1.To adopt the IFRS S2 framework and disclose relevant information. 2.Formulate environmental management policies and disclose implementation status.				

Note: Provide a brief description in the appropriate column, regardless whether "yes" or "no" is selected.

2.3.4 The composition, functions and operation of the Remuneration Committee.

A. Information on Members of Remuneration and Nomination Committee

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director (Convener) Christopher Chang	Department of Law, National Chengchi University Professional Experience: Independent Director, Taiwan Fire and Marine Insurance (2023 onwards) Director, Grand River D. Limited (2022 onwards) Independent Director, Wistron Corporation (2021 onwards) Chairman, Continental Development Corp (2021~2022) Senior Consultant, Chairman's office, Continental Engineering Corp (2009 ~ 2010) Independent Director, Continental Engineering Corp (1995 ~ 2004) Consultant / President, Dean Development Company (2008 ~ 2010) Partner / Consultant, Lee and Li Attorneys-at-Law (1989 ~ 2008) Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their	0

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act. 6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director Cheng Ching Huang	MBA University of Tennessee, Knoxville Professional Experience: Independent Director, Taiwan Fire and Marine Insurance (2020 onwards) Director, Agricultural Credit Guarantee Fund (2012 ~ 2018) Director, R.O.C. Bills Finance Association (2014 ~ 2017) Director, R.O.C. Bills Finance Association (2017 ~ 2020) Director, Trust Association of R.O.C. (2013 ~ 2016) Supervisor of the Company (2008 ~ 2014) Manager of International Banking Dept. Manager of Finance Dept. Manager of Heping Branch, Manager of OBU and Credit Review Dept., Land Bank of Taiwan (2002 ~ 2011) Director, United Taiwan Bank (2005 ~ 2006) Free from any circumstances referred to in Article 30 of the Company Act.	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act.	0

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
		6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director Nien-Tsu Chiang	PhD, Department of Law, National Chengchi University PhD, Department of Industrial and Business Management, Macau University of Science and Technology Master, IBMBA, National Chengchi University Bachelor of Graduate Department of Law, Fu Jen Catholic University; Bachelor of the Department of Political Science, Tunghai University Professional Experience: Independent Director, Taiwan Fire and Marine Insurance (2020 ~ present) Associate Professor, Undergraduate Degree Program of Rift Valley Interdisciplinary Shuyuan, National Dong Hwa University (2025–present) Adjunct Assistant Professor, Dept. of Public Finance and Tax Administration, National Taipei University of Business (2022 ~ present) Adjunct Assistant Professor, Graduate Department of Law, Fu Jen Catholic University. (2022 ~ present) Assistant Professor, Undergraduate Degree Program of Rift Valley Interdisciplinary Shuyuan, College of Huilan, National Dong Hwa University (2024–2025) Project Associate Professor, Department of Finance, College of Management, National Dong Hwa University (2021–2024) Adjunct Assistant Professor, College of Law, National	1. Not an employee of the Company or its affiliates. 2. Not a director or supervisor of the Company or its affiliates. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of any director, supervisor or manager of the Company or its affiliates. Not a spouse, relative within the second degree of kinship or lineal relative within the third degree of kinship of a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top 10 in holdings. 5. Not a director, supervisor, or employee of any corporate shareholder that has 5% or higher of the total shares issued by the Company, or of the top-5 corporate shareholders of the Company, or the corporate shareholders who appoint their representatives to serve as the director or supervisor the Company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act.	0

Qualification Status(Note 1) Name	Professional qualification and experience (Note 1)	Compliance of independence (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Chengchi University (2018 ~ 2020) Chairman, Awakening Foundation (2018 ~ 2020) Adjunct Assistant Professor, Department of Business Administration, Nanhua University (2008 ~ 2018) Consultant on Judicial Reform Act, Judicial Reform Foundation (2011 ~ 2017) Free from any circumstances referred to in Article 30 of the Company Act.	6. Not a director, supervisor or employee of any company controlled by the same person that holds a majority of the directors or voting shares of the Company. 7. Not a director, supervisor or employee of any company who is the same person as, or the spouse of, Chairman and President or equivalent of the Company. 8. Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any of its affiliates, or that provides commercial, legal, financial, accounting or related services to the Company or any of its affiliates for which the provider in the past 2 years has received cumulative compensation not exceeding NT\$500,000, or a spouse thereof. 10. Not a spouse or relative of the second degree of kinship of any other directors. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	

Note 1: Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Remuneration Committee. If they are independent directors, information can be directed by stating reference page of Appendix 1 for the information related to directors and supervisors. For title, please identify whether the person is an Independent Director or other (if a convener, please specify).

Note 2: Professional qualifications and experience: describe the professional qualifications and experience of individual Remuneration Committee members.

Note 3: Condition of independence: state that the members of the Remuneration Committee meet the conditions of independence, including but not limited to whether the members, their spouses, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; the number and proportion of

shares of the Company held by the members, their spouses, or relatives within the second degree of kinship (or in the name of others); whether they act as directors, supervisors or employees in a company that has a specific relationship with the Company (refer to Article 6, paragraph 1, subparagraphs 5~8 of the Measures for the Establishment and Exercise of Powers of the Compensation and Remuneration Committee of Companies Listed on the Stock Exchange or Trading at the Business Office of a Securities Firm); the amount of remuneration received from the Company or its affiliates for providing business, legal, financial, accounting and other services in the past two years.

B. The Remuneration and Nomination Committee shall exercise the care of a prudent manager to fulfill the following duties, and submit recommendations for Board of Directors discussion:

1. Review of the Remuneration and Nomination Committee charter regularly and provide revision suggestions whenever necessary.
2. Establish a regular system of review and evaluation on the Director and managers' performance, as well as remuneration policies, systems, standards, and structures.
3. Periodically evaluate and establish compensation and benefits for Directors and managers.
4. Establish performance evaluation and compensation standards for sales personnel, as well as for insurance brokers and insurance agents engaged by the Company.
5. Develop standards for the professionalism and independence of the Board members, and review and nominate director candidates based on the standards.
6. Conduct performance evaluations on the Board of Directors, committees and individual directors.
7. Formulate and regularly review directors' continuing education plans.

C. Remuneration and Nomination Committee

1. Remuneration and Nomination committee consists of three members.
2. The 5th term of the current committee: June 16, 2023 to June 15, 2026.
The committee has met 7 times (A) (January 1, 2025 to March 31, 2026). The attendance and qualifications of committee members are as follows:

Title	Name	Number of attendance (B)	Number of attendance via proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent Director	Christopher Chang	7	0	100	2025.01.01 Start to serve as the position of Convener
Independent Director	Cheng Ching Huang	7	0	100	
Independent Director	Nien-Tsu Chiang	7	0	100	

Other required disclosure:

1. Items determined by the Remuneration Committee

Remuneration Committee Term and Date	Proposal
5th Term Remuneration Committee 5th Meeting (2025.01.20)	1. Report on the appointment of Independent Director Liang-Chi Chang as the Convener and Chairperson of the 5th Committee, effective January 1, 2025.
	2. Discussion on the amendment of Articles 3, 6, and 8 of the Company's "Board Performance Evaluation Regulations."
	3. Proposal of the remuneration plan for independent Board of Directors.
	4. Proposal of the 2024 Year-end performance bonus plan for Chairman Mr. Steve Lee.

	5. Proposal of the 2024 Year-end performance bonus plan for President Mr. Chao-Feng Chen.
	6. Proposal of the 2024 Year-end performance bonus plan for the managers.
	7. Proposal to release project incentive bonus for managers from August 1, 2024 to December 31, 2024.
	Remuneration Committee's resolution: Item 3, when discussing the motion for remuneration to Independent Director Christopher Chang, he explained the conflict of interest and recused himself from discussion and voting, and Independent Director Chen-Ching Huang was appointed to act as the deputy chairperson. When discussing the motion for remuneration to Independent Director Nien-Tsu Chiang, she explained the conflict of interest and recused herself from discussion and voting. The other parts of the case were unanimously approved by all present members upon the chairperson's inquiry. The Company's response to the Remuneration Committee's opinions: Approved by all attending directors.
5th Term Remuneration Committee 6th Meeting (2025.03.06)	1. Proposal of the periodic review of the regulations of the Remuneration and Nomination Committee.
	2. Proposal of the remuneration for Ms. Yi-Bao Lin representative of the corporate Director Bank of Taiwan Co., Ltd.
	3. Proposal for the distribution of the remuneration plan to employees and Directors for 2024.
	4. Proposal for the distribution of the remuneration to Directors for 2024.
	Remuneration Committee resolution: The proposals were passed unanimously by the Committee Members in attendance. The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.
5th Term Remuneration Committee 7th Meeting (2025.04.17)	1. Proposal on the proposed compensation adjustment for the of managers.
	2. Proposal on the remuneration plan for newly appointed managers.
	Remuneration Committee resolution: The proposals were passed unanimously by the Committee Members in attendance. The Company's actions in response to the opinions of the Remuneration Committee:
	All the Directors in attendance voted in favor of the resolution.
5th Term Remuneration Committee 8th Meeting (2025.08.26)	1. Proposal of special bonus plan for management level
	2. Proposal of the project incentive bonuses plan to managers for the first half of 2025 (January 1 to June 30).
	Remuneration Committee resolution: The proposals were passed unanimously by the Committee Members in attendance. The Company's actions in response to the opinions of the Remuneration Committee:
	All the Directors in attendance voted in favor of the resolution.
5th Term	1. Proposal on special bonus payments to managers.
	2. Proposal on remuneration adjustment to managers.

Remuneration Committee 9th Meeting (2025.10.30)	Remuneration Committee resolution: The proposals were passed unanimously by the Committee Members in attendance. The Company's actions in response to the opinions of the Remuneration Committee: All the Directors in attendance voted in favor of the resolution.
5th Term Remuneration and Nomination Committee 10th Meeting (2026.02.06)	1.Proposal on 2025 performance bonus to Chairman, Mr. Steve Lee. 2.Proposal on 2025 performance bonus to President, Mr. Chao-Feng Chen 3.Proposal on 2025 performance bonus to Managers. 4.Proposal on the of the revised disbursement of project incentive bonuses to managers for the second half of 2025 (July 1 to December 31). Remuneration and Nomination Committee resolution: The proposal for the distribution plan of year-end performance bonuses for managerial officers in 2025 was submitted, with an additional provision to include an explanation of the allocation of the total year-end performance bonus pool going forward. With no objections raised by the attending members upon the Chairman's inquiry, the proposal was approved as presented. The Company's actions in response to the opinions of the Remuneration and Nomination Committee: All the Directors in attendance voted in favor of the resolution.
5th Term Remuneration and Nomination Committee 11th Meeting (2026.03.05)	1. Proposal of the periodic review of the regulations of the Remuneration and Nomination Committee. 2. Proposal of the Directors' performance evaluation report for 2025. 3. Proposal of the distribution of employee compensation and Directors' remuneration for 2025. 4. Proposal of the detailed allocation of Directors' remuneration for 2025 Remuneration and Nomination Committee resolution: The proposals were passed unanimously by the Committee Members in attendance. The Company's actions in response to the opinions of the Remuneration and Nomination Committee: All the Directors in attendance voted in favor of the resolution.

2. If the Board of Directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.
3. Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

Note1: If a member of the Remuneration Committee resigns prior to the year-end date, the date of resignation should be indicated in the Remarks column, and the actual attendance rate (%) should be calculated based on the number of Remuneration Committee meetings held and the actual number of meetings attended by the member during his/her employment.

Note2: Before the end of the year, if there is a re-election of Remuneration Committee, the new appointed and old appointed Remuneration Committee information shall be recorded and note whether the member is old-appointed, new appointed, consecutive reappointment and the re-election dates. The rate of attendance in person (%) shall be calculated based on the number of meetings for Remuneration Committee and the number of attendance in person during his term.

2.3.5 The composition, responsibilities and operation of the Company's Sustainable Development Committee

1. Responsibilities of the Sustainable Development Committee of the Company

- (1) Formulation, promotion and enhancement of the Company's sustainable development policy, annual plan and strategy.
- (2) Review, tracking and amendment of the implementation and results of the Company's sustainable development.
- (3) Supervision of disclosure of sustainable information and review of the ESG report.
- (4) Supervision of the execution of the business under the Company's Sustainable Development Best Practice Principles or other matters related to the implementation of the sustainable development resolved by the Board of Directors.

2. Information on the operation of the Sustainable Development Committee

- (1) The Company's Sustainable Development Committee consists of 3 members.
- (2) Sustainability Expertise and Competencies

Title	Name	Sustainability Expertise and Competencies
Independent Director	Nien-Tsu Chiang	1.Education: Ph.D., Department of Law, National Chengchi University 2.Professional Experience and Sustainability Expertise: - Chairperson, Taipei Association for the Promotion of Women's Rights - Member, Taipei City Gender Equality Committee - Advisory Committee Member, Pan-Pacific Sustainable Smart Alliance Center under the Ministry of Education's Cross-disciplinary Talent Cultivation Program for Sustainable Energy Applications - Associate Professor, College of Interdisciplinary Studies, National Dong Hwa University; teaches Corporate Social Responsibility courses - Co-author of "A Legal Guide for the Sustainable Era: From CSR, ESG, and SDGs to Social Innovation Enterprises" - Sustainability education and social innovation - Gender equality and diversity & inclusion - Climate change management
Independent Director	Chen-Ching Huang	1. Education: MBA, University of Tennessee, Knoxville 2. Professional Experience and Sustainability Expertise: - Deputy General Manager, Land Bank of Taiwan - Director, Agricultural Credit Guarantee Fund - Ethical management and risk control - Climate-related financial disclosure - Green finance and responsible investment
Independent Director	Liang-Chi Chang	1. Education: LL.B., Department of Law, National Chengchi University 2. Professional Experience and Sustainability Expertise: - Independent Director, Wistron Corporation; Member of the Corporate Sustainability Committee - Partner and Senior Consultant, Lee and Li, Attorneys-at-Law - Director, Sanlian Technology Education Foundation - Regulatory compliance and corporate governance - Corporate operations and risk governance - Employee rights protection

(3) The term of office to be held by the members of 1st Committee: June 16, 2023 to June 15, 2026.

The Sustainable Development Committee has held two meeting (A) in the most recent year and up to the publication date of the annual report. The qualifications and attendance of the Committee members are as follows:

Title	Name	Number of attendance (B)	Number of attendance via proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent Director	Nien-Tsu Chiang	2	0	100	2025.01.01 Start to serve as the position of Convener
Independent Director	Cheng Ching Huang	2	0	100	2025.01.01 Step down from the position of Convener
Independent Director	Christopher Chang	2	0	100	–

Other required disclosure:

Resolutions by the Sustainable Development Committee:

Sustainable Development Committee Term and Date	Proposal
1st Term Sustainable Development Committee 4th meeting (2025.04.17)	The Company plans to formulate the 2025 sustainability management policy and short-, medium- and long-term goals. Resolution of the Sustainable Development Committee: The case was unanimously approved by all present members upon the chairperson's inquiry.
1st Term Sustainable Development Committee 3rd meeting (2025.08.26)	The 2025 ESG report of Taiwan Fire & Marine Insurance Co., Ltd. is submitted accordingly. Resolution of the Sustainable Development Committee: The case was unanimously approved by all present members upon the chairperson's inquiry.

2.3.6 Company's performance in the area of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
I. Does the Company build the corporate framework to promote the sustainable development, with a specific (or part-time) unit set up and is the management authorized by the Board of Directors to handle matters, and how the Board of Directors supervise it?	✓		(I) The Company established the “CSR Committee” in 2014. 1st meeting of 27th Board of Directors on June 16, 2023 resolved to establish the “Sustainable Development Committee” under the direction of the Board of Directors. The Committee consists of three independent directors. (II) The Company designates the Planning Department as the responsible unit for promoting sustainability initiatives and has established a “Sustainability Promotion Task Force” under the Sustainability Committee to coordinate the planning, execution, and cross-departmental integration of sustainability strategies. The Task Force is convened by the President, with the Executive Vice President serving as Deputy Convener, and comprises four sub-groups—Environmental Protection, Social Responsibility, and Corporate Governance I and II—each led by a senior executive. Based on material issues identified through stakeholder engagement, the Task Force formulates short-, medium-, and long-term objectives and action plans. The Sustainability Committee convenes at least twice annually and may meet as needed to oversee implementation progress and provide guidance. It reports to the Board of Directors at least once a year, with the Board reviewing outcomes and offering direction to strengthen governance oversight. (III) The sustainable development taskforce convenes progress review meeting on a quarterly basis. The Planning Department compiles the Company's sustainable planning and execution result and reports the same to the Board of Directors. On April 25, 2025, the Board was presented with a review report on the implementation of sustainability initiatives for 2024, and on August 27, 2025, a report was submitted detailing the company's sustainability performance as of June 30, 2025. Minutes of the Sustainability Committee meeting were submitted to the Board of Directors on October 31, 2025.	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
II. Whether the Company conducts the risk assessment on the environment, society and corporate governance issues related	✓		Based on the principle of materiality, the Company conducts risk assessments on environmental, social (including human rights), and governance (ESG) issues related	Consistent with the Sustainable

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
to the Company's operation and adopts related risk management policies or strategies? (Note 2)			to its operations. The Company engages in communication and dialogue with internal and external stakeholders and identifies material issues through a structured process of identification, analysis, validation, and impact assessment. Relevant management approaches, as well as risk management policies and strategies, are established and implemented accordingly. For further information, please refer to the Company's Sustainability Report.	Development Best Practice Principles for TWSE/TPEX Listed Companies.
III. Environmental issues (I) Does the Company have an appropriate environmental management system established in accordance with its industrial characteristics?	✓		(I) 1. The Company establishes Safety and Sanitary voluntarily management system in accordance with Insurance Industry Labor Safety System, complied with environment-related laws and regulations, protecting natural environment, and used its best effort to contribute to the environmental sustainability while carrying out business activities. 2. In accordance to standard set by the Ministry of Labor, the office environment is regularly checked against safety and health protocols.	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Is the Company committed to enhancing the efficient utilization of energy and using renewable materials that have a low impact on the environment?	✓		(II) The Company continues to promote resource efficiency and the mitigation of environmental impact, implementing energy conservation, carbon reduction, and recycling principles through equipment optimization, digital transformation, and routine management mechanisms. The specific measures are as follows: 1. Improve the energy efficiency of air conditioners. Regular maintenance and cleaning of air conditioner return air filters and cooling towers ensures optimal equipment performance, improves cooling efficiency, and reduces energy consumption. 2. Promote paperless office operations and digital management. Establish various cloud-based operating systems and online bulletins, adopt electronic approvals to replace paper-based processes, reduce paper consumption and administrative overhead, and lower the operational carbon footprint through digital transformation. 3. Plastic reduction and recycling measures.	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			Employees are required to bring their own cups to reduce disposable paper cup consumption, and recycled envelopes are adopted for document delivery to increase the reuse rate of supplies. 4. Optimization of water-saving equipment. Replace toilets with water-saving models and add water-saving washers to faucets to improve water efficiency and mitigate water consumption. 5. Recycling and Waste Management. The Company adopts eco-friendly toner for its photocopiers and printers. Used toner cartridges are collected by professional service suppliers for recycling. Recycling bins are provided throughout the office to promote waste sorting and resource recycling.	
(III) Does the Company assess potential risks and opportunities associated with climate change, and undertake responsive measures?	✓		(III) Extreme climate changes have caused multiple natural catastrophes in the world, and posed negative impacts to economic activities and financial markets. Taiwan is situated in the territory where typhoons and earthquakes occur frequently. In order to minimize Company's business risk arising from the loss caused to customers' property due to any natural catastrophic events, the Company establishes the emergency response team to exercise safety protection programs, so that the Company's ability to manage the crisis from any critical disaster may be improved effectively and the losses in the Company's human resource or property or customers' property may be mitigated accordingly. With respect to the natural disasters that might cause material losses, the Company applies risk models, Risk Management Solutions® (RMS) and AIR Worldwide® (AIR), to assess and analyze the risks. The results show that the Company's stable financial structure can strongly support its solvency to cover the natural disaster risks.	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(IV) Does the Company maintain statistics on greenhouse gas emission, water usage and total waste volume in the last two years, and implement policies aimed at reducing greenhouse gas, water, and waste?	✓		(IV)1. Please refer to "1-1-1 Greenhouse Gas Inventory Information" for the Company's greenhouse gas emissions over the past two years. (1) Water management The Company continues to monitor and	Consistent with the Sustainable Development Best Practice Principles for

