

Stock code: 6024



**2024**  
**ANNUAL REPORT**  
**Capital Futures Corp.**

Notice to readers

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

Date of Issuance: March 31, 2025

Capital Futures Corp. Annual report is available at:

<https://mops.twse.com.tw>

Company Website: <https://www.capitalfutures.com.tw>

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Name: Mao, Chen-Hua

Title: President

Tel: (02)2700-2888

Email Address: edward.mao@futures.capital.com.tw

**II. Deputy Spokesperson:**

Name: Lin, Li-Chuan

Title: Executive Vice President

Tel: (02)2700-2888

Email Address: lily.ll@futures.capital.com.tw

**III. Address and telephone number of the Head Office and branches:**

Head Office:

Address: B1, B2 & 32F, No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist.,  
Taipei City, R.O.C

Tel: (02)2700-2888

Taichung Branch

Address: 3F.-6, No.633, Sec. 2, Taiwan Blvd., Xitun Dist., Taichung City,  
R.O.C

Tel: (04)2319-9909

**IV. Institution for stock transfer**

Name: Capital Securities Corp.

Address: B2, No.97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City, R.O.C.

Tel: (02)2702-3999

Website: <https://agency.capital.com.tw>

**V. Names of financial statement auditors in the latest year**

CPA Firm: KPMG

Auditors: Wu, Cheng-Yen & Chen, Yi-Jen

Address: 68F., No.7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City, R.O.C

Tel: (02)8101-6666

Website: <https://kpmg.com/tw>

**VI. Name of overseas exchange where securities are listed, and the methods for inquiring the foreign-listed securities: None.**

**VII. Company Website: <https://www.capitalfutures.com.tw>**

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# Chapter I. Report to Shareholders

## I. Operating performance in 2024

The global economy maintained steady growth in 2024, and the effect of curbing the growth of inflation gradually appeared. The favorable fundamentals continued to give a good environment for corporate operations and benefited the investment market. The domestic financial market demonstrated strong momentum, creating a new milestone of profit in the history of the financial industry. The total volume of the Company's domestic futures brokerage business in 2024 was 69.23 million lots, with a market share of 8.75%, a significant increase of 33.78% as compared with 51.75 million lots in 2023, and the trading volume of its overseas futures business was about 8.69 million lots, with a market share of 19.70%, a significant increase of 12.95% as compared with 7.69 million lots in 2023. In 2024, due to the business expansion, the customers' margin also increased by 30.7% compared to the last year, and the total interest income increased accordingly. Therefore, the consolidated income in 2024 was NT\$2,639,376 thousand, an increase of 19.29% compared to the consolidated income of NT\$2,212,577 thousand in 2023; and the consolidated net income after tax was NT\$1,192,126 thousand in 2024, an increase of 17.91% compared to the consolidated net income after tax of NT\$1,011,052 thousand in 2023. The Company's operating strategies include diversifying its business and profits, actively grasping the opportunities of digital financial development, promoting digital platforms and channels, in order to implement inclusive financing and improve competitiveness.

With the development of financial technologies and the promotion of digital businesses, the efficiency and convenience of services in financial industry are greatly improved, which makes futures market more dynamic. The Company keeps actively engaged in the “green” and “digital” transformation through their integration, making good use of digital tools to build a technological platform for the systematization of sustainable and green financial systems, enhancing the trading experience of customers, and helping them achieve the goal of wealth growth. The Company also introduces a “Design Thinking” based method to advocate user-centered design thinking, produce innovative products and services that meet customer needs, establish a corporate culture of innovation, and root innovative thinking in its DNA through practice in workshop and seeds training. And the Company establishes reward programs for digital innovation to stimulate staff's innovative potential to improve its efficiency and reduce risks.

The Company has 7 directors in its Board of Directors (including 3 independent directors) who are all with the profession of operation, management, finance, accounting, law, international market and strategy. Business supervision and management can be implemented by virtue of director's rich financial experience, various business expertise and diversified backgrounds, which will facilitate the Company to promote its overall development strategies, improve its business performance and corporate operating systems, and safeguard investors' rights and interests.

Capital Futures devotes itself to fulfilling its commitment and mission to implement sustainable development in the three dimensions of E (Environment), S (Society) and G (Governance), with the vision of “becoming a digital financial company that touches customers the most”. To implement good corporate governance, in addition to complying with the Corporate Governance Best-Practice Principles and other laws and regulations, Capital Futures has been continuously thinking about how to establish better systems and processes with a high-quality corporate culture and professional management team, and has taken specific actions in protecting shareholders' rights and interests, strengthening the functions of the Board of Directors, enhancing the corporate governance relationship between the Company and its affiliated enterprises, implementing full disclosure and

transparency of information, and improving internal control and auditing systems, in order to protect shareholders' rights and interests. The Company will strengthen the corporate governance, treating-customer-fairly, green digital finance, social services and other principles, continue to pursue excellence, create a leading core competitive advantage, and achieve corporate sustainable development goals.

## II. 2024 income and profit analysis (Consolidated)

Unit: NT\$ Thousand

Item	2024	2023
Income	2,639,376	2,212,577
Expenses	2,640,220	2,141,643
Non-operating income and expenses	1,464,029	1,205,924
Net income before tax	1,463,185	1,276,858
Net income after tax	1,192,126	1,011,052
Return on Equity (%)	15.98%	14.49%
Net profit margin (%)	45.17%	45.70%
Return on assets (%)	2.14%	2.03%
Earnings per share after tax (dollar)	5.66	4.80

## III. Operating plans and development strategies for the future

Looking forward to 2025, it is expected that the global financial markets will continue to be prosperous, the moderate growth of global economy, the continuous AI investment boom, and the profit growth of companies will be the key to supporting the upward trend in the stock market. However, in the face of uncertainties in the financial markets, such as the new U.S. economic and trade policies, climate change, geopolitical tensions, and inflationary pressures, the futures market has demonstrated its resilience in performing the functions of risk management and asset value protection, which will provide more opportunities for the development of the futures market. In addition, the positive attitude of the authorities towards the financial policies will give the domestic financial industry a new look in the future. In addition, the development of the financial industry is closely related to FinTech, including the use of artificial intelligence and big data, and the application of blockchain and digital currency. The Company is committed to strengthening the use of AI to build innovative financial digital services, providing customers with smarter and more reliable financial services, and establishing new competitive advantages.

The Company's business plan and business development strategies in 2025 are as follows:

### (I) Futures + securities integrated development strategy

1. As to the integrated marketing and account opening for futures + securities brokerage businesses, personnel will get securities-related qualification and accept training on securities business-related ability.
2. Enhance the promotion of individual stock day-trading and strategic trading to attract day-trading customers and asset customers.
3. In leveraged transaction business, the Company uses the CFD advantages of U.S. stock, such as low threshold and long/short flexibility, and launches the non-leveraged U.S. stock CFDs, attracting the customers