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			manage the use of its operating resources and regularly gathers statistics about water consumption at its headquarters and branches to ensure effective water conservation. Total water usage of the headquarters and branches in 2024: 12,609 metric tons Total water usage of the headquarters and branches in 2025: 10,501 metric tons (until February 10, 2026) Continue to improve water use efficiency through routine water conservation efforts and equipment management optimization. (2)Waste management The Company promotes file digitization and paper reduction measures, and manages file water-shredding operations pursuant to laws: Total weight of file water-shredding by the headquarters in 2024: 18,610 kg Total weight of file water-shredding by the headquarters in 2025: 17,430 kg Through document management optimization and digitization, paper consumption and waste generation are gradually mitigated. 2.Greenhouse gas inventory, energy conservation, and carbon reduction measures The Company gathers the statistics about greenhouse gas emissions and water consumption annually and analyzes the trends. Given that the financial services industry primarily adopts office-based operations, and power consumption is the main source of its greenhouse gas emissions, the “power management” is identified as a key focus area for carbon reduction. In response to the trend of climate change and the net zero transformation, the Company has established “Energy Conservation and Carbon Reduction Measures” and “Expense Reduction Implementation Guidelines,” and promotes various energy saving projects based on energy management. The specific measures include: (1) Air conditioning management: Temperature is controlled at 26–28°C by division of responsibilities, with electric fans available for use as needed. (2) Lighting management: Implement zone control and encourage turning off lights	TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			when leaving a room; some lighting will be turned off during lunch breaks. (3) Equipment energy management: Set office machines to energy saving mode; turn off computers, photocopiers, and peripherals that are not in use for extended periods after meetings, business trips, lunch breaks, or at the end of the workday. (4) Resource conservation measures: Continue to promote water, oil and paper saving initiatives to mitigate operational resource consumption. 3. The Company's greenhouse gas inventory data for 2024 and 2025 were verified by BSI Group Singapore Pte. Ltd., Taiwan Branch (BSI) in accordance with ISO 14064-1:2018, ISO 14064-3:2019, and current regulations defined by the competent authority.	
IV. Social issues (I) Does the Company develop its policies and procedures in accordance with laws and the International Bill of Human Rights?	✓		(I) Human Rights Protection and Friendly Workplace The Company complies with applicable labor laws and respects internationally recognized basic labor rights principles. It establishes human rights policies and concrete management measures, integrating human rights safeguards into its corporate governance and routine management mechanisms. All human resource policies and procedures are centered on the protection of employees' legal rights and the implementation of the principle of equal employment opportunity. The Company refrains from discriminating against employees based on gender, race, marital status, religion, or any other personal characteristic, and strictly prohibits all forms of forced labor and any violation of employee rights. 1. Diversity, equality and family-friendly policies. The Company is committed to fostering a workplace environment of gender equality and inclusive diversity. The Company offers unpaid childcare leave, as well as leave defined by law and leave that exceeds legal requirements, such as family care leave, menstrual leave, pregnancy leave, maternity leave, prenatal check-up leave, and leave for accompanying prenatal check-ups and childbirth. The Company also provides friendly facilities, including a breastfeeding room, to help employees	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			balance work and family responsibilities, thereby enhancing workplace support and employee retention. 2. Employee Health and Care Mechanism To implement employee health management and care for their physical and mental well-being, the Company organizes annual health checkups for all employees, provides on-site physician services quarterly, and regularly issues health newsletters to promote health awareness. Meanwhile, the Company implements an Employee Assistance Program (EAP) to provide diverse supportive services, including psychological counseling, legal consultation, financial planning, and medical information. The Program assists employees in addressing personal issues that might affect their work performance, enhance psychological well-being and organizational effectiveness, and foster a positive and energetic workplace environment. 3. Grievance and Protection Mechanism In order to strengthen human rights protection and risk prevention, the Company has established the “Regulations Governing Measures of Prevention, Grievance and Punishment of Sexual Harassment,” the “Regulations Governing Employees’ Grievance” and the “Personnel Review Regulations,” to create clear channels for grievances and handling procedures that ensure fairness and confidentiality in case processing, as well as to implement mechanisms for prompt improvement and appropriate disciplinary action. 4. Human Rights Education & Training and Directors’ Participation In 2025, multiple human rights-related education and training sessions were organized, covering topics such as fair deal policy, financial inclusion and the Convention on the Rights of Persons with Disabilities (CRPD), insurance rights for senior customers, ethical management, occupational safety and health, and workplace sexual harassment prevention. All employees are required to complete these courses to enhance their awareness of human rights and legal compliance. Further, all directors were scheduled to attend the courses including the “Financial Inclusion and the Convention on the Rights of Persons with Disabilities	

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			(CRPD)” and “Sexual Harassment Prevention Promotion,” with a 100% attendance rate, demonstrating the Board’s focus on human rights and commitment to sound governance.	
(II) Does the Company adopt and implement reasonable employee benefit policy (including remuneration, vacation and other benefits), and reflect the operating performance or results to the remuneration to employees adequately?	✓		(II)Remuneration System and Gender Equality The Company has established the “Work Rules” in accordance with the law to institutionalize the management of employee compensation, leave, benefits, and gender equality, ensuring equal pay for equal work and fair promotion opportunities, and fostering a diverse and inclusive workplace culture. In 2025, female employees accounted for 57.9% of all employees, 39.9% of all supervisors, and 12.9% of senior executives. The Company continues to increase female employees’ participation in management to demonstrate the results of its gender diversity governance efforts. The Company has set up the “Remuneration and Nomination Committee” to regularly review managers’ performance evaluations and remuneration policies to ensure that the reward mechanism is linked to the Company’s long-term operating performance. By implementing a fair and transparent performance management system, the Company aligns performance bonuses with its strategic goals and individual objectives. The Company appropriately rewards employees with outstanding performance and ensures that overall compensation remains competitive and attractive for talent retention. Employee Benefits and Care Programs 1.The Employee Welfare Committee was established in accordance with the Employee Welfare Fund Act. The Committee convenes meetings regularly to plan and review various welfare measures to continuously improve employees’ well-being and quality of life. 2.Welfare subsidy system: Bonuses for the three major festivals, birthday gift allowance, wedding gift allowance, and bereavement payment. 3.Cultural activities and team building: Monthly birthday parties, year-end parties with a lottery, club activities, and employee trips, etc., to strengthen organizational cohesion. 4.Protection and care measures: Emergency assistance, group insurance and dependent group insurance, regular	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			employee health checkups, etc. In addition to paying out bonuses for the three major festivals and wedding gifts as required by laws and regulations in 2025, the Company also supports employee-established clubs pursuant to the club subsidy regulations, encourages participation in diverse recreational activities, and promotes cross-departmental communication and work-life balance. In order to strengthen the protection mechanism, the Company provides employees with the group insurance program (including life insurance, accident insurance, medical insurance, and cancer insurance), and organizes annual health checks for all employees to provide comprehensive safety protection. Meanwhile, the Company implements an EAP to provide professional assistance, including psychological counseling, legal consultation, and financial and medical information, to assist employees in addressing personal and work-related pressures, enhancing psychological well-being and organizational effectiveness, and fostering a healthy and sustainable workplace environment.	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	✓		(III)Occupational Safety and Health Management The Company has applied the Occupational Safety and Health Act (formerly the Labor Safety and Health Act) and related requirements since August 2005 to establish a comprehensive occupational safety and health management system. The Company has established the “Safety and Health Work Code” and appointed occupational safety and health officers at all levels, upon approval by various local competent authorities responsible for labor affairs. The Company assigned 11 employees from various units to complete the labor safety and health training for Executive Officers of Class A, B and C Business Entities, and appointed one occupational safety and health officer and one fire safety officer to strengthen the dedicated management mechanism. Various health and safety executive officers received the in-service training for 6 hours once every two years to ensure continuous compliance with professional and legal requirements. In accordance with the Labor Health	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			Protection Rules, the Company has deployed a total of 46 first-aid personnel across its headquarters and branches. The personnel have completed first-aid safety and health training and the in-service training for 3 hours once every three years to enhance their emergency response capabilities. Each year, “Occupational Safety and Health Training Courses” are held and are mandatory for all employees. In 2025, a total of 923 people were trained for a total of 923 training hours. Continuous education and outreach efforts have enhanced employee safety awareness and risk prevention capabilities. There were two work-related incidents in 2025, both traffic accidents during commutes, and none was a major occupational accident. Health promotion and well-being In order to implement employee health management, the Company issues the health newsletter with health promotion information on a monthly basis. It also delegates nursing personnel and physicians to provide on-site services, professional consultation and health guidance. The Company organizes an annual health check-up for all employees and implements the EAP to provide psychological, legal, financial, and medical consultation services, helping employees balance work and personal life while fostering a health-supportive workplace. In 2025, the second stage, the “Healthy Weight Loss Campaign,” was launched for 9 months, resulting in a cumulative weight loss of 459 kg and demonstrating high employee participation and effective health management. Fire safety and disaster prevention mechanism The Company has installed fire alarms, fire extinguishers, and other firefighting equipment in all office areas as required by law. Meanwhile, regular inspections, testing, and maintenance are performed to ensure the proper operation and prompt repair of the equipment. The Headquarters established a common fire protection plan for all fire protection facilities and formed a volunteer fire brigade to strengthen disaster prevention,	

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			response capabilities, and organizational resilience. No fire accidents occurred in 2025.	
(IV) Does the Company have an effective career development training program established for employees?	✓		(IV) I. Comprehensive and diversified education and training system The annual education and training program integrates “internal self-organized training, external courses, departmental professional training, and overseas professional training.” The curriculum covers areas such as new employee onboarding, underwriting and claims, sales and marketing, management competency, language proficiency, and general education, with tiered training provided based on job function and career stage. The training is planned based on four occupational categories, namely “management competency, core business, sales and marketing, and administrative resources,” and performance- and task-oriented courses are designed at different levels to ensure that training resources are closely aligned with operational needs. In 2025, a total of 674 courses were organized, totaling 43,697 training hours, with an average of 47.3 hours per person. NT\$5,346 thousand was invested in training to continuously strengthen the organization’s professional capabilities and talent competitiveness. Meanwhile, outstanding employees are selected as internal trainers to foster knowledge sharing and mentorship. Employees are provided with opportunities to participate in external professional courses based on business needs and individual development goals to stay current with industry trends. II. Cultivation and reward mechanism for professional certifications In order to enhance its professional image and core competencies, the Company has established “Regulations Governing Professional Insurance License Exam Incentives” to encourage employees to pursue further education and obtain professional licenses while employed. The available supportive measures include counseling courses, textbook subsidies, study leave, registration fee subsidies, exam pass bonuses, and subsidies for license application and	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			annual membership fees. Licenses are classified into four categories based on their professional attributes: 1. Professional property insurance certifications: e.g. property insurance representatives, underwriters and claim adjusters, actuaries, or internal auditors. 2. Certifications related to property and casualty insurance: e.g. risk managers, risk data analysts, corporate risk managers, and anti-money laundering and counter-terrorism specialists. 3. Financial investment certifications: e.g. securities investment analysts and futures trading analysts. 4. Other professional certifications: e.g. lawyers, CPAs, and information security technology certifications. Continue to enrich the Company's professional talent pool through institutional development and incentive measures, and to enhance overall professional service quality and market competitiveness. III. Professional Training on Information Security and Personal Information Protection In response to digital transformation and legal compliance requirements, the Company provides the "information security awareness training" for 3 hours and "personal data protection" courses for 2 hours annually as mandatory training for all employees to strengthen information governance and personal data protection awareness. In 2025, a 3-hour "Electronic Mail Social Engineering Awareness" course was launched (attended by 71 trainees), and social engineering drills were conducted quarterly (attended by 76 trainees) to enhance employees' ability to identify and prevent information risks. The dedicated information security personnel receive the professional information security training for 15 hours annually to ensure that their information security management capabilities are continuously enhanced. Through institutionalized training programs, professional certification development, and compliance training, the Company has built a talent development system aligned with its operational strategies to continuously	

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
			enhance employee skills and organizational sustainability.	
(V) Has the Company complied with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implemented consumer protection policies and complaint procedures?	✓		(V) The Company's insurance policy proposals and policy terms and conditions are processed in accordance with the "Instructions to Review on Personal Insurance Products," "Instructions to Review on Property Insurance Products," "Regulations Governing Pre-sale Procedures for Insurance Products," and all other relevant regulations. Marketing materials are handled in accordance with the "Self-Discipline Rules for Insurance Solicitation Advertising." All sales representatives involved in marketing have obtained the necessary licenses, completed the required annual training hours as stipulated by law, and provide sales reports in accordance with relevant laws and regulations, operational needs, and suitability assessments to protect the rights and interests of consumers and customers. Any consumer disputes shall be settled in accordance with the Company's "Consumer Dispute Settlement System" and "Consumer Dispute Settlement Procedures" to proactively protect the rights and interests of consumers and customers, and to ensure a fair deal policy.	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(VI) Whether the Company adopts any specific suppliers' management policy demanding that the suppliers should comply with the related regulations governing environmental protection, occupational safety and health or laborers' human rights, and how the policy is implemented?	✓		(VI) The company has established "Procurement Operation Procedures" as the basis for supplier management and procurement execution. All procurement operations are conducted in accordance with relevant regulations, and the specific implementation is as follows: 1. Supplier management policy and information disclosure The Company discloses its supplier management policies and related compliance guidelines on its official website (official website/Corporate Sustainability/Sustainable Supply Chain/Supplier Commitment https://www.tfmi.com.tw/Supplier-Management) and promotes sustainable supply chain management through institutionalized processes. As part of the joint effort with suppliers to implement corporate social responsibility and ESG principles, the Company has established "Procurement Regulations" which clearly define the procurement	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	
			process for goods, construction projects, and services. Suppliers are required to complete the “Supplier Commitment to Corporate Social Responsibility” and the “Supplier Self-Assessment Form on Corporate Social Responsibility and ESG” as part of the procurement process. Through these mechanisms, suppliers are guided to review their management and practices concerning environmental protection, labor rights, workplace safety, and ethical management, and to incorporate ESG requirements into the procurement decision-making process. This will gradually establish a supply chain system with social responsibility and risk management, enabling joint progress toward sustainable management with suppliers. 2. Institutionalized Procurement Procedures and ESG Inclusion Mechanism In accordance with Article 7, “Procurement Process,” of the Company’s “Procurement Regulations,” the requesting unit must have participating suppliers complete the “Supplier Self-Assessment Form on Corporate Social Responsibility and ESG” and “Supplier Commitment to Corporate Social Responsibility” before conducting price comparisons or negotiations, and may then proceed with the subsequent procurement procedures. The system pre-processes the ESG review procedures to ensure suppliers clearly commit to relevant responsibilities and compliance requirements before engaging in transactions, thereby strengthening supply chain risk management and compliance controls. 3 .Green Procurement and Energy Saving Assessment In practical procurement operations, the Company considers whether products, such as air conditioners, printers, and fax machines, meet energy saving and environmental protection regulations or relevant standards as part of its evaluation process. It prioritizes products that comply with these regulations to mitigate the environmental impact of its operations and to implement green procurement principles.	

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Reasons
	Yes	No	Summary	
V. Whether the Company prepares the report disclosing the Company's non-financial information, such as the sustainability report, based on the guidelines or directions of reports applicable internationally? Whether the said report has been affirmed by a third-party certification unit?	✓		The Company has prepared the ESG report in accordance with the sustainability principles, such as the GRI Standards published by the Global Reporting Initiative (GRI), the SASB Standards published by the Sustainability Accounting Standards Board (SASB) and suggestions on climate-related financial disclosure proposed by the Task Force on Climate-Related Financial Disclosures (TCFD). With respect to the 2024 ESG report prepared by the Company, Deloitte Taiwan has executed the effective assurance and issued the limited assurance report in accordance with the "ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information" to prove the compliance with the disclosure requirements under GRI 2021 and the "Rules Governing the Preparation and Filing of ESG Reports by TWSE Listed Companies."	Consistent with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
VI. If the Company has established its own sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any discrepancy between the principles and their implementation: NONE				
VII. Other information material relating to the Company implementation of sustainable development: - For environmental protection related matters: 1. The Company practices the green procurement, when selecting suppliers, always choose the eco-friendly material products provider, to mitigate the impact posed by waste to the environment. 2. For the purpose of energy conservation and carbon reduction, the control over on/off of the air conditioning system is adopted. The machine is set to be on at 07:30–17:30 from May to September of each year, and at 08:30–17:00 from October of each year until April of the next year. 3. Design the residential fire insurance policy to be merged with the receipt, promote the issuance of e-policy proactively to reduce printed documents and consumption of paper. 4. Promote paperless office, establish various cloud systems, adopt the online bulletin for office communication, and replace written signature with electronic signature. 5. For the automobile insurance operations, the Company promotes and implements the electronic insurance certificate, with a view to achieving the paperless operations. All steps taken above are to reduce carbon emission and fulfilling the Company's corporate social responsibility. - The Company is committed to fulfilling its corporate social responsibility under the guiding principle of "Cherish the Present, Safeguard the Future." Through the TFMI Cultural and Educational Foundation, resources are integrated to support community engagement and social welfare initiatives, including: 1. Establishing the "Taipei TFMI Bravo Baseball Team" and the "Taoyuan TFMI Falcons Volleyball Team" to actively cultivate athletic talent; 2. Sponsoring various cultural and artistic performances organized by the Paper Windmill Cultural and Educational Foundation, such as the "Saving Faust" program, to promote anti-drug awareness on campuses; 3. Donating to organizations including the Taipei First Children's Development Center under the First Social Welfare Foundation to support special education for children with developmental delays and care for disadvantaged groups; 4. Sponsoring National Taiwan University's "Aspire to the Summit Program" to foster and retain local talent; 5. Participating in the "Join Hands for Love Sustainability" blood donation carnival to contribute positive energy to society. - Human rights: The Company complies with the labor-related laws and regulations and respects the laborers' basic human rights recognized internationally. Meanwhile, the Company also adopts the "Human Rights Concerns and Practices" and discloses the same on its website. Further, in order to provide the employees with the uninterrupted communication channels, the Company adopts the "Workplace Sexual Harassment Prevention Policy and Complaint & Discipline Regulations," installs the hotline therefor, sets forth the "Regulations Governing Processing of Employee Complaints" and convenes the "labor-management meeting" on quarterly basis. For the employees' reward, punishment and promotion, the Company establishes the Personnel Review Committee dedicated to support employees' interests and rights fairly and impartially.				

Assessed Item	Current Operation			Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons
	Yes	No	Summary	

In order to strengthen the Company's commitment to stakeholder rights and establish a human rights policy, the Company has established the Human Rights Due Diligence procedure which identifies and assesses human rights risks, develops management strategies and short-, medium-, and long-term quantitative goals, and includes annual reviews of implementation and follow-up actions to effectively mitigate the impact on human rights risks.

(1) Scope of investigation: All of the Company's employees

(2) Steps to execute g the Human Rights Due Diligence procedure:

Identification and assessment	Identify negative human rights impacts in operations and supply chains.
Termination and avoidance	Adopt mitigation and remedial measures against negative human rights impacts.
Follow-up	Follow up the implementation status and benefits.
Communication	Information disclosure

(3) In terms of employees, three human rights issues were identified in 2025: talent development and cultivation, talent attraction and retention, and employee health and workplace safety.

(4) Mitigation and remedial measures:

Major issues	Remedial measures	Risk mitigation
Talent Cultivation and Development	Continue to enrich and develop the Company's talent to ensure its development	1. Build up successor teams and develop key talent 2. Digital skill transformation 3. Increase the percentage of female executives
Talent Attraction and Retention	Continuously provide and review incentive compensation and benefits, and build diverse and effective talent retention mechanisms.	1. Competitive Salary and Benefits 2. Establish diversified communication channels
Employee health and workplace safety	Care for employees' mental and physical health; strengthen the implementation of four major health protection initiatives.	1. Build a safe workplace. 2. Promote physical and mental health initiatives. 3. Establish diversified clubs

(5) With regard to follow-up on due diligence, the Company reviews and explains the effectiveness of mitigation and remedial measures at quarterly ESG sustainability target meetings.

4. Safety and health: The Company has applied the Labor Safety and Health Act and related requirements since August 2005. Meanwhile, the Company assigned 11 employees from various units to attend labor safety and health training for Executive Officers of Class A, B, and C Business Entities and appointed one occupational safety and health officer and one fire safety officer. The Company's occupational safety and health work code and all levels of occupational safety and health supervisors have been approved by the local labor authorities, and the Company arranges in-service training for 6 hours regularly every two years. Further, in accordance with the Labor Health Protection Rules, the Company has deployed a total of 46 first-aid personnel across its headquarters and branches. The personnel have attended first-aid safety and health training and the in-service training for 3 hours once every three years. The Company organizes annual employee health checkups and provides on-site physician services quarterly to continuously promote workplace health and safety.

5. Green Energy Investment: The company has invested NT\$200 million in AcSun Energy, generating stable annual returns from electricity sales. AcSun Energy owns two subsidiaries and currently operates solar power plants with a total installed capacity of 71.18 MW. In 2025, its green energy generation reached 92.44 million kWh. Based on the Bureau of Energy's 2024 electricity carbon emission coefficient of 0.474 kg CO₂ per kWh, this equates to a reduction of 43,817 metric tons of CO₂ emissions. In addition to signing solar power purchase agreements with Taiwan Power Company (Taipower), AcSun Energy also secures green energy transfer contracts with private enterprises. Moving forward, the company will continue expanding its power plant projects and actively promoting green energy sales services.

2.3.7 Climate-related information about the Company

1 Climate-related information implementation

Item	Execution
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	1. The Company has established Risk Management Committee and Sustainable Development Committee subordinated to the Board of Directors. Each, according to its functions, regularly reviews the development, establishment, and performance of the Company's overall risk management mechanism, and disclosed based on the guide and framework under the Climate-Related Financial Disclosures released by the Taskforce on Climate-Related Financial Disclosures (TCFD) the related information on the four major scopes including governance, policy, risk management, and indicator & goal, to identify and take inventory of the potential climate change risks, opportunities, and financial impact in the Company's operations. It also sets forth the risk management strategies against major risks as a part of the action plan to address climate change. The dedicated unit shall report the implementation of related risk management strategies to the Board of Directors at least once per year. The Board of Directors shall review the execution and result thereof, and direct the taskforce to make adjustment for the plans implementation if necessary.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short, medium, and long term).	2. The climate risks and opportunities are primarily identified by various departments subject to the different business characteristics. The relevant risks are also identified based on the tangible risks and transformation risks. In the short term, sudden climate disasters may increase the claims' level and thereby affect the Company's operating performance. In the medium term, climate change may lead to an increase in insurance risk and thereby affect the Company's reinsurance cost and capital increase. In the long run, climate change may lead to structural changes in insurance demand, e.g. a reduction in the supply of insurance coverages in high-risk areas. New business opportunities may have risen from climate change, e.g. the development of new climate-related insurance products and services, and use of climate data to assess risks and ensure rate adequacy.
3. Describe the financial impact posed by extreme weather incidents and transformation actions.	3. Extreme weather incidents would pose significant financial impacts on the Company, which might result in the following situations: (1) Increase in claim costs: Extreme weather incidents might result in a large number of insurance claims and increase in the Company's claim costs. (2) Reassessment on risk: Extreme weather incidents might increase the risk in certain areas or number of

Item	Execution
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	events. Therefore, the Company might need to reassess risks and adjust insurance premiums, thereby affecting its revenue. (3) Increase in reinsurance costs: When extreme weather incidents become more frequent, reinsurers will increase reinsurance fees to cover higher risks. (4) Damage to brand image: If the Company is unable to respond to the impact posed by extreme weather incidents effectively, its brand image may be damaged and, therefore, the customers' loyalty and business growth will be adversely affected. (5) Decrease in investment income: Extreme weather incidents may cause market instability, affect investment returns, and have a negative impact on the Company's financial condition. In order to cope with the challenges, the Company has formulated appropriate extreme weather incident risk management strategies, including assessing extreme weather risks, formulating appropriate reinsurance policies, setting forth response measures for climate change, and developing innovative insurance products to respond to the emerging risks. 4. In 2022, the Company amended the Risk Management Policy to include climate change risk as one of the risks that may have a significant impact on the Company, and established the new "Climate Change Risk Management Standards" as the regulation governing the management and monitoring of climate change risk. Climate change risk management consists of the following elements: (1) Risk management and monitoring: Establish an assessment method to identify departments, trading counterparts, and customers (including current and potential trading counterparts and customers) with climate-related risks, and assess the impact to be posed by them. Establishment of climate-related risk exposure management and continuous monitoring mechanism. For departments, trading counterparts and customers with significant climate-related risks, relevant mechanisms may be established to manage the climate-related risks identified, and the trading counterparts and customers are encouraged to take necessary measures to mitigate their climate-related risks. (2) Scenario analysis and stress testing: Possessing the ability to conduct qualitative or quantitative scenario analysis and stress testing to assess the impact posed by climate-related risks. Set the normal and severe scenarios under qualitative or quantitative risk indicators, and set long-term or short-term scenarios for strategic planning and risk management.

Item	Execution
5.If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts as applied shall be described. 6.If there is a transformation plan in place to manage climate-related risks, specify the contents of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	(3)Investment management: Establish appropriate procedures to assess and manage climate-related risks involved by the investment portfolio. Additional review mechanisms shall be available for investment portfolio involving higher climate-related risks. Regularly assess the changes in climate-related risks involved by the investment portfolio as a basis for adjustment of investment positions. Responsibilities of relevant climate change risk management units of the Company: The Board of Directors shall continue to supervise the management and disclosure of climate-related risks. The underwriting units shall assess the impact posed by climate-related risks and incorporate corresponding control measures into their respective operational mechanisms. The Risk Management Office shall supervise the implementation of sales units and ensure that they comply with relevant regulations. The internal audit unit shall ensure the business and risk management implementation, or supervise the climate-related risk control measures. 5.Based on the scenarios referred to in 4.5 and 8.5 of the Representative Concentration Pathway (RCP) of the Intergovernmental Panel on Climate Change (IPCC), the Company analyzes and evaluates the possible climate-related impacts to the Company’s business, operating strategies, finance and investment status under different climate scenarios. The Risk Management Committee gathers all units to assess and discuss the impact posed by climate change on operations based on the business scope, identify risks and opportunities proactively, and determine the possible impacts on finance, business, and operations, together with the probability of occurrence, to identify the Company’s climate-related risks and opportunities. Then, the Risk Management Committee shall formulate sound and long-term response policies and action plans and regularly track the implementation results to ensure that climate-related risks and opportunities can be controlled and improved effectively. 6. Our company adopts a digitalization and low-carbon business strategy, actively creating a low-carbon operational environment in response to international and societal carbon reduction initiatives. We have begun ISO 14064-1 greenhouse gas inventory and verification processes and plan to implement ISO 14001 environmental management system certification to drive the company’s transition toward low carbon operations. We are committed to enhancing sustainable investments, increasing the proportion of digitalized green products

Item	Execution
7.If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	and services, promoting energy and resource industries, and developing climate-resilient insurance products. Through these efforts, we aim to support the green transformation of the industrial chain and contribute to the shared goal of mitigating global warming.
8.If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress achieved each year should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the goals, it is necessary to explain the source and quantity of credited carbon reduction or quantity of credited RECs.	7. The Company has completed the greenhouse gas (GHG) inventory and assurance for its headquarters and all branch offices. Going forward, the Company will carefully evaluate the feasibility of adopting internal carbon pricing and study its use as a mechanism to promote carbon emission reduction.
9.Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and concrete action plans (to be specified in 1-1 and 1-2 separately).	8. The Environmental Protection Task Force under our company's Sustainable Development Committee has established management policies for key sustainability issues related to energy and emissions management. These include greenhouse gas inventory and carbon reduction, energy usage management, full adoption of LED energy-saving lighting, water resource management, and paper reduction. Additionally, short-term, mid-term, and long-term carbon reduction targets have been set. In 2025, our company had not utilize carbon offsets or Renewable Energy Certificates (RECs).
	9. Please refer to Sections 1-1 and 1-2 below.

1-1 The Company's GHG Inventory and Assurance in the Most Recent Two Years

1-1-1GHG Inventory Information

Describe the GHG emission volume, measured in tCO ₂ e, intensity, measured in tCO ₂ e/NTD million, and data coverage for the most recent two years.				
The Company's greenhouse gas organization boundary is set based on the "Operational Control Approach." For 2024 and 2025, the organizational boundary was defined to include the head office and all branch offices, comprising a total of 48 locations				
year	Scope 1 (metric tons of CO ₂)	Scope 2 (metric tons of CO ₂)	Total (metric tons of CO ₂)	Emission Intensity (metric tons of CO ₂ per Million NTD)
2024	68.6570	744.2025	812.8595	0.1107
2025	66.8914	709.1640	776.0554	0.1067
Note 1:The greenhouse gas intensity is calculated based on the annual operating revenue of the Company as the denominator.				
Note 2:As of the publication date of the annual report, the greenhouse gas emissions information for 2025 is still being assessed by the British Standards Institute (BSI). Please refer to the ESG report for the assured information on the emissions.				

- Note 1: Direct emissions (Scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect emissions (Scope 2, i.e. indirect GHG emissions from imported electricity, heat or steam) and other indirect emissions (Scope 3, i.e. emissions generated from the Company's activities that are not indirect energy emissions but come from emissions sources owned or controlled by other companies).
- Note 2: The data coverage of direct emissions and indirect energy emissions shall be handled pursuant to the schedule defined by Paragraph 2, Article 10 of the Standards. Other indirect emissions data may be disclosed voluntarily.
- Note 3: GHG inventory standards: Greenhouse Gas Protocol (GHG Protocol) or International Organization for Standardization (ISO) ISO 14064-1.
- Note 4: The intensity of GHG emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NTD million) shall be stated.

1-1-2 GHG Assurance Information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, assurance institution, assurance criteria, and assurance opinions.
1. In 2024, the Company's organizational boundary and scope of assurance encompassed 44 business locations and 4 non-business locations. Verification procedures were conducted by BSI Group Singapore Pte. Ltd., Taiwan Branch (BSI), in accordance with ISO 14064-1:2018, ISO 14064-3:2019, and the current applicable requirements set by the competent authority. The verification results revealed no material violations. Assurance for Categories 1 and 2 refers to the reasonable guarantee level, while Categories 3 to 6 refer to the limited guarantee level, with an unqualified opinion. 2. The Company's 2025 greenhouse gas inventory assurance opinion was not obtained before the publication date of this annual report. Please refer to the sustainability report for complete information.
Note 1: The schedule defined in Paragraph 2, Article 10 of the Standards shall apply. If the Company fails to obtain the complete GHG assurance opinions by the date of publication of the annual report, it is necessary to specify that "full assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it is necessary to specify that "full assurance information will be disclosed on the Market Observation Post System" and disclose the full assurance information in the annual report for next year. Note 2: The assurance institution shall comply with the requirements about sustainability report assurance institutions defined by Taiwan Stock Exchange Corporation and the Taipei Exchange. Note 3: Please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for the contents of disclosure.

1-2 GHG reduction goals, strategies and concrete action plans

Describe the GHG reduction base year and data, reduction goals, strategies, and concrete action plans, as well as the achievement of the reduction goals.
2024 is set as the base year for Company's GHG reduction. Through the GHG inventory, energy use management, paper reduction, water usage control and other energy saving policies, the Company set forth the carbon emission reduction goals from the base year. The short-term goal aims to reduce carbon emissions by 3% before 2025. The mid-term goal aims to reduce carbon emissions by 30% before 2030. The long-term goal aims to achieve net-zero emissions by 2050.
Note 1: The schedule defined in Paragraph 2, Article 10 of the Standards shall apply. Note 2: The base year shall refer to the year in which the inventory is completed by identifying the consolidated financial statements as the boundary. For example, according to Paragraph 2, Article 10 of the Standards, companies with capital more than NT\$10 billion shall complete the inventory of 2024 consolidated financial statements in 2025. Therefore, the base year is 2024. If the Company has completed the inventory of consolidated financial statements earlier, the year of completion shall be considered as the base year. Further, the data of the base year can be calculated based on one single year or the average of several years. Note 3: Please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of Taiwan Stock Exchange for the contents of disclosure.

2.3.8 Implementation of Codes of Ethical Conduct and Measures

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
1. Formulating Codes of Ethical Conduct Policies and Programs (1) Has the Company established an ethical policy that was approved by the Board of Directors, and declare its codes of ethical conduct policy and methods in its internal regulations and external documents, as well as the commitment of its Board and management to implement the policies? (2) Has the company established mechanisms for assessing the risk of unethical conduct, periodically analyze and assess operating activities within the scope of business with relatively high risk of unethical conduct, and formulate an unethical conduct prevention plan on this basis, which at least includes preventive measures for conduct specified in Article 7, Paragraph 2 of the Codes of Ethical Conduct Best- Practice Principles for TWSE/TPEx Listed Companies?	✓ ✓		(1)The Company has established its Codes of Ethical Conduct that specify its ethical conduct policies and the commitment of the Board of Directors and senior management to actively implement these principles. (2)The Company has "Codes of Ethical Conduct," "Procedures for Ethical Management and Guidelines for Conduct," "Guidelines for Preventing Dishonest Conducts" and "Fraudulent or Dishonest Conduct & Whistleblower Policy" and "Codes of Ethics" as guidelines, prohibiting directors, managers, and all employees of the Company from engaging in business activities stipulated in the Paragraph 2 of Article 7 of the "Codes of Ethical Conduct Best Practice Principles for TWSE/GTSM Listed Companies" or in other business activities. Specifically prohibiting bribery, fraud, insider trading and other dishonest behaviors, with thorough investigation and disciplinary actions guidelines. In the event of confirmed violations, the punishment will be imposed according to the severity of the circumstances. In addition to regulating donations in the "Procedural Rules of Board Meetings," it also sets the	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
(3) Did the company specify operating procedures, guidelines for conduct, punishments for violation, rules of appeal in the unethical conduct prevention plan, and has the plan been implemented, periodically reviewed and revised?	✓		"Regulations for Donations" to strengthen the management of various donations; the "Rules of Employment" also clearly stipulated that employees should not use their powers to obtain illegal benefits, and accept hospitality, gifts, and kickbacks, and prevent improper acts such as bribery and illegal political contributions. In addition, the Company has insurance product development committee to assess the legal compliance, consumer rights and price reasonableness associated with insurance products. The Company also set forth relevant guidelines in the "Codes of Ethical Conduct" to prevent products or services from directly or indirectly harming the interests, health and safety of customers or other stakeholders, and monitor the appropriateness and legality of insurance products. The Company has completed the self-assessment of business activities with high risk of unethical conduct within its business scope on October 30, 2025, and the results have been compiled and provided to the Audit Office as Audit Plan reference. (3) The Company has established Procedures for Ethical Management and Guidelines for Conduct, which specify various forms of unethical conduct, as well as the control mechanism and operating procedures for preventing unethical conduct. Furthermore, the Company has established its Work Rules and the Codes of Ethics that are	

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
			communicated to all the employees of the Company so that they fully understand and follow through. At the beginning of each year, when the Board of Directors presented the previous period report on the status of ethical management, the "Codes of Ethical Conduct" will be reviewed and revised when necessary.	
2. Implementing Codes of Ethical Conduct (1) Does the company evaluate the ethical records of parties it does business with and stipulate ethical conduct clauses in business contracts? (2) Did the company establish a dedicated unit under the board of directors to promote ethical corporate management, and periodically (at least once a year) report to the Board of Directors and supervise the implementation of the ethical conduct policy and unethical conduct prevention plan?	✓ ✓		(1) The Company carefully chooses its counterparties during business dealings and pays attention to the ethics record of counterparties. The Company also includes terms on integrity and honesty in the contracts. (2) To strengthen the management of ethical corporate operations, the Company has established a Sustainability Development Committee under the Board of Directors and designated the Planning Department as the dedicated unit (full-time or part-time) responsible for promoting ethical business practices. This unit is specifically tasked with formulating and overseeing the implementation of ethical business policies, operational procedures, and codes of conduct. It also reports annually to the Board on the execution of ethical business practices in the previous year. On April 18, 2025, the Planning Department reported to the Board on the implementation status of ethical business operations and the response measures for incidents involving unethical conduct. Upon	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
(3) Does the company establish policies to prevent conflict of interests, provide appropriate channels for filing related complaints and implement the policies accordingly?	✓		review, the Company's efforts and measures in fulfilling ethical business practices are in compliance with legal requirements, including the obligation to report to the Board at least once a year. (3) The Company has established rules for recusal of directors in the Procedure Rules of Board Meetings, in which resolutions involving the interests of any directors shall be voted upon in accordance with the rules of procedure. In addition, the Company has also established internal rules and regulations including the Regulations Governing the Prevention of Conflict of Interest and Insider Trading, the Guidelines on Financial Transactions and Trading with Stakeholders, the Internal Practice Guidelines on Transactions with Stakeholders, the Procedures for Handling Transactions with Stakeholders and the Guidelines on the Prevention of Conflicts of Interest of Persons Engaged in Investments in Domestic Equity Instruments to strictly implement policies for preventing conflicts of interest.	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies
(4) Does the company have effective accounting system and internal control systems set up to facilitate ethical conduct, does the internal auditing unit formulate audit plans based on unethical conduct risk assessment results, and does it audit compliance with the unethical conduct prevention plan or commission a CPA to	✓		(4) The Company has established an accounting system and hired accounting personnel to take charge of accounting affairs. In addition, the Company also prepares financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises, and its financial statements are audited or reviewed	

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
perform the audit? (5) Does the company regularly hold internal and external educational trainings on ethical conduct management?	✓		by CPAs to ensure the fairness of financial statements. The Company established internal control systems and procedures for handling control operations in accordance with the Regulations Governing the Implementation of Internal Control and Auditing System of Insurance Enterprises. The Company has also set up the position of Chief Auditor and the Auditing Office, to carry out review of each department according to the annual audit plan for internal control implementation. Every year, the Company commissions Deloitte & Touche to perform external audit of the Company's Internal Control System, and prepare an internal control system audit report. (5) The Company regularly organizes on-the-job training sessions with regard to ethical conduct management every year so that the directors, managerial officers, employees, trustees and main controllers of the Company understand their commitment towards ethical conduct management, related policies and prevention plans, as well as the consequences of engaging in unethical behavior. Directors, senior managers, and company employees have completed mandatory hours of education and training for ethical conduct management in 2025. The number of trainings amounted to 934 person/hour and the total training hours was 1,871 hours.	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
3. Implementation of the Company's Whistleblowing System (1) Does the company establish concrete whistleblowing and reward system and have a direct reporting channel in place, and assign an appropriate person to communicate with the alleged violator?	✓		(1) For internal and external personnel who wish to report any case that is unlawful, unethical or in violation of the Company's ethical conduct behavior and involves the Malfeasance Reporting System established by the Company, the Company has established a whistleblowing mailbox (EthicalManagement@tfmi.com.tw) on its official website to provide whistleblowers with a channel to report any malfeasance. After a case is filed, the Auditing Office will handle the case and identify the relevant facts. If it is confirmed that an employee has in fact violated relevant laws or the Company's codes of ethical conduct policies and regulations, punishments against the employee shall be handled in accordance with the Company's Work Rules and Regulations Governing Personnel Evaluation, and punishments shall also be publicly announced.	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies
(2) Does the company establish standard procedures for investigating reported cases, and does it take subsequent measures and implement a confidentiality mechanism after completing investigation?	✓		(2) The Company has set up a specific whistleblowing system in accordance with its Codes of Ethical Conduct Principles, Malfeasance Reporting System and Guidelines on the Prevention of Unethical Behavior, with the purpose of preserving the confidentiality of whistleblowers' identities and the content of their reports, as well as protecting whistleblowers from inappropriate treatment due to whistleblowing.	

Assessed Item	Current Operation (Note)			Deviation from Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies and Reasons
	Yes	No	Summary	
(3) Does the company provide proper whistleblower protection?	✓		(3) The Company's Auditing Office is responsible for handling related whistleblowing cases and preserving strict confidentiality of whistleblowers' identities to prevent them from inappropriate treatment due to whistleblowing.	
4.Enhancing Information Disclosure Does the company disclose its ethical conduct management practices and the implementation effectiveness of such practices on its official website or MOPS?	✓		The Company has disclosed the implementation of ethical conduct management and the measures it has taken on its official website (https://www.tfmi.com.tw) and in annual reports. The Company keeps abreast of the development of domestic and overseas regulations associated with ethical conduct management from time to time, as well as reviews and improves its ethical conduct management policies in order to enhance the effectiveness of its ethical conduct management.	Consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE/TPEx Listed Companies
5. If the Company has established its own Codes of Ethical Conduct in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies, state the deviation from the principles and its implementation: To enhance the Company's management and sound business operations, the Company has established its own Codes of Ethical Conduct in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE or TPEx Listed Companies, with the purpose of demonstrating the Company's corporate culture that includes ethical conduct and implementing its business philosophy which focuses on honesty, transparency and accountability. The Company also adheres to the implementation of these principles, which is consistent with the Codes of Ethical Conduct Best Practice Principles for TWSE or TPEx Listed Companies.				
6. Other important information that facilitate the understanding of the implementation of ethical conduct management: (such as review and amendment of the Company's Codes of Ethical Conduct): The Company introduces the implementation of ethical conduct management in the Company through various types of advertising and public welfare activities, thereby enabling the public to understand the Company's ethical conduct management belief.				

Note: Brief descriptions should be provided in the appropriate column, regardless whether "yes" or "no" is selected.

2.3.9 Other important information for better understanding of implementation of corporate governance may be disclosed.

A. The Company enacted the "Procedures for Material Information Handling" to prevent insider trading and establish mechanisms for handling and disclosing material insider information; preventing inappropriate leaks of information for ensuring the consistency and accuracy of information disseminated to external entities. The Procedures are placed on the Company's internal regulations section for all employees to follow and the provide relevant course and training for the directors, managers, and employees regarding the Procedures at least once every year to prevent violations or insider trading.

Implementation of Insider Trading Prevention:

When	Who	Course Content
Oct 31, 2025	Directors / Independent Directors	Internal Material Information Handling Procedure, Confidentiality Statement, Reasons and how to identify Insider Trading and examples.
August – December 2025	Managers / Employees	
E-learning		

Note: Total trainees: 934 people, total training hours: 467 hours.

Directors and managers are prohibited from trading Company stocks within 30 days prior to the disclosure of annual financial statements and within 15 days prior to the disclosure of quarterly financial statements, namely the closure period. The implementation is stated as follows:

- (1) The Company prohibits insiders trading securities using information not disclosed to the market. According to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" amended by TWSE on December 8, 2021, the Company's Board of Directors approved the amendments to the "Regulations Governing Prevention of Conflict of Interest and Insider Trading" on April 29, 2022, stating that any personnel who may access the contents of financial statements and related sales performance before the same are disclosed when performing their job duties, including (but not limited to) directors and managers are prohibited from trading Company stocks and other equity securities held within 30 days prior to the disclosure of annual financial statements and within 15 days prior to the disclosure of quarterly financial statements, namely the closure period.
 - (2) Since July 2022, the Company has started to notify each and all directors and managers to comply with the requirements on the prohibition of transactions via email, within 10 days and 1 day prior to the book closure period before the meeting, whenever the Board of Directors reviews the annual and quarterly financial statements.
- B. As a responsible institutional investor, to improve corporate governance, make full use of the Company's funding, exercise the Company's influence on the market and investee, the Company signed a compliance statement for the "Stewardship Principles" on June 28, 2018 and published the said information on the Corporate Governance Center of Taiwan Stock Exchange and the Company's official website.

- C. Friendly financial service promotional practices: In order to continue to strengthen the friendly financial services and enhance the awareness of the protection of the rights and interests of disadvantaged groups, the Company organizes the “Friendly Finance Convention on the Rights of Persons with Disabilities (CRPD)” training program for its directors, managers and employees at least once per year. The contents thereof cover the protection of the rights and interests of the policy holders who are elderly, mentally and physically challenged and disadvantaged groups (including but not limited to, economic disadvantaged, foreign migrant workers, indigenous people and new residents).
- D. Creation of the corporate culture valuing information security: In order to address the business development and technological progress, the Company continues to improve information security protection. The Company provides information security training for directors to enhance the control by the members of the Board of Directors over the information security and supervise the Company’s establishment of information security risk management framework, formulate information security policies, and incorporate information security risks into business decision-making to promote the organizational culture valuing information security.

E. Continuing education of the Company Directors in 2025

Title	Name	Date of Appointment	Training Date	Organizer	Course Title	Training Hours	Training in compliance with regulation or not
Chairman	Steve Lee	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Chung-Chou Chang	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Bin-Fu Chen	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Charles Sung	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		

Title	Name	Date of Appointment	Training Date	Organizer	Course Title	Training Hours	Training in compliance with regulation or not
Director	Chain-Cheng Lee	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Mei-Ling Wu	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Yi-Bao Lin	2025.02.19	2025. 05. 27	Taiwan Academy of Banking and Finance	Net Zero Challenge and Investment Strategies for Financial Institutions	13	Yes
			2025. 07. 11	Securities & Futures Institute	Ethical Corporate Management Best-Practice Principles		
			2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry		
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Director	Wei-Hsin Wang	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		

Title	Name	Date of Appointment	Training Date	Organizer	Course Title	Training Hours	Training in compliance with regulation or not
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Independent Director	Christopher Chang	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Independent Director	Cheng Ching Huang	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		
Independent Director	Nien-Tsu Chiang	2023.06.16	2025. 09. 04	Taiwan Corporate Governance Association	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	7	Yes
			2025. 09. 04	Taiwan Corporate Governance Association	ESG-related legal issues to be considered by the Board of Directors		
			2025. 09. 04	Taiwan Corporate Governance Association	Introduction to Money Laundering Prevention Regulations and Case Study Analysis		

F. The managers' participation in related corporate governance studies and training in 2025 as follows:

Title	Name	Training Date	Course Title	Organizer	Hours
President	Chao-Feng Chen	2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 09. 04	Introduction to Anti-Money Laundering Regulations and Practical Case Analysis	Taiwan Corporate Governance Association	1
		2025. 12. 04	2026 Economics and Insurance Development Forum	Taiwan Insurance Institute	2. 17
Executive Vice President	Chia-Lin Sheu	2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
Senior Vice President	Yuan-Yi Liao	2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
Senior Vice President	Jimmy Chu	2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 12. 04	2026 Economics and Insurance Development Forum	Taiwan Insurance Institute	1. 67
Senior Vice President and chief corporate governance officer	Nicholas N.C. Sheu	2025. 07. 15	Chief Corporate Governance Officer – Greenhouse Gas Management Workshop & Sustainable Development Promotion Meeting	Taiwan Corporate Governance Association	9
		2025. 09. 04	Sharing of information related to the implementation of IFRS 17 by the property insurance industry	Taiwan Corporate Governance Association	3
		2025. 09. 30	2025 Forum - Corporate Governance in the Insurance Industry	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	4
		2025. 10. 16	The 15 th Annual Taipei Corporate Governance Forum	Taiwan Stock Exchange Corporation	6
Chief Auditor	Hong-Hsing Chuang	2025. 05. 07–2025. 05. 28	Internal Auditor Workshop (Session 1, 2025) – Accounting Class	Taiwan Insurance Institute	33
		2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 09. 30	2025 Forum - Corporate Governance in the Insurance Industry	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	4
		2025. 10. 03	2025 Insider Trading Prevention Awareness Seminar	Securities & Futures Institute	3
		2025. 10. 17–2025. 10. 17	Internal auditing officer workshop (Session 2, 2025)	Taiwan Insurance Institute	12
		2025. 11. 21	2025 Internal Audit in the Insurance Industry	Financial Examination Bureau, Financial Supervisory Commission	2

Title	Name	Training Date	Course Title	Organizer	Hours
HQ Chief compliance officer and AML/CFT compliance officer	Tsui-Jung Chen	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
		2025. 07. 09	2025 Cathay Pacific Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation	6
		2025. 07. 23	2025 Conference on Anti-Money Laundering and Counter-Terrorism Financing / Proliferation Financing	Taiwan Academy of Banking and Finance	6. 5
		2025. 09. 01	2025 Enhancing Insurance Industry Legal Compliance Conference	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	5
		2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 09. 30	2025 Forum - Corporate Governance in the Insurance Industry	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	4
		2025. 11. 14	2025 Money Laundering Prevention and Anti-fraud Practice Sharing Conference for the Insurance Industry	Taiwan Insurance Institute	3
Vice President	Chih-Chieh Huang	2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
		2025. 09. 01	2025 Enhancing Insurance Industry Legal Compliance Conference	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	5
		2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 12. 04	2026 Economics and Insurance Development Forum	Taiwan Insurance Institute	1. 67
Senior Manager	Chin-Ho Lin	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
		2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 10. 29	2025 Risk Management Trend Forum for the Insurance Industry	Taiwan Insurance Guaranty Fund	5
Senior Manager	Cathi Chen	2025. 09. 16	International Affairs Committee Seminar – International Perspectives on Adoption of IFRS 17	The Non-Life Insurance Association of the Republic of China	3
		2025. 10. 29	2025 Insurance Industry Risk Management Trends Forum	Taiwan Insurance Guaranty Fund	5
		2025. 12. 04	2026 Economics and Insurance Development Forum	Taiwan Insurance Institute	1. 67
Senior Manager	Yu-Jen Hsiao	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15

Title	Name	Training Date	Course Title	Organizer	Hours
Manager	Eric Hsu	2025. 02. 17	Risk Management Education and Training for Directors and Senior Management Personnel	Taiwan Insurance Guaranty Fund	2
		2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
		2025. 07. 23	2025 Conference on Anti-Money Laundering and Counter-Terrorism Financing / Proliferation Financing	Taiwan Academy of Banking and Finance	6. 5
		2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 10. 21	The 18th Seminar on Catastrophe Risk Management	Taiwan Residential Earthquake Insurance Fund	3. 5
		2025. 10. 29	2025 Insurance Industry Risk Management Trends Forum	Taiwan Insurance Guaranty Fund	5
Senior Manager	April Wang	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
Manager	Ming-Ta Tan	2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
Manager	Kuan-Yeu Chen	2025. 10. 21	The 18th Seminar on Catastrophe Risk Management	Taiwan Residential Earthquake Insurance Fund	3. 5
Manager	Wun-Bin, Hou	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 09. 10	2025 Enhancing Insurance Industry Legal Compliance Conference	Financial Supervisory Commission R.O.C.(Taiwan) Insurance Bureau	5
Manager	Ben Yu	2025. 05. 06–2025. 06. 10	AML/CTF Personnel In-Service Training Program	Taiwan Insurance Institute	12
		2025. 06. 24–2025. 08. 12	Compliance Personnel In-Service Training Program	Taiwan Insurance Institute	15
Manager	Yi- Hsin Lin	2025. 06. 18–2025. 06. 25	Audit Training Program – Accounting Operations (Session 1, 2025)	Taiwan Insurance Institute	33
Accounting Manager	Pi-Chen Wang	2025. 09. 04	ESG-related legal issues to be considered by the Board of Directors	Taiwan Corporate Governance Association	3
		2025. 11. 10–2025. 11. 11	Continuing Training Class for Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	Accounting Research and Development Foundation	12

G. Refer to VIII. Other critical information conducive to understanding the operation of corporate governance on page 72 of the Annual Report.

2.3.10 Implementation of Internal Control System

A. Internal Control System Statement

Taiwan Fire & Marine Insurance Co., Ltd. Internal Control System Statement

The findings of the internal-inspections of the Internal Control System of the Company for the period from January 1, 2025 to December 31, 2025 are as follow:

- I. The Company acknowledges that the Company's Board of Directors and managers are responsible for establishing, implementing, and maintaining an adequate internal control system. Its goals are to provide reasonable assurance on the target achievement on the results of operations, financial reporting, and legal compliance. The goal of operations is to pursue results and efficiency in operations including profitability, performance and asset security; the goal of financial reporting is to ensure reliability of external financial reporting; the goal of legal compliance is to ensure compliance with relevant laws and regulations. The legal compliance system is part of the internal control system dedicated to achieving legal compliance goals. Financial records and statements are prepared in accordance with the Insurance Act and related regulations based on consistent basis of preparation and they are results of the internal control system for financial reporting.
- II. There are inherent limitations to even the most well-designed internal control system. An effective internal control system can only reasonably ensure the achievement of the aforementioned 3 goals. The effectiveness of the internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, the Company's internal control system contains self-monitoring mechanisms and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the "Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises" (hereinafter referred to as the "Regulations") promulgated by the Financial Supervisory Commission. The aforementioned judgment is also based on the items for evaluating the effectiveness of the internal control system in the "Regulations." The criteria adopted by the Regulations identify five key components of managerial internal control: 1. Control environment; 2. Risk assessment; 3. Control activities; 4. Information and communication; and (5) Monitoring. Each component includes a number of items for evaluation. Please refer to the "Regulations" for information on the items.
- IV. The Company has evaluated the effectiveness of the design and implementation of its internal control system according to the previously mentioned criteria.
- V. Based on the results of the aforementioned review, the Company believes that the internal control system implemented during the specified period—including operations, financial reporting, information security, and regulatory compliance—has been effectively designed and executed. The system can reasonably ensure that the Board of Directors and management are informed of the degree to which operational objectives are achieved, as well as the attainment of financial reporting and regulatory compliance objectives. Additionally, the Company considers its financial records and statements to

have been prepared in accordance with the Insurance Act and relevant regulations, with consistent application of the underlying principles, ensuring their accuracy and reliability.

- VI. This statement shall become the primary content of the Annual Report and prospectus. Any falsehood, concealment, or other illegality in the content made public will involve legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act as well as regulations related in the Insurance Act.
- VII. This Statement has been approved by the meeting of Board of Directors on March 6, 2026.

Respectively submitted to
Financial Supervisory Commission

Undersigned:

Chairman: Steve Lee

President: Chao-Feng Chen

Chief Auditor: Hong-Hsing Chuang

Chief Compliance Officer: Tsui-Jung Chen

Chief Information Security Officer: Hung-Chih Hsieh

March 6, 2026

B. CPA Review Report

Review on Internal Control System Independent Auditor's Reasonable Assurance Report

To the Board of Directors of Taiwan Fire & Marine Insurance Co., Ltd.:

For the design and execution of the internal control system of Taiwan Fire & Marine Insurance Co., Ltd. (hereinafter referred to "you") related to its external financial reporting (including the internal control system for financial reporting and reporting to the competent authorities), protection of asset safety (to protect assets from unauthorized access, use and disposal) and legal compliance on December 31, 2025, and the Declaration of Internal Control System issued by Taiwan Fire & Marine Insurance Co., Ltd. on March 7, 2026, considering that its internal controls related to its external financial reporting (including the internal control system for financial reporting and reporting to the competent authorities), protection of asset safety (to protect assets from unauthorized access, use and disposal) and legal compliance should have been designed and implemented effectively on December 31, 2025, we have performed the necessary procedures.

Assurance of the subject matter, information of the subject matter, and applicable criteria

For the subject matter hereof and information of the subject matter, please refer to the design and execution of your internal control system related to the external financial reporting (including the internal control system for financial reporting and reporting to the competent authorities), protection of asset safety (to protect assets from unauthorized access, use and disposal) and legal compliance on December 31, 2025, and the Declaration of Internal Control System issued by you on March 6, 2026, considering that your internal controls related to its external financial reporting (including the internal control system for financial reporting and reporting to the competent authorities), protection of asset safety (to protect assets from unauthorized access, use and disposal) and legal compliance should have been designed and implemented effectively on December 31, 2025, as attached hereto.

The applicable benchmarks for measuring or assessing said subject matter and its information refer to the effectiveness of the internal control system under the Regulations Governing Implementation of Internal Control and Auditing System of Insurers and Regulations Governing Foreign Investments by Insurance Companies.

Inherent limitations

There is limitation inherent to the internal control system, no matter how perfect the design. Your company may not be able to prevent or detect mistakes or wrongdoings which have already occurred with the aforementioned internal control system. Any change in the environment of the future may downgrade the level of compliance of the internal system. The effectiveness of the internal control system in current period cannot be guaranteed in the future.

Management's responsibilities

The responsibility of your management is to establish an internal control system in accordance with the Regulations Governing Implementation of Internal Control and Auditing System of Insurers and relevant laws and regulations, review it from time to time to maintain the effective design and implementation of the internal control system, and then issue the statement of internal control system accordingly upon assessment on the effectiveness thereof.

Auditor's Responsibilities

The responsibility of the accountant is to perform necessary procedures on the subject matter and related information in accordance with the requirements of Article 26 of the Regulations Governing the Implementation of Internal Control and Audit Systems for Insurance Enterprises, the Regulations Governing Foreign Investments by Insurance Enterprises, FSC Letter No. 10602506430 dated January 15, 2018, FSC Letter No. 10904350082 dated January 22, 2021, Letter No. 1110466860 issued by the Insurance Bureau of the FSC on March 6, 2023, the Illustrative

Guidelines for Accountants Conducting Internal Control Audits of Insurance Enterprises, and Assurance Standard No. 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information,” in order to obtain reasonable assurance and to conclude whether, in all material respects, the subject matter and related information comply with the applicable criteria and are fairly presented.

Independence and quality management practices

Our office and we have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Accountants, which are based on the following principles: integrity, fairness and objectivity, professional ability and due care, confidentiality, and professional conduct. Additionally, our office complies with the Quality Management Standard No. 1 “Quality Management of CPA Firms,” which stipulates the quality management system to be designed, implemented and executed by a CPA firm, including policies or procedures related to compliance with the code of professional ethics, professional standards and applicable laws and regulations.

Summary of procedures implemented

We plan and execute the necessary procedures based on professional judgment to obtain the relevant subject matter and evidence about the information of the subject matter. The procedures implemented include understanding the Company’s internal control system, evaluating the process by which the management evaluates the effectiveness of the overall internal control system, and testing and evaluating the accuracy of its internal control system and external financial reporting (including the internal control system for financial reporting and reporting to the competent authorities), protection of asset safety (to protect assets from unauthorized access, use and disposal) and legal compliance related to the effectiveness of the design and implementation of the internal control system, as well as other assurance procedures as we deem necessary.

Assurance conclusion

In the opinion of this accountant, the design and implementation of your company's internal control system as of December 31, 2025, concerning external financial reporting (including the accuracy of reports submitted to the regulatory authority under the internal control system for financial reporting), asset protection (ensuring assets are not acquired, used, or disposed of without authorization), and regulatory compliance, are effective in all material respects, in accordance with the Regulations Governing the Implementation of Internal Control and Audit Systems for Insurance Enterprises and the Regulations Governing Foreign Investments by Insurance Enterprises, except for the internal control deficiencies and improvement plans stated in the attached Internal Control Statement of Taiwan Fire & Marine Insurance Co., Ltd. Furthermore, the statement issued by your company on March 6, 2026, declaring that the internal control system related to external financial reporting, asset protection, and regulatory compliance is effectively designed and implemented, is fairly presented in all material respects.

Deloitte, Taiwan

Chen-Hsiu Yang, CPA

Wen-Yea Shyu, CPA

March 12, 2025

2.3.11 Key resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report

A. Important resolutions of the 2025 general shareholders meeting and implementation status:

Date of Meeting	Key Resolutions	Implementation Status
2025.05.29	1. 2024 Business Report and financial statements.	All the resolutions have been fully implemented in accordance with the resolutions.
	2. 2024 earnings distribution proposal.	The distribution of bonus for shareholders totaling NT\$724 million in accordance with the resolution of the shareholders' meeting has been completed on July 11, 2025.
	3. Approval of the capital reduction in cash and the return of capital to shareholders proposal.	The capital reduction registration was completed on September 22, 2025. New shares were reissued for listing and trading on November 3, 2025, and a cash refund to shareholders through the capital reduction was distributed on November 13, 2025.
	4. Company Charter amendment.	Completed the amendment registration with the Ministry of Economic Affairs in accordance with regulations.
	5. Approval of the amendments to the Operating Procedures for Acquisition and Disposal of Assets.	All the resolutions have been fully implemented in accordance with the contents of the resolutions.

B. Major resolutions of Board Meetings during 2025 and as of the date of this Annual Report

Date of Meeting	Major resolutions	Resolution
2025. 03. 07	1.The time and place for the Company's 2025 Annual General Shareholders' Meeting and the time and place for receiving shareholders' proposals. 2.Resolution of the Company's 2024 Financial Report. 3. Approved the Company's 2024 Business Report Proposal. 4.The remuneration of employees and Directors of the Company for the year 2024. 5. Resolution of Company Charter amendment.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.
2025. 04. 18	1.The distribution of the Company's 2024 earnings. 2.The Company's plan to refund capital through the capital decrease in cash is presented for discussion. 3.The resolution is to add a matter for convening the 114th Annual General Meeting of Shareholders. 4. Resolution for the personnel change approval of Company's Chief Auditor.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.

Date of Meeting	Major resolutions	Resolution
2025. 04. 25	Resolution of the Company's Financial Report for the first quarter of 2025.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.
2025. 08. 27	1. Resolution of the Company's Financial Report for the first half of 2025. 2. Resolution of the Company's donation to "Taiwan Fire & Marine Foundation". 3 Resolution of acquisition plan on the entire building located at No. 210, Section 3, Chengde Road., Datong District, Taipei City at the price of NT\$2 billion.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.
2025. 10. 31	Resolution of the Company's Financial Report for the third quarter of 2025.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.
2025. 12. 26	Resolution of the Company's Corporate Governance Officer appointment.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.
2025. 03. 06	1. The time and place for the Company's 2025 Annual General Shareholders' Meeting and the time and place for receiving shareholders' proposals. 2. Resolved the number of candidates for the 28th term Board of Directors of the Company, total being 12, including 4 independent directors. 3. Resolution of the Company's 2025 Financial Report. 4. The remuneration of employees and Directors of the Company for the year 2025. 5. Resolution of Company Charter amendment.	The Chairman consulted all the Directors present, and they voted in favor of the resolution without dissent.

2.3.12 Major content of any dissenting opinions on entry or stated in a written statement made by directors or Supervisors regarding key resolutions of board meetings during the past fiscal year up to the publication date of this report: None.

2.3.13 The Company's risk management organization, framework, and policies

A. Risk management organization

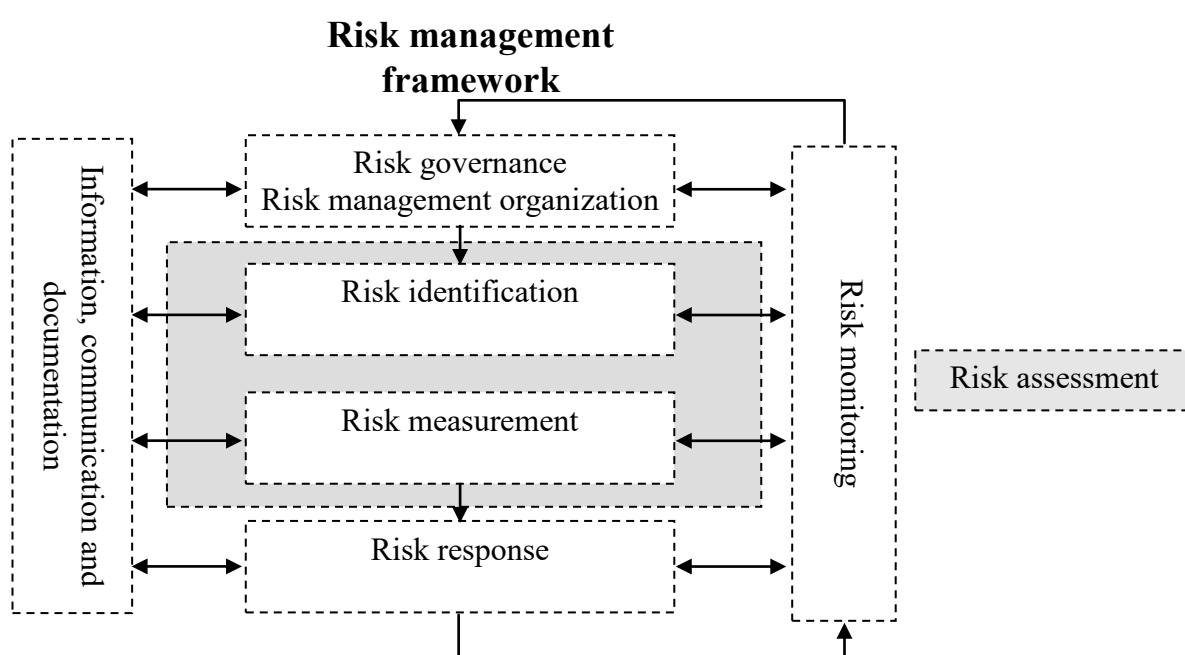
The Company's related risk management units include the Board of Directors, Risk Management Committee, Risk Management Department, business units, and the Audit Department.

- (1) Board of Directors: Establish suitable risk management mechanisms and risk management culture and approve appropriate risk management policies. Learn about the risks in insurance operations, establish the effective risk management, and bear ultimate responsibilities for overall risk management.

- (2) **Risk Management Committee:** A functional committee established in October 2010 and placed under the jurisdiction of the Board of Directors. This committee shall consist of at least three members, all of whom shall be directors. A majority of the members must be independent directors, and one of them shall serve as the convener, who must be an independent director with a professional background in finance, insurance, accounting, or financial management. The committee shall convene once per quarter and may hold additional meetings as needed. Its responsibilities include formulating risk management policies, frameworks, and organizational functions, establishing qualitative and quantitative management standards, and reporting on overall risk management to the board of directors at least once every six months to ensure effective risk management implementation.
- (3) **Risk Management Department:** The Risk Management Department was established in September 2010 and it is responsible for the monitoring, measurement, and assessment of the Company's risks. It also helps formulate and execute the risk management policy approved by the Board of Directors. The Department regularly files related risk management reports and assists in conducting stress tests and back tests whenever necessary.
- (4) **Business units:** Business units are responsible for the identifying and monitoring of risks, reporting the risk exposure status, and excess risk report. Regularly review various risks and limits to ensure the effective implementation by business units within the risk limit. Measure the impact level of risks when incidents occur and deliver prompt and accurate risk information. Unit supervisors shall be responsible for daily risk management and reporting and they shall adopt necessary response strategies to supervise regular delivery of related risk management information to the Risk Management Department.
- (5) **Audit Department:** Review the implementation status of risk management in all units in accordance with related regulations.

B. Risk management framework

The Company's risk management framework includes risk governance, risk management organizational framework and duties, risk identification, risk measurement, risk monitoring and information, communication, and documentation. They are shown in the figure below:



C. Risk management policy

The risk management policy is the Company's highest guiding principles for risk management. Through healthy risk management mechanisms, the Company and subsidiaries identify, measures, supervise, and control related risks in all operations to limit potential risks within reasonable levels, optimize the balance of risks and rewards, meet claim requests, improve core competitiveness, and improve the Company's long-term value. The Company's operates within nonlife insurance and the main risks include insurance risks, credit risks, market risks, liquidity risks, operational risks, and asset and liability risks. The Company has established risk management procedures for the six main types of risks to consolidate and manage risks. The risks and management methods are as follows:

- (1) Insurance risk management policy: Insurance risk refers the risks borne by the Company after they are transferred from the insured to the Company upon payment of the insurance premiums. They are risks of losses due to non-expected changes when the Company pays for insurance claims and related expenses in accordance with the contract. Such risk of losses caused by unexpected changes include product design and pricing risks, insurance underwriting risks, reinsurance risks, catastrophe risks, compensation claim risks, and preparatory fund risks. They are processed through risk management procedures including prior risk identification, measurement, risk response, monitoring, and post-incident management in business operations to control potential risks within reasonable and sustainable levels.
- (2) Credit risk management policy: Credit risks refer to risks involving creditors' downgrade of credit or failure to repay debts or inability or refusal of transaction counterparties to perform their obligations. They include items involved in insurance businesses and fund utilization. Management mechanisms include prior credit level limit management and continuous monitoring and follow-up management after incidents. Credit level limits include position authorization limits, concentration limits, and credit rating limits.
- (3) Market risk management policy: Market risks refer to potential risks of losses of assets due to market price fluctuations of the value of assets over a certain period. The scope includes changes in interest rates, equity securities, exchange rates, value of real estate. Management mechanisms include position authorization limits, concentration limits, and credit rating limits as well as VaR value analysis, sensitivity analysis, and other non-mandatory limits and operating procedures for cases where the aforementioned limits are exceeded.
- (4) Liquidity risk management policy: Liquidity risks refer to funding liquidity risks where the Company cannot cash in on assets or obtain sufficient funding and thus cannot perform due obligations or market liquidity risks where the Company faces significant changes in market when disposing or offsetting positions it holds due to insufficient market depth or market disorder. The management mechanisms are established independent of the fund usage units of transaction units. Indicators and limits have been established for both fund liquidity risks and market liquidity risks to monitor the impact of the Company's fund inflow and outflow on liquidity. In addition, the Company avoids risk concentration in regards to asset distribution and transaction counterparty risk exposure.
- (5) Operating risks management policy: Operating risks refer to risks of direct or indirect losses caused by internal operation procedures, inappropriate actions or errors of personnel or systems, or external incidents. The units responsible for operations of the Company have established operating risk monitoring and control as well as key indicators to regularly inspect and report their own evaluation mechanisms. The goal is to detect existing or potential risks and take prompt measures to offset risks.
- (6) Asset and liability risks: Asset and liability risks refer to risks caused by inconsistencies between the value of assets and liabilities. The related business units of

the Company shall adopt suitable asset and liability management for market risks that may be caused by interest rate or exchange rate variation to formulate, execute, monitor, and correct related strategies for asset and liabilities and achieve established financial goals.

(7) Climate change risk management guidelines:

Climate change risk is categorized into “tangible risk” and “transformation risk.” “Tangible risk” arises from direct or indirect losses caused by specific natural catastrophe or climate pattern changes. “Transformation risk” arises from the process of transformation to a low-carbon economy resulting from the effects of laws and regulations, low-carbon emission technologies and social preferences. The Company identifies, measures and controls related risks through risk management procedure in order to control risks that might arise from the business operation and investment planning to a reasonable and tolerable level.

D. Operation of the Risk Management Committee

(1) The Company’s Risk Management Committee consists of 3 members.

(2) 6th Term Committee duration: From June 16, 2023 to June 15, 2026

In the most recent year and as of the date of the annual report publication, the Risk Management Committee held 6 meetings (A). The qualifications and attendance of the members are as follows:

Title	Name	Number of attendance (B)	Number of attendance via proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent Director	Cheng Ching Huang	6	0	100	Convener
Independent Director	Nien-Tsu Chiang	6	0	100	Appointment 2024. 09. 04
Independent Director	Christopher Chang	6	0	100	Appointment 2024. 09. 04

(3) Resolutions of the Risk Management Committee :

Term / Date	Proposal Details	Board’s Response
6 th Term Risk Management Committee 8 th meeting (2025.03.06)	1.Propose to amend the Company’s “Risk Management Policy”	Approved by all attending directors. (2025.03.07)
	2.Present the Company’s “Risk Management Report for 2H of 2024”	Approved by all attending directors. (2025.03.07)
	3. Present the Company’s “2025 Self-Risk and Solvency Assessment Report”	Approved by all attending directors. (2025.03.07)
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	
6 th Term Risk Management Committee 9 th meeting (2025.04.25)	1. Present the Company’s “Risk Management Report for Q1 of 2025”	
	2. Present the Company’s “2025 stress testing assessment report”	Approved by all attending directors. (2025.04.25)

Term / Date	Proposal Details	Board's Response
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	
6 th Term Risk Management Committee 10 th meeting (2025.06.25)	1.Report the implementation results of the Company's "2025 Analysis on Insurance Companies' Climate Change Scenarios"	Approved by all attending directors. (2025.08.27)
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	
6 th Term Risk Management Committee 11 th meeting (2025.08.26)	1. Present the Company's "Research Results and Countermeasures Report on Geopolitical and Tariff Policy Risk Management"	Approved by all attending directors. (2025.08.27)
	2.Present the Company's "Overall Risk Management Report for 1H of 2024"	Approved by all attending directors. (2025.08.27)
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	
6 th Term Risk Management Committee 12 th meeting (2025.12.24)	1. Present the Company's "Risk Management Report for Q3 of 2024"	
	2.Proposed adjustments to the Company's risk appetite standards and the provisions of the "risk management policy"	Approved by all attending directors. (2025.12.26)
	3. The Company intends to keep the provisions of the "Self-Risk and Solvency Assessment Policy" unchanged.	
	4. Formulate the Company's "Risk Management Mechanism for Catastrophe Insurance" and "Accumulation Value of Catastrophe Risks for Fire Insurance and Evaluation on Maximum Loss Risks" for 2026	Approved by all attending directors. (2025.12.26)
	5. Proposed 2026 Risk Limit Schedule of the Company	
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	
6 th Term Risk Management Committee 13 th meeting (2026.03.26)	1.Present the Company's "Risk Management Report for 2H of 2024"	Plan for April 2026 submission.
	2.Present the Company's "2026 Self-Risk and Solvency Assessment Report"	Plan for April 2026 submission.
	Resolution by the Risk Management Committee: Approved by all present members unanimously.	

(4) Responsibilities of the Company's Risk Management Committee

- ① Draft the policies, structures, organizational functions of risk management, establish the qualitative and quantitative management standards (such as risk appetite and risk limit, etc.), report to the Board regularly and reflect the implementation of risk management to the Board in timely manner, and propose the necessary improvement advices.
- ② Execute the Board's decisions of risk management, and regularly review the performance for development, establishment, and execution of the risk management mechanism at the Company level.
- ③ Assist and supervise the risk management activities conducted by each department.
- ④ Assist review on the operations related to determination of risk limit.
- ⑤ Adjusted the risk categories, limit allocation, and assumption approach depending on the changes of circumstance.
- ⑥ Coordinate the interactions and communications of cross-department risk management.
- ⑦ Evaluation on capital adequacy.
- ⑧ Performance management after risk adjustment.

2.3 Information on CPA service fees

Unit: Thousand NTD

Unit: Thousand NT\$

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fees	Non-audit Fee	Total
Deloitte & Touche	Chen-Hsiu Yang	January 1, 2025 to December 31, 2025	6,560	6,145	12,705
	Wen-Yea Shyu	January 1, 2025 to December 31, 2025			
Remarks : 1.The audit fees include the professional fees for audit, review and re-audit on financial statements and auditing of the financial forecast as referred to in Item 3, Subparagraph 1, Paragraph 1 of Article 24 of the Regulations Governing the Preparation of Financial Reports by Insurance Enterprises. 2. The non-audit fees refer to the professional fees for certification services including tax certification, audit on internal control system, examination of capital adequacy ratio and IB filing reports, audit on compulsory automobile liability insurance, review on annual reports and project consulting services, and ESG consultant fees.					

Note 1: If any change of the CPA firm results in the reduction of audit remuneration from the previous year, please disclose the audit remuneration before and after the change and the cause of such change: None.

Note 2: If the audit remuneration was reduced by more than 10% from the previous year, the actual amount, proportion, and reasons for the reduction must be disclosed: None.

2.4 Information on Replacement of CPA : None.

2.5 The Company's Chairman, General Manager, or any managerial officer in charge of finance or accounting matters has held a position at its CPA's accounting firm or at an affiliated enterprise in the most recent year : None.

2.6 Equity transfer or changes to equity pledge of directors or managerial officers holding more than ten percent (10%) of company shares during the year prior to the publication date of this report:

2.6.1 Transfer of shares and changes in equity pledge of directors, managers, and primary shareholders:

A. Equity Transfer: Please refer to the information published by the Company on the Market Observation Post System under the following path: Single Company > Equity Changes/Securities Issuance > Equity Transfer Data Inquiry > Insider Shareholding Change Post-Report Announcement. For your convenience, here is the URL:

https://mops.twse.com.tw/mops/#/web/query6_1

B. Changes in Transfer or Pledge of Shares: Please refer to the information published by the Company on the Market Observation Post System under the following path: Single Company > Equity Changes/Securities Issuance > Pledge and Release of Pledged Shares by Insiders > Public Disclosure of Insider Share Pledge and Release Information. For your convenience, here is the URL:

https://mopsov.twse.com.tw/mops/web/STAMAK03_1

2.6.2 Information of change in equity

Any transfer of equity interests by a director, supervisor, managers, or shareholder with a stake of more than 10 percent where the counterparty in any such transfer of equity interests is a related party : None.

2.6.3 Information of change in equity

Any pledge of equity interests by a director, supervisor, managers, or shareholder with a stake of more than 10 percent where the counterparty in any such pledge of equity interests is a related party : None.

2.7 Information regarding the top 10 shareholders in terms of number of shares held, who are related parties or each other's spouses and relatives within the second degree of kinship

Unit: Shares; %

Name (Note 1)	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Name	Relationship	
Bank of Taiwan Co., Ltd. Representative: joanne Ling	45,225,794	17.84	-	-	-	-	None	None	None
Navigator Investment Co., Ltd. Representative: Mu-Heng Wu	17,618,072	6.95	-	-	-	-	Jia-Der Investment Co., Ltd. Steve Lee Navigator Real Estate Co., Ltd. Navigator Real Estate Co., Ltd. Tong-Sheng Development Co., Ltd.	The Chairman is the same person A Director and spouse of the Chairman of Navigator Investment Navigator Investment is a corporate director of Navigator Construction	None

Name (Note 1)	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Name	Relationship	
Yong-Shin Development Co., Ltd. Representative: Chain-Cheng Lee	16,910,974	6.67	-	-	-	-	Tong-Sheng Development Co., Ltd. Navigator Real Estate Co., Ltd. Navigator Investment Co., Ltd. Qiao-Nong Investment Co., Ltd. Jia-Der Investment Co., Ltd. Steve Lee	The Chairman is the same person The Chairman is the same person	None
Qiao-Nong Investment Co., Ltd. Representative: Julie Lee	8,488,790	3.35	-	-	-	-	Yong-Shin Development Co., Ltd. Steve Lee	Corporate director A family member within the second degree of kinship of the Chairman of Chiao Nung Investment	None
Taichung Commercial Bank Co., Ltd. Representative: Ruey-Tsang Lee	7,463,400	2.94	-	-	-	-	None	None	None
Navigator Real Estate Co., Ltd. Representative: Chain-Cheng Lee	7,420,785	2.93	-	-	-	-	Steve Lee Navigator Investment Co., Ltd. Yong-Shin Development Co., Ltd. Tong-Sheng Development Co., Ltd.	A Director and a family member within the second degree of kinship of the Chairman of Navigator Investment Corporate director The Chairman is the same person The Chairman is the same person	None
Land Bank of Taiwan Co., Ltd. Representative: Ying-Ming He	7,166,121	2.83	-	-	-	-	None	None	None
Jia-Der Investment Co., Ltd. Representative: Mu-Heng Wu	6,346,554	2.50	-	-	-	-	Navigator Investment Co., Ltd. Navigator Real Estate Co., Ltd. Steve Lee	The Chairman is the same person Corporate director Spouse of the Chairman of Chia Te Investment	None

Name (Note 1)	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Name	Relationship	
Ruihe Investment Co., Ltd. Representative: Tai-Shan Chang	5,620,000	2.22	-	-	-	-	None	None	None
Tong-Sheng Development Co., Ltd. Representative: Chain-Cheng Lee	5,608,789	2.21	-	-	-	-	Navigator Real Estate Co., Ltd. Yong-Shin Development Co., Ltd. Steve Lee	The Chairman is the same person The Chairman is the same person A Director and a family member within the second degree of kinship of the Chairman of Tong Sheng Investment	None

Note 1 : List out the top 10 shareholders. List both the titles of the shareholders and the names of the representatives for institutional shareholders.

Note 2 : The calculation of proportion of shareholding shall be the holding by the person, spouse, and dependents or in the name of a third party separately.

Note 3 : The aforementioned shareholders for disclosure shall include institutional shareholders and natural persons, with the relations between the shareholders as required by the Criteria for the Compilation of Financial Statements by Securities Issuers.

Note 4: "-" in the table means "0".

2.8 Number of shares held by the company, its directors, supervisors, managerial officers and directly or indirectly controlled undertakings in the same invested companies, and the consolidated shareholding ratio

Comprehensive Shareholding Percentage

Unit: Shares; %

Investment (Note)	Investments of the Company		Investments of Directors, Supervisors, Managers and directly or indirectly controlled businesses		Total Investments	
	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage
TOP TAIWAN X VENTURE CAPITAL CO., LTD.	12,508,650	24.75	-	-	16, 508, 650	24.75
AcSun Energy Inc.	20,000,000	20.00	-	-	20,000,000	20.00

Note : The investment is made under equity method.

III 、Capital Overview

3.1 、Shares and Dividends

3.1.1 Capital Sources

A. Issued Shares

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
7/2003	10	353,600,000	3,536,000,000	280,662,800	2,806,628,000	Capital Increase by Earning	0	Note1
8/2004	10	353,600,000	3,536,000,000	304,091,500	3,040,915,000	Capital Increase by Earning	0	Note2
8/2005	10	353,600,000	3,536,000,000	316,857,000	3,168,570,000	Capital Increase by Earning	0	Note3
9/2010	10	600,000,000	6,000,000,000	363,816,400	3,638,164,000	Capital Increase by Earning	0	Note4
12/2015	10	600,000,000	6,000,000,000	362,200,400	3,622,004,000	Treasury Stocks Nullifying 1,616,000	0	Note5
09/2025	10	600,000,000	6,000,000,000	253,540,280	2,535,402,800	Cash capital reduction 108,660,120	0	Note5

Note 1: Decree No. 0920131648 issued by MOF

Note 2: Decree No. 0930135221 issued by FSC

Note 3: Decree No. 0940131068 issued by FSC

Note 4: Decree No. 0990041289 issued by FSC

Note 5: Decree No. 10401263610 issued by MOEA

Note 6: Decree No. 11430132780 issued by MOEA

B. Type of Stock

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	253,540,280	346,459,720	600,000,000	None

C. Information for Shelf Registration

Securities Type	Preparing to Issue Amount		Issued Amount		Purpose and Effect for Issued Shares	Issue Period for Unissued Shares	Remarks
	Total Shares	Authorized Amount (NT\$ thousands)	Shares	Price (NT\$)			
None	-	-	-	-	-	-	None

3.1.2 List of Major Shareholders

As of 3/31/2025

Shareholder's Name	Shareholding	
	Shares	Percentage (%)
Bank of Taiwan	45,225,794	17.84
Navigator Investment Co., Ltd.	17,618,072	6.95
Yong-Shin Development Co., Ltd.	16,910,974	6.67
Qiao-Nong Investment Co., Ltd.	8,488,790	3.35
Taichung Commercial Bank Co., Ltd.	7,463,400	2.94
Navigator Real Estate Co., Ltd.	7,420,785	2.93
Land Bank of Taiwan	7,166,121	2.83
Jia-Der Investment Co., Ltd.	6,346,564	2.50
Ruihe Investment Co., Ltd.	5,620,000	2.22
Tong-Sheng Development Co., Ltd.	5,608,789	2.21

3.1.3 Dividend policy and implementation status

A. Dividend policy established in the Articles of Incorporation

When allocating the net profits for each fiscal year, the Company shall first offset its losses in previous years and pay for all taxes before setting aside 20% of the profits remaining balance as Legal capital reserve, until the accumulated legal capital reserve equals the Company's paid-in capital. Special capital reserve shall then be appropriated or reversed from the balance pursuant to relevant laws and regulations. The Board of Directors shall, pursuant to the dividend policy specified in Article 37, draft the proposal for appropriation of earnings based on the remaining balance, if any, combined with accumulated unappropriated earnings at the beginning of the period and unappropriated earnings of the current year and submit it to the shareholders' meeting for resolution.

The Company operates in the nonlife insurance industry which has remained competitive after the opening of the insurance market. To strengthen the Company's undertaking and repayment capacity, future funding requirements, and satisfy shareholders' demand for cash inflow, the Board of Directors has adopted a stable and balanced dividend policy for the earnings distribution for the current year and it adjusted the proportion of stock and cash dividends. Cash dividends shall be no lower than 10% of the total dividends. However, if the cash dividends are lower than NT\$0.1 per share, they may be distributed as stock dividends.

B. Specific dividend policy: Distribution of dividends in previous years

Year	Cash dividends	Distribution date
2020	1.10	2021.7.15
2021	0.75	2022.5.10
2022	1.00	2023.7.31
2023	1.30	2024.7.12
2024	2.00	2025.7.11
2025	(Note)	To be determined

Note: As of the date of publication of the annual report, the Company has not completed the procedures for the distribution of the 2025 earnings.

Although the dividend distribution ratio is not specified in the Company's Articles of Incorporation, the percentage of earnings provided for distribution may be determined for strengthening the Company's undertaking and repayment capacity, future funding requirements, and satisfying shareholders' demand for cash inflow. It shall be processed after it is resolved in the shareholders' meeting.

Our dividend distribution principle for the next three years shall be as follows: After deducting corporate income taxes, making up for any accumulated losses, and allocating statutory reserves, special reserves, director's remuneration, and employee remuneration from the annual net profit, the distributable profit shall be determined. The dividend payout ratio shall be no less than 20% of the total distributable profit, and the cash dividend payout ratio shall be no less than 10% of the total dividend.

C. Dividend distribution to be proposed to the shareholders' meeting

As of the date of publication of the annual report, the Company has not completed the procedures for the distribution of the 2025 earnings.

D. Any expected material changes to the dividend policy shall be further explained: None.

3.1.4 The impacts of issuing stock grants in this Shareholder's Meeting on the Company's operational performance and dividend per share:

The dividend distribution to be proposed to the shareholders' meeting does not include stock dividends and this item is therefore inapplicable.

3.1.5 Compensation for employees, Directors, and Supervisors

A. Percentage or range of rewards distributed to employees and Directors as stipulated in the Company's Articles of Incorporation:

In the event the Company makes a profit during the fiscal year, it shall allocate 1% to 5% thereof as employee compensation, of which no less than 20% shall be distributed to non-managerial employees. The Company may also allocate no more than 5% thereof as Directors' remuneration; however, Independent Directors shall not participate in the distribution of Directors' remuneration. If the Company has accumulated losses, an amount shall first be reserved to cover such losses.

B. Accounting treatment for the basis of estimating the amount of the employees' remuneration and Director's remuneration for this fiscal period, the basis of calculating the number of shares to be distributed as employees' remuneration, and for any discrepancy between the actual amount distributed and the estimated figures.

The Company's remuneration for employees and Directors shall be 1% to 5% and under 5% of the earnings before tax of the year and before deducting remuneration for employees and Directors. The proposed employee remuneration of NT\$40 million and Director Remuneration of NT\$40 million for 2025 were appropriated based on the aforementioned 2.4984% of the pre-tax profit. The Board of Director approved to distribute employee remuneration of NT\$40 million and Director Remuneration of NT\$40 million in the meeting on March 6, 2026.

If there are changes made to the amount after the issuance of annual financial report, the changes shall be accounted for as changes in accounting estimates and recognized in the financial statements of the following year.

C. Status of compensation distribution as approved by the Board of Directors

(1) The Board of Director resolved to distribute employee bonus of NT\$40 million and Director Remuneration of NT\$40 million in cash in the Board meeting on March 6, 2026.

(2) If there is any discrepancy between the Board of Directors' proposal for the distribution of remuneration for employees and Directors and the estimated amount of recognized expenses for the current fiscal year, the amount, causes and treatment of such discrepancy shall be disclosed: No such discrepancy.

D. Actual distribution of remunerations for employees, Directors, and Supervisors (including the number, sum, and price of shares distributed), and where there were discrepancies with the recognized remuneration for employees, Directors, and Supervisors, the difference, cause, and treatment of the discrepancy be described.

Unit: NT\$1,000

Distribution Item	Actual Distribution	Amount Passed in the Original Board Meeting (2025)	Difference
Remuneration of employees	0	36,259	Undistributed
Remuneration to Directors and Supervisors	36,259	36,259	None

3.1.6 Status of company share buyback

The Company did not buy back shares in 2025 and up to March 31, 2026.

3.2 Issuance of Corporate Bonds: None

3.3 Issuance of Preferred Shares: None

3.4 Issuance of Global Depositary Shares: None

3.5 Issuance of Employee Stock Option Plan: None

3.6 Issuance of Employee Restricted Stock: None

3.7 Issuance of New Share Issuance in Connection with Mergers and Acquisitions: None

3.8 Financing Plans and Implementation: None

IV. Operational Highlights

4.1 Business activities

4.1.1 Business scope

A. Main business: Direct insurance policies and reinsurance business.

(1) Direct written policies

- ① Fire insurance
- ② Marine Cargo Insurance
- ③ Marine Hull Insurance
- ④ Fishing Vessel Insurance
- ⑤ Aviation Insurance
- ⑥ Automobile Insurance
- ⑦ Money Insurance
- ⑧ Bond and Credit Insurance
- ⑨ Liability Insurance
- ⑩ Engineering Insurance
- ⑪ Personal Accident Insurance
- ⑫ Other Property Insurance

(2) Reinsurance: Inward business of various lines of domestic and overseas.

B. Breakdown of Total Premium in 2025, based on business lines.

(1) Premium of direct policies written was NT\$9.49 billion, 95.07% of total premium.

(2) Premium of inward reinsurance was NT\$493 million, 4.93% of the total premium.

C. Breakdown of Total Premium in 2025, based on business line.

(1) Automobile Insurance	36.09%
(2) Commercial Fire Insurance	14.48%
(3) Residential Fire Insurance	11.06%
(4) Compulsory Automobile Liability Insurance	7.07%
(5) Personal Accident Insurance	7.34%
(6) Engineering Insurance	5.01%
(7) Liability Insurance	4.94%
(8) Marine Cargo Insurance	4.53%
(9) Other Property Insurance	3.93%
(10) Others*	4.92%

Note: Products that account for less than 2% of the total written premiums are collectively indicated under Others.

D. Products and Services Currently Planned

2026 the Company focus on FinTech, digital portals, e-operations, online insurance procurement and mobile office mechanisms to strengthen product development and promotion; improve operational efficiency. Adheres to the principles of fair treatment, financial services, and customer orientation, comprehensively improving customer service quality and customer insurance protection. In response to changes in the market, laws and regulations, and consumer needs, the Company continues to design product portfolio packages with innovative product design and launch differentiated products. We have also adopted a market segmentation strategy and makes full use of the advantages of multiple strategic alliances and professional associations to expand the market reach whereby to improve the company's overall operating performance.

4.1.2 Industry Overview

1. Industry Status and Development

In 2025, total market written premiums reached NT\$285.6 billion, representing a growth rate of 5.66%. Except for commercial fire insurance, credit guarantee insurance, and fishing vessel insurance, all other lines recorded positive growth. Notably, engineering insurance, cargo insurance, health insurance, and personal travel insurance each achieved double-digit growth.

Looking ahead to 2026, the domestic non-life insurance market is expected to benefit from the government's continued promotion of green energy infrastructure, including offshore wind power, solar energy, and energy storage systems, which will support steady growth in engineering and liability insurance. With the full recovery of the tourism sector, both domestic and outbound travel demand remain robust, driving strong momentum in travel insurance. In addition, banks are actively promoting the digitalization of residential fire insurance policies, enhancing operational efficiency while supporting environmental sustainability initiatives. Overall economic activity remains solid, which is conducive to business expansion and improved operating performance.

However, persistent global inflationary pressures continue to drive up labor and material costs, leading to increased claims expenses. The construction sector faces risks of project delays and contract execution challenges due to labor shortages and rising material costs. Climate change has intensified the frequency and severity of catastrophic events, increasing risk exposure and reinsurance costs. Geopolitical risks in the Taiwan Strait remain a concern. Furthermore, compliance costs associated with ESG initiatives, the implementation of IFRS 17, and fair customer treatment regulations, as well as rising expenditures on cybersecurity and digital transformation, are expected to place additional pressure on the non-life insurance market.

2. Product Development Trends and Competitive Landscape

(1) Fire Insurance

In 2025, total written premiums for fire insurance (including natural catastrophe insurance) amounted to NT\$43.8 billion, representing a decline of 3.73%. Among these, commercial fire insurance premiums totaled NT\$36.3 billion, decreasing by 5.01%, primarily due to softer underwriting conditions in the international reinsurance market, which led to downward pricing pressure on large accounts, as well as timing differences in policy placements for major high-tech clients.

Residential fire insurance showed a “volume decline with stable pricing” trend due to credit tightening measures, mortgage restrictions, and excess housing supply. Premiums reached NT\$7.4 billion, growing by 3.10%, slightly lower than the 4.28% growth recorded in the previous year. The penetration rate of residential fire and earthquake insurance increased to 39.41%, up by 0.52 percentage points year-on-year.

Looking ahead to 2026, the commercial fire insurance market is expected to face continued pricing pressure due to soft reinsurance conditions, although increased insured values and loss experience adjustments for high-tech clients may support modest growth. For residential fire insurance, regulatory adjustments to construction cost benchmarks are expected to enhance coverage levels without increasing premiums, which may encourage higher policy uptake. Overall, steady growth is anticipated.

(2) Automobile Insurance

In 2025, total written premiums for automobile insurance reached NT\$138.8 billion, representing a growth of 3.10%. Voluntary automobile insurance increased by 3.61%, while compulsory automobile insurance grew by 0.15%.

New vehicle registrations totaled 414,436 units, a decrease of 9.5% compared to 2024, mainly due to uncertainties surrounding tariffs. Despite the contraction in the automotive market, increased public awareness of risk management supported continued growth in insurance premiums.

Looking ahead to 2026, as tariff-related uncertainties gradually ease, new vehicle sales are expected to recover. Combined with product diversification and enhanced service offerings, the automobile insurance market is expected to maintain steady growth.

(3) Cargo Insurance

In 2025, total written premiums reached NT\$8.5 billion, representing a growth of 10.56%.

Looking ahead to 2026, continued softening in the reinsurance market is expected to exert downward pressure on premium rates. In addition, the dominance of brokers in large-scale business and the divergence in industrial performance—strong demand in AI-related sectors but weaker performance in others—may result in an estimated market contraction of approximately 5%.

(4) Marine Insurance

In 2025, total written premiums amounted to NT\$2.4 billion, representing a growth of 3.96%, while fishing vessel insurance declined by 4.18%.

Looking ahead to 2026, declining reinsurance rates are expected to reduce overall premium levels, with the market projected to contract by approximately 5%.

(5) Aviation Insurance

In 2025, total written premiums amounted to NT\$1.3 billion, representing marginal growth of 0.04%.

Looking ahead to 2026, increased travel demand, higher war risk premiums due to geopolitical conflicts, and fleet expansion are expected to support modest growth in the aviation insurance market.

(6) Accident Insurance

In 2025, total written premiums reached NT\$36.5 billion, representing a growth of 8.60%. Liability insurance grew by 7.93%, while other property insurance increased by 11.42%, and credit guarantee insurance declined slightly.

Looking ahead to 2026, market participants are expected to review pricing structures to maintain market stability. The recovery of tourism and continued government support are expected to drive demand for travel liability and event-related liability insurance. In addition, cybersecurity policies are expected to stimulate demand for cyber insurance, with the overall market projected to grow by approximately 6%.

(7) Engineering Insurance

In 2025, total written premiums reached NT\$23 billion, representing a growth of 37.63%, driven primarily by the rapid development of green energy projects and rising reinsurance rates.

Looking ahead to 2026, continued government support for green energy development, together with contributions from offshore wind projects, is expected to sustain growth momentum in the engineering insurance market.

(8) Accident and Health Insurance

In 2025, accident insurance premiums increased by 6.66%, while health insurance premiums surged by 28.08%.

Looking ahead to 2026, regulatory constraints are expected to limit underwriting capacity in the personal accident insurance segment, resulting in more moderate growth. However, strong outbound travel demand, increased risk awareness, and the convenience of online insurance platforms are expected to support stable growth in travel insurance.

4.1.3 Overview of technology and R&D

A total of 19 New Insurance Products Submitted in 2025 :

- 1.TFMI Public Liability Insurance Condolence Money Clause (for Hsinchu Ranger Station, Forestry and Nature Conservation Agency, Ministry of Agriculture)
- 2.TFMI Travel Comprehensive Insurance with Add-on Children's Travel Safety Injury Medical Insurance
- 3.TFMI Residential Rental Specific Accident Loss Expense Compensation Insurance (Applicable to Landlord/Full-Rental Management Operators for Rental Housing)
- 4.TFMI Motor Third-Party Liability Insurance Excess Liability Endorsement - Type C
- 5.Taiwan Fire & Marine Insurance Corporate Liability Waiver Insurance
- 6.TFMI Comprehensive Machinery Insurance
- 7.TFMI Comprehensive Machinery Insurance J01A: Extra Air Freight Costs Endorsement
- 8.TFMI Comprehensive Machinery Insurance J02A: Underground Machinery and Equipment Endorsement
- 9.TFMI Comprehensive Machinery Insurance J03A: Warranty Period Business Interruption Endorsement
- 10.TFMI Comprehensive Machinery Insurance J04A: Earthquake Endorsement
- 11.TFMI Comprehensive Machinery Insurance J60A: Series Losses from the Same Cause Endorsement
- 12.TFMI Comprehensive Machinery Insurance J62A: Lubricants and Coolants Endorsement
- 13.TFMI Comprehensive Machinery Insurance J71B Inspection of Electric Motors and Generators Over 1000KW Endorsement (Excluding Turbine Generators)
- 14.TFMI Comprehensive Machinery Insurance J72B Inspection of Steam, Hydraulic, and Gas/Diesel Turbines and Turbine Generator Sets Endorsement
- 15.TFMI Comprehensive Machinery Insurance J73A Boiler or Pressure Vessel Inspection and Maintenance Endorsement
- 16.TFMI Automobile Transportation Industry Risk Surcharge Endorsement
- 17.TFMI P12 Windstorm loss Endorsement
- 18.TFMI Medical Expense Benefits under Group Personal Accident Insurance for Recreational Area Visitors Endorsement (Indemnity Basis) (Type A)
- 19.Commercial Automobile Driver Liability Insurance

4.1.4 Long- and Short-term Business Development Plans

A. Short-term Business Plans

- (1) Provide new product mixes and differentiated services that meet market demands, laws and regulations, and customer needs
- (2) Target client base, build up market segmentation, put forth cross selling strategy, and implement various sales promotion and awards to stimulate sales productivity.
- (3) Diversify investments to lower risks and increase yield rate. Also evaluate real estate investments to stabilize income from rental properties.
- (4) Intensify strategic alliances with sales channels and makes use of advantages in rates and diversified channels to expand the targets market.
- (5) Strengthen Insurtech and mobile insurance platform capabilities, continue to expand enhance e-commerce channel to increase customer purchasing flexibility; optimize insurance purchasing procedures, promote electronic insurance policy issuance to expand business scale, improve efficiency, and increase convenience levels for customers to purchase insurance.

- (6) Strengthen customer loss prevention services and practice prudent underwriting, enhance quality business portfolio and screen sales channels for quality risks to mitigate customer and risks take on, while increase retained premium level and insurance surplus to maintain stable profits.
- (7) Implement the principle of fair treatment, customer protection, and friendly service guidelines; with emphasis on customer rights, and provide new products and differentiated services that meet customer needs and improve customer service level.

B. Long-term Business Development Plans

- (1) Under the six core values: Professionalism, Integrity, Innovative, Teamwork, Caring, and Efficiency. TFMI adheres to the policy of stability and customer-orientation, through the supervision of the Board and Sustainable Development Committee, build up a comprehensive corporate culture which corporate compliance, environmental protection and social responsibility all embedded in our daily business operation.
- (2) In recognition the risk and opportunity that brought forth by the climate change, develop weather related new insurance products and services. In addition, push for internal environmental initiative and energy conservation mechanism, such as paper reduction, equipment efficiency increase, reduce energy consumption, and waste reduction, all in the effort of carbon emission reduction due to our daily operation.(
- (3) Periodically examine the development, deployment and action plan of company's risk management scheme. Through scientific modelling and data analysis that have been put forth the risk management strategy, including risk diversion, transfer and reinsurance planning to reduce the potential risk that would affect the Company.
- (4) Conduct market survey and research, identify the most climate affected territory and industry, put forth market strategy. Provide all-rounded client service, including but not limited to risk evaluation, management and protective insurance programs to cater to the client needs.
- (5) In responding to the changes in the consumption, continue to enhance e-commerce platform, promoting digitization in sales, claims, policy management services. Increase the level of the customer's services and efficiency.
- (6) Establishing a transparent and responsible corporate governance framework ensures compliance with regulations and ethical standards, safeguarding shareholder rights. Emphasizing corporate ethics and values, establishing a code of conduct ensures the integrity of employees and partners.
- (7) Adhering to corporate governance, fulfilling corporate social responsibility, and advancing sustainable development goals such as environmental protection, promote green insurance and sustainable development principles. This includes reducing carbon emissions, supporting green energy and environmentally friendly projects, actively fulfilling corporate social responsibility, participating in charitable activities and social donations, and implementing corporate sustainability.

4.2 Market and Sales Overview

4.2.1 Market Analysis

A. Areas of distribution for principal products of the Company and market shares

Unit: NT\$ thousands

Insurance Category	Direct Premium Written (\$)	Income Premium of the Domestic Nonlife Insurance Market (\$)	Market Share (%)	Sales Region
Residential Fire Insurance	1,049,720	7,445,626	14.10	Taiwan, Penghu, Kinmen and Matsu
Fishing Vessel Insurance	82,176	1,266,291	6.49	Taiwan, Penghu, Kinmen and Matsu
Aviation Insurance	83,357	1,355,995	6.15	Taiwan, Penghu, Kinmen and Matsu
Marine Hull Insurance	134,493	2,451,270	5.49	Taiwan, Penghu, Kinmen and Matsu
Marine Cargo Insurance	429,671	8,506,157	5.05	Taiwan, Penghu, Kinmen and Matsu
Commercial Fire Insurance	1,374,557	36,357,129	3.78	Taiwan, Penghu, Kinmen and Matsu
Compulsory Automobile Liability Insurance	730,935	19,952,726	3.66	Taiwan, Penghu, Kinmen and Matsu
Personal Accident Insurance	697,027	24,035,786	2.90	Taiwan, Penghu, Kinmen and Matsu
Automobile Insurance	3,425,818	118,898,198	2.88	Taiwan, Penghu, Kinmen and Matsu
Other Insurance	372,774	13,204,903	2.82	Taiwan, Penghu, Kinmen and Matsu
Health Insurance	159,730	5,762,761	2.77	Taiwan, Penghu, Kinmen and Matsu
Liability Insurance	468,944	21,345,855	2.20	Taiwan, Penghu, Kinmen and Matsu
Engineering Insurance	475,607	23,076,485	2.06	Taiwan, Penghu, Kinmen and Matsu
Bond and Credit Insurance	8,770	1,941,865	0.45	Taiwan, Penghu, Kinmen and Matsu
Total	9,493,579	285,601,047	3.32	Taiwan, Penghu, Kinmen and Matsu

Source: Insurance Premiums of Member Companies from January to December 2025 Compiled by the Nonlife Insurance Association of the Republic of China.

B. State and Growth of Market - A view on the Supply and Demand

(1) Supply

- ①As of the end of 2025, there are 14 non-life insurance companies in Taiwan and five foreign operators. The top three accounted for 47.24% of total revenue and each with a market share of over 9%.
- ②Market competition continues, insurers are strived to develop new products and product packaging to differentiate position.
- ③The authorities are strict on the regulation applied to maintain market stability and development.

(2) Demand

- ①The government promoting economic revitalization measures, which is conducive to public infrastructure construction and other investment plans.
- ②The government emphasizing on the infrastructure development and green energy, will bringing demand in engineering and liability insurance needs.
- ③The authorities focusing on FinTech development, stimulating the creation of multi-purpose new technology application on web servicing and Insurtech. With relaxation on the online transaction regulations for the insurance products, will

increase flexibility, therefore promote growth in the premium level; also, with the e-policy issuance, the administrative costs can be reduced and to promote environmental continuity.

(3) Growth

Driven by global net-zero initiatives, the government is actively promoting the full electrification of automobiles and motorcycles. Together with the continued increase in vehicle ownership and the impact of inflation on insurance premiums, these factors are expected to support sustained growth in the automobile insurance market.

Regulatory authorities are placing increasing emphasis on digital finance applications and actively fostering technological innovation. Coupled with the gradual relaxation of regulations and rising demand for online insurance, the expansion of digital products and coverage offerings is expected to drive growth in e-commerce distribution channels.

In addition, the government's continued investment in infrastructure and the development of green energy industries are expected to further strengthen growth momentum in engineering and liability insurance. Meanwhile, the increasing frequency of natural disasters and emerging risk events has heightened awareness among both enterprises and individuals regarding asset protection. As a result, the use of insurance as a risk transfer mechanism continues to grow, contributing positively to the overall premium growth of the non-life insurance industry in 2025.

C. Positive and Negative Factors Affecting our Competitiveness, our Long-term Development, and our Response Strategies

C Competitive Advantages, Opportunities and Challenges, and Strategic Responses

(1) Favorable Factors

- ①The global economy is steadily growing, and inflation continues to slow down. On January 17, the International Monetary Fund (IMF) predicted that the global economic growth rate would be 3.3%. Taiwan's economy, influenced by global trends, relies on investment and consumer spending for growth. External demand has once again become the main driver of economic growth. The Directorate-General of Budget, Accounting, and Statistics (DGBAS) forecasts Taiwan's domestic economic growth rate for 2026 to be 3.54%.
- ②The supervision of the authorities will help maintain market order and ensure that insurance rates return to reasonable risk adequacy level.
- ③Domestic economies and recovery of tourism activities will aid business development in the relevant insurance lines.

(2) Unfavorable Factors

- ①The global economy faces several risks, including monetary policies that suppress economic growth, increased sovereign debt pressure in emerging and developing economies, and rising food and energy prices due to climate impacts and geopolitical tensions.
- ②Electric car maintenance and spare parts are expensive that they do not match the current rates.
- ③The supply condition in the reinsurance market, and effect posed by recurrence of natural catastrophic events caused by extreme weather conditions.

(3) Response Strategies

- ①Enhance education and training on professional knowledge, service quality, and service differentiation to increase the professional knowledge, sales skills, and quality service of sales staff.
- ②Provide customers with comprehensive risk management and damage prevention services to strengthen customer satisfaction, create competitive advantages, and add value to the company.

- ③Continuously optimize operational systems to enhance overall work efficiency and customer convenience.
- ④Design product portfolio projects, innovate product content, and enhance product availability based on market conditions, regulatory requirements, and consumer demands.
- ⑤Introduce niche products, select high-quality business, utilize cross-selling, and expand business scale.
- ⑥Utilize the advantages of strategic alliance channels to strengthen the expansion of high-quality small and medium-sized businesses.

4.2.2 Description and Development of Main Products

A. Description of Main Products

(1) Fire Insurance

①Basic Residential Fire and Earthquake Insurances

Residential Fire Insurance provides coverage for fires, lightning strikes, explosions, aircraft crash and fallen parts, motor vehicle collisions, damages from smoke, strikes, riots, harassment, malicious destructive behavior, burglary and other dangerous incidents, offer compensation for such incidents occurred to residential housings. This insurance also provides compensation for debris removal expenses or temporary housing expenses. In addition, personal properties are also automatically included in the coverage, with 30% of the main policy sum insured, and capped at NT\$800,000.

Basic Residential Third-party Liability Insurance covers injuries, deaths or property damages caused to third parties due to fires, lightning strikes, explosions, fire smoke damage, or other accidents during the insurance period for which the insured person is liable for compensation in accordance with the law and is requested by third parties to provide compensation in accordance the provisions of the insurance contract. The compensation limit during the insurance period is capped at NT\$24 million.

Residential Glass Insurance covers losses of broken glass windows, doors, curtains walls to the covered residential building due to accidents, and offers compensation for such losses.

Residential Typhoon and Flood Insurance is to include the losses due to typhoon and flood affecting the area, based on the limit set in the Table of Limit for the subject area.

Basic Residential Earthquake Insurance provides coverage for damages sustained by residential buildings due to earthquakes, as well as fires, explosions, landslides, land subsidence, sliding, cracking, bursts, and any earthquake induced tsunami, tides, floods.

②Commercial Fire Insurance

Whether it is an office building, shop, factory, or warehouse, damage or loss of the subject insured is caused by fire, explosions or lightning strikes shall be compensated.

③Fire Allied Perils Insurance

To meet the needs of insured, the following coverage can be included in the fire insurance policy: A. Explosion B. Earthquake C. Typhoon and flood D. Aircraft crash, motor vehicle collision E. Strike, riot, civil commotion, malicious damage F. Automatic fire device seepage G. Burglary H. Rent loss I. Business interruption J. Water stain K. Smoke L. Terrorism M. Third party liability.

(2) Marine Cargo Insurance

The Marine Cargo Insurance provides coverage for the damage or loss to the cargo during their shipping process. The marine cargo insurance covers cargo at sea, in air, and on land.

(3) Marine Hull Insurance

The Marine Hull Insurance covers damage and loss of the hull and machinery due to accidents. The collision liability and transportation fee are also included. All ships in transition, in tow, in construction, undergoing repairs or in berth may be insured. Insurance for containers and shipowners' liability are also under the coverage of hull insurance line.

(4) Fishing Vessel Insurance

The fishing vessel insurance provides compensation for damage or loss of the fishing vessels, machinery equipment, or fishing equipment due to accidents.

(5) Aviation Insurance

The aviation insurance provides coverage for damage or loss of the aircraft due to accidents as well as the legal liabilities of the owner and user of the aircraft for compensation arising from damage or loss of the aircraft or accidents.

(6) Automobile Insurance

Automobile insurance provides coverage for liabilities of damage or loss of vehicles, and injuries, death, and damage to the third parties caused by accidents. The main insurance categories include compulsory automobile liability, third party liability, vehicle damage, and theft. The insured person may choose additional coverages including insurance for typhoons, floods, earthquakes, excess liability coverage, driver personal accident, passenger liability, and third party compensation fees, roadside assistance, etc.

(7) Money Insurance

Money insurance provides coverage for the insured's loss of cash due to thefts, robberies, fires, explosions, or during delivery, in storage, or at the counter.

(8) Bond and Credit Insurance

The bond and credit insurance provides coverage for the insured's loss associated with unethical behavior of employees or the debtors' failure to fulfill debt obligations. The insurance categories include fidelity bond, travel agent performance bond, construction performance bond, construction advance payment bond, etc.

(9) Liability Insurance

Liability insurance provides coverage for any accidents that caused damage to third parties for which the insured is liable in accordance with law. The Company provides public liability, contractor liability, employers' liability, product liability, financial institutions professional indemnity, elevator accident liability, golfers' liability, etc.

(10) Engineering Insurance

Engineering insurance includes construction all risk, erection all risk, electronic equipment, construction plant and machinery, machinery breakdown, and boiler pressure vessel insurance lines.

(11) Other Property Insurance

Fine art comprehensive insurance, burglary insurance, glass insurance, and others.

(12) Personal Accident Insurance

Personal accident insurance provides coverage for disabilities or death of the insured caused by accidents. Such products include personal accident insurance and group accident insurance.

(13) Comprehensive Travel Insurance

Comprehensive travel insurance provides coverage for disabilities or death of the insured caused by accidents while travelling (with a maximum period of 180 days). Coverages include disabilities or death as well as medical expenses, sudden

illness overseas, emergency expenses, travel inconvenience, third party liabilities, and residential property loss.

(14) Rental Property Compensation Insurance

For expenses caused by named incidents that the insured person might suffer from property rental as either lessor or renter during the insurance period, insurance benefits shall be paid in accordance with the insurance contract.

B. Development process

The insurance products designed and developed by non-life insurance company factored in past loss experience and expenses when setting the premium rates and all insurance products shall be submitted to the authority for approval or registration before issuance.

4.2.3 State of supply of main raw materials: Not applicable.

4.2.4 The names of customers who accounted for more than 10% of sales for any given year within the last two years, their purchase amount and proportion, and reasons for changes (increase or decrease) in sales:

A. Names of the top ten customers in the two most recent years, the amount, ratio, and reasons for increase and reduction of such sales:

The Company is an insurance company and does not have one main client who account for over 10% of operating revenue. Therefore, this requirement is not applicable.

B. Names of the top ten suppliers in the two most recent years, the amount, ratio, and reasons for increase and reduction of such sales: Not applicable.

4.3. Employee Information

Employee information in the last two years up to the printing of this Report

Year		2025	2024	Current Year as of March 31, 2026
Number of Employees (Note)	Full-time employees	924	923	927
	Contractual personnel	0	0	0
	Workmen	0	0	0
	Total	924	923	927
Average Age		43.6	43.4	43.7
Average Years of Service		10.8	10.5	10.9
Education Background Distribution Percentage	Ph.D.	0.1%	0.1%	0.1%
	Master's	9.5%	10.4%	9.6%
	Bachelor's and other Higher Education	85.1%	84.1%	85.2%
	High School	5.2%	5.2%	5.0%
	Below High School	0.1%	0.2%	0.1%

4.4. Spending on environmental protections

Up to date of publication, the Company has not caused nor been affected by any pollution loss.

4.5. Labor relations

4.5.1 Employee welfare

- A. The Company has established the Employee Welfare Committee in accordance with the Employee Welfare Fund Act. We regularly organize meetings to promote employee welfare and we implement various employee welfare measures to improve employees' quality of life.
- B. The welfare measures organized by the Company's Employee Welfare Committee and Human Resources Department include:
 - (1)Benefits and subsidies: Cash gift for three Chinese festivals, birthday cash gift, wedding cash gift, funerary subsidies, etc.
 - (2)Cultural and leisure activities: Monthly birthday parties, year-end party and lucky draw events, club activities, and tourism activities.
 - (3)Other subsidies: Emergency relief, group insurance, family member group insurance, employee health examination, etc.
- C. In addition to the cash gift for the three Chinese festivals and wedding cash gift for employees, the Company also subsidized and established various social clubs in accordance with the Club subsidies guidelines to encourage employee participation in leisure activities and promote connections. As the Company values employees, provides all employees with health examination and employee group insurance. Life insurance, accident insurance, medical insurance, and cancer insurance are included to provide employees with extensive coverage. Implement the EAP to help employees address personal challenges that might affect their work performance, including psychological counseling, legal, financial, and medical resources, in order to improve employee mental health and organizational performance, and foster a positive and energetic workplace environment.

4.5.2 Continuous training

- A. The Company has established the Professional Insurance License Examination Incentives to encourage employees to study and gain related professional skills. We provide rewards and assistance measures to encourage employees to obtain various professional licenses and actively cultivate professional insurance talents.
- B. To help build employees' professional insurance skills, we also regularly organize education and training given by employees who serve as internal lecturers so that employees may exchange and share their experience. We also organize employees' participation in external professional courses based on business and employee development requirements to gain professional knowledge.
- C. The annual training plan for employees are detailed training program covering all areas of topics including management, operations, sales and administrative functions, based on each employees' function and levels. In 2025, 674 training sessions were organized for a total of 43,697 hours. The average training hours were 47.3 hours per person, and the total training expenses was NT\$5.3 million.
- D. In order to enhance the professional corporate identity of the Company, cultivate insurance professionals, encourage employees to attend continuing education programs and pass professional certifications, the Company formulates relevant regulations governing subsidies. Subject to the insurance business core and related professional level, the certifications are divided into the following four categories: Category 1 for the non-life insurance professional certificate/license, including qualification of the non-life insurance sales representatives, non-life insurance claims executive managers, life insurance claims executive managers, non-life insurance actuaries and external auditors; Category 2 for the non-life insurance related certificate/license, including risk

management specialists, risk data analysis specialists, corporate risk management specialists, AML/CTF professionals and various insurance exams; Category 3 for the financial investment certificate/license, including securities investment analysts, futures trading analysts and futures trading analysts; Category 4 for other professional certificates/licenses, including attorney-at-law, CPAs and information security technician, etc.. The Company provides tutoring courses, a teaching materials subsidy, study leave, registration fee subsidy, exam qualification incentives, expenses for applications for certificates/licenses and annual membership fee subsidy and other rewards.

- E. In order to enhance the awareness toward information security and personal data protection, the Company organizes the 3-hour “information security promotion” and 2-hour “Personal Data Protection Act” courses each year, and includes them in the mandatory education and training programs for all employees. In 2025, the Company also organized the 3-hour “Email-Based Social Engineering Awareness Program” courses, which were attended by a total of 76 trainees. Dedicated information security personnel shall attend professional information security training programs for more than 15 hours each year.

The top ten training session hours in 2025 were as follows:

Category		Course Title	Date	Number of Participants	Total Hours
Internal training	1	Fair Dealing Principle in financial service industry	January~December	923	2,769
	2	Financial Inclusion and the Convention on the Rights of Persons with Disabilities (CRPD)	January~December	923	461.5
	3	Education and Training on Procedures for Handling Material Inside Information	January~December	923	461.5
	4	Information Security Courses	January~December	923	2,769
	5	Corporate Ethical Management Education and Training	January~December	923	1,846
	6	Anti-Money Laundering and Combat Financing of Terrorism	January~December	923	1,846
	7	Personal Information Protection Act	January~December	923	1,846
	8	Occupational Safety and Health Education and Training	January~December	923	2,769
	9	Rules of Insurance Salesperson Management - Regulations of Reward and Punishment for Soliciting	January~December	923	461.5
	10	Workplace Sexual Harassment Prevention Education and Training	January~December	923	461.5
External training	1	In-service training for anti-money laundering and counter-terrorism personnel – recent revisions to domestic and international anti-money laundering and counter-terrorism laws and regulations (including targeted financial sanctions and international efforts to prevent weapons proliferation)	May	28	84
	2	In-service training for anti-money laundering and counter-terrorism personnel – Trends and Types of Money Laundering and Terrorism Financing	May	28	84
	3	In-service training for anti-money laundering and counter-terrorism personnel – Fintech applications in AML.	June	28	84

Category		Course Title	Date	Number of Participants	Total Hours
	4	In-service training for anti-money laundering and counter-terrorism personnel – transaction monitoring, risk identification, and reporting of suspected money laundering or terrorism financing transactions.	June	28	84
	5	In-service training for compliance officers – case studies on property insurance rulings	June	27	81
	6	In-service training for compliance officers – New Insurance Products	June	27	81
	7	In-service training for compliance officers – Insurance Fraud Case Study	July	27	81
	8	In-service training for compliance officers – Discussion of gender equality in the workplace and cases of workplace bullying.	August	27	81
	9	In-service training for compliance officers – New Amendments to Insurance Laws and Regulations	August	27	81
	10	Accident root cause analysis and liability assessment technology development	June	49	98

4.5.3 Retirement Scheme

- A. The Company established the Labor Retirement Guidelines to take care of employees after retirement, foster cooperation between employees and the management, and improve work efficiency.
- B. To comply with the Labor Pension Act released on July 1st 2005, the Company appropriates pension funds for employees who opt for the new system to their personal pension accounts. The Company also appoints actuaries to evaluate and calculate labor pension preparatory fund and file actuary reports in accordance with IAS 19 as an important basis for the adjustment of the Company's appropriation of pension preparatory funds to fully protect employees' retirement benefits.
- C. The Company appropriated a total of NT\$5.0 million to the Department of Trusts of the Bank of Taiwan in 2025 as labor pension preparatory fund under the old system. The cumulative account balance of the labor pension preparatory fund at the end of the year was NT\$74.9 million. At the same time, the Company also appropriates 6% of the employees' monthly salaries to the personal pension account of employees under the new labor pension system. The total fund accumulated under the new system was NT\$31.8 million for 2025.

4.5.4 Working environment and employee safety protection measures

1. The Company has established relevant policies to safeguard employee personal safety and maintain a healthy working environment, including the Ergonomic Hazard Prevention Program, Abnormal Workload-Induced Disease Prevention Program, Maternal Health Protection Program in the Workplace, and Workplace Violence Prevention Program.

In accordance with the above programs, during 2025, the Company implemented five ergonomic hazard prevention cases to reduce the risk of work-related musculoskeletal disorders; three abnormal workload prevention cases to mitigate excessive physical and mental fatigue caused by overwork; ten maternal health protection cases to safeguard the health of female employees of childbearing age and during pregnancy; and one workplace violence prevention case to prevent and reduce incidents of unlawful infringement.

2. In order to effectively achieve the safety and health management requirements, before formulating or implementing the safety and health management system, the Company conducts the comprehensive hazard survey to identify all of the Company's current operations that might cause any casualty or accidents, and reviews and assesses the safety and health management performance to set health and safety goals as the basis for the health and safety management system, with the ultimate goal of "zero disasters and zero accidents." The same are applicable to all safety and health hazards that the Company has directly or indirectly caused or are expected to pose some impact. The person-in-charge is required to organize the safety and health risk assessment group and supervise the execution of hazard identification and risk assessment and approval of review results. The risk assessment unit consists of all risk assessment personnel, safety and health personnel, and personnel familiar with the operations on site, and is responsible for executing safety and health hazard identification and risk assessment. The heads of various relevant units are responsible for helping the execution of safety and health hazard identification and risk assessment. Estimate the size of the risk and determine whether the risk is tolerable throughout the entire process. In addition to the hazards and risks caused by the operations of the Company's colleagues, the risks that might be caused by the operations of the contractor and visitors and use of the facilities and services provided by the other units shall be also considered. For fire prevention, the Company assesses the potential of fire and analyzes the possible factors, such as fire expansion and casualties, including potential fire factors and fire risk protection measures, potential hazards to personnel and evacuation measures, fire safety management and fire emergency response planning, and risk identification and effective disaster response measures in the least favorable situations (such as arson committed at nighttime or by internal personnel).
3. The regular inspections include without limitation to:
 - (1) Conduct the performance test of low voltage assemblies and switchboards of the electrical equipment (including various relays, meters, and switches thereof) and the insulation of low-voltage power equipment, earthing resistance and other safety equipment status each year; privately prepare outdoor low-voltage power distribution lines, equipment with heat dissipating parts such as lamps and resistors, check if there is any risk over overheating; check if the electrical wire package is damaged or the charging department is exposed enough to lead to leakage; check if the electrical equipment is operating normally, whether the plug and socket are fixed securely; whether the electrical wire contact is connected well and packaged securely; try to reduce the use of extension cords as much as possible; if it is necessary, confirm if the device is fastened safely and within the safety load absolutely; check if the switch and socket are heated or discolored due to defective contact.
 - (2) Monthly fire safety: Are fire extinguishers prepared in place? Are the locations and instructions of the fire extinguishers in public areas understood?
 - (3) Monthly overall environment: Whether the lighting and ventilation are operating normally; whether the environment and passage are cleaned, whether the floor is clean, and whether no water accumulation exists.
 - (4) Semi-annual health medicine: After the health box is used, is it closed and placed back in its original position precisely? Are the health medicines held in the box expired?
 - (5) In order to maintain the health of colleagues and provide a friendly working environment, the Company provides the indoor workplace within the building equipped with the central air conditioning system in accordance with the Regulations Governing Implementation of Labor Working Environment Monitoring, which shall be subject to the carbon dioxide concentration test once every six months.

The Company has 10 business locations equipped with the air conditioning system, which shall be subject to the carbon dioxide concentration test once every six months.

4. In order to protect the safety of employees at various workplaces, the workplaces are equipped with security systems or police-community alarm systems, and the Company maintains the public accident liability insurance each year and conducts fire inspections pursuant to fire protection laws and regulations.
5. In order to maintain the physical health, the Company requires that new employees undergo a health checkup and also organizes health checkups for its current employees and tracks and maintains employees' physical health each year. Further, in order to prevent employees from physical injuries due to accidents, the Company provides group insurance to employees each year, including life insurance, accident insurance, medical insurance and cancer insurance, etc., aiming to provide its employees with comprehensive safety protection. Meanwhile, the Company issues an online health newsletter on a monthly basis and contracts nurses and physicians to provide on-site services to maintain the employees' health and ensure the balance between the work and the employees' mental and physical well-being. Meanwhile, the Company promoted the "Health Promotion and Weight Loss Program" in 2025. The loss of weight accumulated for nine months amounted to 459.1kg. In 2025, there were two occupational accidents occurring to the employees (both were traffic accidents during the commuting to and from work), but there were no incidents of fire.
6. The Company has been following the Occupational Safety and Health Act and related regulations since August 2005. It has assigned 11 employees from various departments to take part in various trainings for occupational safety. The Company's Occupational Health and Safety Work Rules and various occupational health and safety supervisors have been registered with local Labor Bureaus and posted on the "Employee Safety and Health" section on the webpage for reference. The occupational safety and health supervisor of each unit implements various automatic inspection systems and education and training programs to achieve the goal of "zero-incident".

4.5.5 Establishment of the Employee Code of Conduct or Ethics

Company "Code of Ethical Conduct" and "Working Rules" clearly stipulated the behavior and ethics for the employees, and was disclosed on the official website of the Company (<https://www.tfmi.com.tw>) and internal webpage.

4.5.6 Related certifications obtained from the relevant competent authorities by personnel associated with the transparency of financial information as of the publication date of the Annual Report

Certification Type	Organizer	Number of Employees
Basic Proficiency Test on Enterprise Internal Control	Securities and Futures Institute	3
Official Member of the Actuarial Institute of Chinese Taipei	Actuarial Institute of Chinese Taipei	3
Associate Member of the Society of Actuaries (SOA)	Society of Actuaries (SOA)	2
Nonlife Insurance Sales Representative Qualifications	Nonlife Insurance Association of the Republic of China	876
Sustainable Development Basic Test	Taiwan Academy of Banking Finance Securities and Futures Institute Taiwan Insurance Institute	70

Certification Type	Organizer	Number of Employees
Sustainable Finance Certification	Taiwan Academy of Banking Finance Taiwan Insurance Institute	5
FinTech Competency Certification Examination	Taiwan Academy of Banking Finance Securities and Futures Institute Taiwan Insurance Institute	33
Nonlife Insurance Underwriting and Claims Officer Qualifications	Nonlife Underwriters Society of the Republic of China	63
Personal Insurance Sales Representative Qualifications	Life Insurance Association of the Republic of China	268
Personal Risk Management Officer	Risk Management Society of Taiwan	4
Nonlife Insurance Broker	Examination Yuan	3
Nonlife Insurance Agent	Examination Yuan	3
Life Insurance Broker	Examination Yuan	1

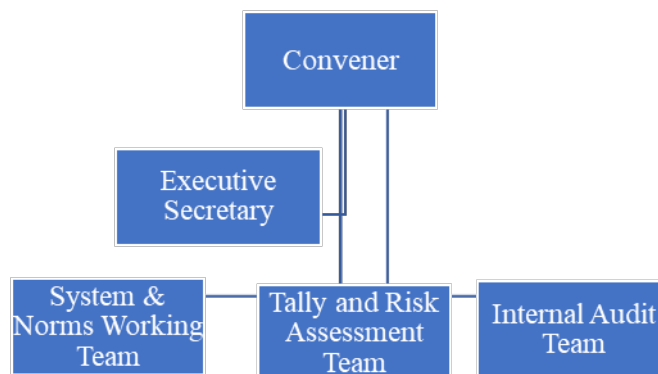
4.5.7 The Company invites representatives from staff and management levels to regular employee-management meetings each quarter and publishes various meeting minutes and implementation status to enhance employee-management relationships, foster cooperation, and improve work performance.

4.5.8 List the losses due to labor disputes in the most recent fiscal year up to the publication date of this annual report, and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount cannot be reasonably estimated, facts of which estimation cannot be made shall be explained: None.

4.6 Information Security Management

4.6.1 Cyber Security Management Strategy and Framework

1. The Company has established the Information Security Management System (ISMS) under the international standards, "ISO/IEC 27001." The Information Security Committee framework is identified in the following figure. The Information Security Committee meeting will be convened periodically on a yearly basis. The Committee will also report the state in the annual information security operations to the Board of Directors.



2. The Company applied for renewal of the information security insurance underwritten by Mingtai Insurance Co., Ltd. in 2025. The insurance covers the cyber security incidents including disclosure of data, ransomware and cyber crimes. A third party's claim extends to the confidentiality and privacy obligation, cyber security liability and media liability. The insured value amounted to NT\$10,000,000.
3. The Company performs the "Information Security Promotion and Training" with respect to all employees for a 3-hour training session annually. Each unit's completion rate attains 100%. Meanwhile, the personnel from the information security dedicated unit need to undergo the professional information security training courses for more than 15 years each time on a yearly basis.

4.6.2 Cyber Security Risk and Responsive Measures

1. In response to ISO 27001, the Company needs to renew the certification each year. The Company has passed the BSI certification, ISO 27001 Information Security Management Operations, in December 2025, and confirmed the on-going validity of the certificate. The Company follows the international standards in order to ensure the confidentiality, completeness and availability of information operations, practice the information security maintenance, review and improvement, and provide stabler, safer and more fine-quality information services.
2. Following the FSC issued Principles Governing Computer Information System Security Evaluation for the Insurers, the Company has completed category 1, information security evaluation in 2025. The evaluation indicators include (1) information framework inspection; (2) online activity inspection; (3) network equipment, server and terminal equipment inspection; (4) network equipment, server and IoT equipment, and compliance by users accessing the Internet; (5) safety inspection; (6) compliance inspection; (7) social engineering exercise; (8) DDoS exercise, etc.
3. In order to improve the information security operations, the Company scans servers in accordance with the "Self-Regulations Governing Information Security Protection by Insurers" on a quarterly basis. The Company keeps noting the system risk to satisfy the competent authority's information security requirements.

4.6.3 Major Cyber security incidents

As of the date of publication of this Annual Report, the Company experienced one material cybersecurity incident. The incident involved a hacker deploying a Trojan-based pivoting mechanism via social engineering techniques to probe internal data. The activity was promptly detected and blocked, and no material information leakage occurred.

4.7 Main Reinsurance Contract

Contract	Reinsurer	Contract Period	Contents/Coverage	Restriction Clause
Reinsurance Contract	Central Reinsurance Corporation	Jan. 01, 2025 Dec. 31, 2025	Reinsurance contracts for fire, catastrophe, marine, engineering, liability, motor, and personal accident insurance policies.	Contract Exclusions Clause.
	Munich Reinsurance Company	Jan. 01, 2025 Dec. 31, 2025	Reinsurance contracts for marine, liability, and motor insurance policies.	Contract Exclusions Clause.
	Partner Reinsurance Europe SE	Jan. 01, 2025 Dec. 31, 2025	Reinsurance contracts for fire, marine, engineering, liability, and motor insurance policies.	Contract Exclusions Clause.
	Swiss Re Asia Pte. Ltd.	Jan. 01, 2025 Dec. 31, 2025	Reinsurance contracts for catastrophe, marine, liability, and motor insurance policies.	Contract Exclusions Clause.
	Transatlantic Reinsurance Company	Jan. 01, 2025 Dec. 31, 2025	Reinsurance contracts for fire, catastrophe, marine, engineering, and liability insurance policies.	Contract Exclusions Clause.

V、Review of financial position, business performance and risk issues

5.1. Comparative Analysis of Financial Conditions

Unit: NT\$thousands

Item \ Year	2025 December 31	2024 December 31	Difference	
			Amount	%
Cash and cash equivalents	3,270,250	3,778,443	(508,193)	(13.45)
Receivable	703,709	740,961	(37,252)	(5.03)
Financial assets and loans (Note 1)	14,727,578	16,323,176	(1,595,598)	(9.78)
Reinsurance contract asset	3,708,800	2,908,234	800,566	27.53
Property and equipment	2,389,880	354,882	2,034,998	573.43
Right-of-use assets	46,885	41,768	5,117	12.25
Intangible assets	5,755	10,588	(4,833)	(45.65)
Other Assets (Note 1)	766,828	751,784	15,044	2.00
Assets	25,619,685	24,909,836	709,849	2.85
Payables	1,391,980	1,263,281	128,699	10.19
Lease liabilities	49,060	44,598	4,462	10.00
Insurance liabilities and insurance contract reserves with financial product's nature	11,670,021	10,825,005	845,016	7.81
Reserve for liabilities	40,798	40,229	569	1.41
Other liabilities (Note 1)	626,908	464,676	162,232	34.91
Total Liabilities	13,778,767	12,637,789	1,140,978	9.03
Capital stock	2,535,403	3,622,004	(1,086,601)	(30.00)
Capital surplus	98,964	98,964	-	-
Retained earnings	8,730,960	8,027,461	703,499	8.76
Other items under equity	475,591	523,618	(48,027)	(9.17)
Stockholders' Equity	11,840,918	12,272,047	(431,129)	(3.51)

Note 1:(1)The financial assets and loans include financial assets at fair value through profit or loss, investment under equity method, other financial assets, financial assets at fair value through other comprehensive income, and investment property.

(2)Other assets include the deferred income tax assets and other assets.

(3)Other liabilities include the income tax liabilities for the period, deferred income tax liabilities, and other liabilities.

Note 2: [-] in the table means [0]

Descriptions:

The analysis is for the changes of 20% or more from before to after the period, with the amount of NT\$10 million or more:

(1) Reinsurance contract asset

The increase in reinsurance contract assets of NT\$800,566 thousand this year compared to the previous year was primarily due to the increase in the ceding claims reserve of NT\$607,427 thousand and ceding unearned premium reserve of NT\$146,571 thousand.

(2) Property and Equipment

The increase in property and equipment of NT\$2,034,998 thousand this year compared to the previous year was primarily due to the purchase of the entire building located at No. 210, Section 3, Chengde Road, Datong District, Taipei City, which will be used as owner-occupied real estate, at a price of NT\$2,000,000 thousand this year.

(3) Other liabilities

The increase of NT\$162,232 thousand this year from the previous year was primarily a result of the increase in current income tax liabilities of NT\$105,315 thousand, the decrease in deferred income tax liabilities of NT\$17,396 thousand, and the increase in temporary receipts for other liabilities of NT\$75,059.

(4) Capital

The decrease of NT\$1,086,601 thousand this year from the previous year was primarily a result of the cash refund through capital reduction, with 108,660 thousand issued shares canceled this year.

5.2. Analysis of Financial Performance

Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2025	2024	Increase (decrease) amount	Change %
Operating Revenue	7,274,586	7,340,275	(65,689)	(0.89)
Operating Costs	4,090,476	4,452,504	(362,028)	(8.13)
Operating Expenses	1,647,961	1,507,226	140,735	9.34
Operating Income	1,536,149	1,380,545	155,604	11.27
Non-operating Income and Expenses	(2,359)	(1,315)	(1,044)	(79.39)
Profit before Tax	1,533,790	1,379,230	154,560	11.21
Tax Expense	291,213	216,901	74,312	34.26
Income from Continuing Operation Net Income	1,242,577	1,162,329	80,248	6.90

Descriptions:

Analysis focusing on the increase/decrease changes for 10% or more

(1) Operating income and net profit before tax from continuing operations

The increase in operating income and net profit before tax from continuing operations of NT\$155,604 thousand and NT\$154,560 thousand, respectively, this year compared to the previous year was primarily a result of the decrease in net changes in the insurance liability within operating costs from the same period last year.

(2) NON-OPERATING INCOME AND EXPENSES

The decrease in non-operating income and expenses of NT\$1,044 thousand this year compared to the previous year was primarily due to the reduction in gains from the disposal of property and equipment and compensation for the early termination of the lease.

(3) Tax expense

The increase in income tax expense of NT\$74,312 thousand this year compared to the previous year was primarily due to the increase in income before tax.

5.3. Review and Analysis of Cash Flow

Analysis of cash flow

Unit: NT\$ thousands

Opening cash balance ①	Annual net cash flow from operating activities ②	Net cash inflow (outflow) from investment and fundraising activities in this year ③	Cash balance (inadequacy) amount ① + ② + ③	Remedial measures for cash inadequacy	
				Investment plan	Fundraising plan
3,778,443	3,344,266	(3,852,459)	3,270,250	None	None

Note:

1. Analysis on the cash flow changes of the current year:

(1) Operating activities

The net cash inflow of NT\$3,344,266 thousand was primarily attributable to the income before tax of NT\$1,533,790 thousand, a decrease of NT\$180,944 thousand in financial assets at fair value through profit or loss, a decrease of NT\$528,648 thousand in financial assets at fair value through other comprehensive income, a decrease of NT\$809,100 thousand in other financial assets, and interest received of NT\$287,100 thousand during the current period.

(2) Investment activities

The net cash outflow, NT\$2,013,800 thousand, was primarily attributable to the acquisition of property, plant and equipment, NT\$2,027,465 thousand.

(3) Financing activities

The net cash outflow of NT\$1,838,659 thousand was primarily attributable to the cash capital reduction of NT\$1,086,601 thousand and the distribution of cash dividends amounting to NT\$724,401 thousand.

2. Remedial action for cash deficit and liquidity analysis: Not applicable.

3. Cash liquidity analysis for the next year:

Opening cash balance ①	Estimated annual net cash flow from operating activities ②	Annual net cash inflow (outflow) from financing activities ③	Expected cash balance (inadequacy) amount ① + ② + ③	Estimated remedial measures for cash inadequacy	
				Investment plan	Fundraising plan
3,270,250	1,720,401	(724,401)	4,266,250	None	None

5.4. Impact of major capital expenditures on corporate finances and business for the most recent year

5.4.1 The use and funding sources of major capital expenditures and the nature of capital expenditures in investments in the next five years: None.

5.4.2 Projected potential benefits: None.

5.5. Investment policy in the past year, profit/loss analysis, improvement plan, and investment plan for the coming year:

The Company's investment policy is based on the principle of obtaining long-term stable profits and dispersing of risks. The main investments are distributed to public investments, special stocks with fixed income, and venture capital with high potential for growth. The cash dividends distributed by investees in 2025 amounted to NT\$21.4 million. The Company shall carefully select investment targets in the future to increase return on equity and profitability.

5.6. Risk analysis and assessment of the most recent year up to the publication date of this report

5.6.1 Impact of interest rates and exchange rate fluctuations, as well as inflation on the Company's profit and loss, as well as future response measures

In 2025, the U.S. Fed cumulatively cut interest rates by 0.75% throughout the year. For the time being, the federal funds rate remains within the target range of 3.50% to 3.75%. According to the dot plot released after the Fed meeting in December 2025, a majority of officials anticipate that the median federal funds rate will fall between 3.00% and 3.25% by the end of 2027, indicating that there is still potential for an additional 0.5% interest rate cut in this cycle. Meanwhile, Taiwan's Central Bank adjusted the rediscount rate to 2.0% by raising it by 0.125% in March 2024 in response to the electricity price hike and to curb inflationary expectations. The Central Bank has maintained the same base interest rate to date. Since the Company does not borrow loans from banks or issue any bonds, its liabilities remain unaffected by future interest rate adjustments. In terms of assets, considering the continued resilience of the U.S. labor market and economy, and with USD bond yields remaining high in recent years, the Company will dynamically adjust the allocation between overseas investment-grade USD bonds and NTD investment-grade bonds to maintain stable interest income.

The Company's foreign investments primarily focus on USD assets, with a smaller portion in RMB assets. Given the expectation that the Fed will maintain its easy monetary policy, the Company anticipates narrowing interest rate spreads in emerging markets and a potential return of capital to these markets. As a result, the USD index is expected to decline gradually. The Company forecasts that the RMB will continue its upward trend against the USD throughout the year, expected to mirror the trend observed in 2025. Considering the NTD's 4.33% appreciation against the USD last year, the Company expects a continued moderate appreciation of the NTD against the USD this year. The Company will closely monitor exchange rate trends and adjust its foreign currency investment positions as appropriate. When necessary, it will employ various foreign exchange hedging tools, such as forward contracts or currency swaps, to mitigate the impact of exchange rate fluctuations on the Company's profitability.

Looking ahead, international institutions at the beginning of the year expected oil prices to decline from the previous year, while service prices were projected to remain stable given the high base in recent years. The Directorate-General of Budget, Accounting and Statistics (DGBAS) forecast annual CPI growth of 1.61%. However, recent conflicts in the Middle East have driven up international crude oil and other energy prices, increasing inflationary pressures. In response, the central bank revised its forecast for the annual average international oil price upward to USD 85 per barrel (from USD 58.3) and raised its CPI projection to 1.80%. The Company will continue to monitor the impact of inflation on interest rates and exchange rates, and, under the principles of safety and liquidity, strive to achieve stable profitability.

5.6.2 The policies to engage in high-risk, high-leverage investments, lending funds to others, endorsements and guarantees, and the transactions of derivative products, the main reasons for profits and losses, and future response measures

5.6.2 Impact of interest rates and exchange rate fluctuations, as well as inflation on the Company's profit and loss, as well as future response measures

The Company has not engaged in any high-risk, high-leverage investment, loans to other parties, provided any endorsement and guarantee, or conducted transactions in derivatives.

5.6.3 Future R&D plans and related expenditure expected to be invested:

1. The R&D Plan for the recent year

(1) Insurance Products

- ①TFMI Motor Physical Damage Insurance – Total Loss Claim without Depreciation Endorsement
- ②TFMI Travel Comprehensive Insurance – Rental Vehicle Accident Expense Endorsement
- ③TFMI Travel Comprehensive Insurance – Trip Change Expense Due to Infectious Disease and Quarantine Endorsement
- ④TFMI Travel Comprehensive Insurance – Trip Cancellation Expense Due to Infectious Disease and Quarantine Endorsement
- ⑤TFMI New Overseas Sudden Illness Medical Insurance Rider
- ⑥TFMI New Overseas Sudden Illness Medical Insurance Rider (Including Statutory Infectious Diseases)
- ⑦TFMI Building Structural Safety Insurance (A)
- ⑧TFMI Building Structural Safety Insurance (A) – K001 Seismic Resistance Enhancement Endorsement
- ⑨TFMI Building Structural Safety Insurance (A) – K002 Roof Waterproofing Quality Assurance Endorsement
- ⑩TFMI Building Structural Safety Insurance (A) – K003 Basement Diaphragm Wall Waterproofing Quality Assurance Endorsement
- ⑪TFMI Building Structural Safety Insurance (A) – K004 Window Frame Waterproofing Quality Assurance Endorsement
- ⑫TFMI Building Structural Safety Insurance (A) – K005 Bathroom Structural Waterproofing Quality Assurance Endorsement
- ⑬TFMI Building Structural Safety Insurance (A) – K006 Radiation-Free Steel Materials Endorsement
- ⑭TFMI Building Structural Safety Insurance (A) – K007 Chloride Ion Content Safety Endorsement for Other Structures and External Facilities
- ⑮TFMI Building Structural Safety Insurance (A) – K008 Slag Material Safety Endorsement for Other Structures and External Facilities
- ⑯TFMI Building Structural Safety Insurance (A) – K009 Terrace Waterproofing Quality Assurance Endorsement
- ⑰TFMI Building Structural Safety Insurance (A) – K101 Comprehensive Construction Quality Sampling Verification Endorsement
- ⑱TFMI Building Structural Safety Insurance (A) – K102 Building Information Modeling (BIM) Certification Endorsement
- ⑲TFMI Building Structural Safety Insurance (A) – K103 Green Building, Energy-Saving Building, and Related Certification Endorsement

2. The R&D Plan scheduled completion date

(1) Insurance Products : Progress upto March 31, 2026

- ① Premium rate reviews for automobile insurance and fire insurance are scheduled to commence in the second quarter and be completed in the third quarter.
- ② Conducting rate adequacy analysis for personal accident and one-year health insurance products. For other insurance products—excluding personal accident, one-year health, voluntary automobile, and fire—will be screened by line of business, and those meeting specified criteria will undergo rate adequacy analysis in accordance with regulatory guidelines. The results of the above analyses will be incorporated into the overall 2025 post-sale product management evaluation report and submitted to the Board of Directors in the second quarter.

(2) Information Technology System : Progress up to March 31, 2026

ISO27001:2022 Information Technology System verification approval, 30% completion.

3. The R&D Expenditure planned and completion schedule

- (1) Insurance Products : We will continue to develop innovative personal and commercial insurance products aligned with market demand, enhancing competitiveness through product differentiation.

(2) Information Technology System:

ITEM	Research Fee (NT\$)	Completion Status	Completion Date
ISO27001 Information Technology System verification	3,000,000	30%	October 2026

4. Reasons that will hinder the success of development

- (1) Laws and regulations
- (2) Experience rating information accessibility
- (3) Market change

5.6.4 Financial impacts and responsive measures due to change of local and foreign regulations in recent years:

To align Taiwan's non-life insurance industry with International Financial Reporting Standard 17 (IFRS 17), the Financial Supervisory Commission (FSC) announced implementation plans in Q3 2018, with full adoption scheduled for 2026. In response, our company established a cross-departmental IFRS 17 Transition Task Force on September 18, 2018, targeting parallel testing in 2024 and opening balance as of January 1st 2025. The Taskforce has conducted gap analysis, data requirement assessments, financial impact evaluations on insurance contract liabilities, and determining system adjustments or implementation methods. Currently, the Company is continuing to build and adjust information systems. Moving forward, it will revise company strategies, workflows, and internal control systems as planned, with progress on transition preparations reported quarterly to the Board of Directors.

5.6.5 Financial impacts and responsive measures due to technological or industrial changes in the last year: Please refer to the Cyber Security Risk and Responsive Measures on Page 158 of the annual report.

- 5.6.6 Crisis management, impacts, and responsive measures due to change of corporate image in the last year: None.
- 5.6.7 Expected benefits, risks and responsive measures in relation to mergers and acquisitions undertaken in the last year: None.
- 5.6.8 Expected benefits, risks and responsive measures associated with plant expansions in the last year: Not applicable.
- 5.6.9 Risks and responsive measures associated with concentrated sales or purchases in the last year: Not applicable.
- 5.6.10 Impacts, risks and responsive measures following a major transfer of shareholding by directors, supervisors, or shareholders with more than 10% ownership interest in the last year: None.
- 5.6.11 Impacts, risks and responsive measures associated with a change of management: None.
- 5.6.12 Major litigations, non-contentious cases, or administrative litigations involving the company or any director, supervisor, president, person-in-charge or major shareholder 196 with more than 10% ownership interest, whether concluded or pending judgment, that are likely to pose significant impact to shareholders' equity or security prices of the company. Disclose the nature of dispute, the amount involved, the date the litigation first started, the key parties involved, and progress as of the publication date of this annual report: None.
- 5.6.13 Other material risks and responsive measures: None.

5.7. Other important disclosures: None.

VI 、 Special Remarks

6.1 Affiliated companies: None.

6.2 Private placement of securities in the last year up till the publication date of this annual report: None.

6.4 Other supplementary information: None.

VII 、 Any occurrence of event defined under Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the previous year up till the publication date of this annual report that significantly impacted shareholders' equity or security prices: None.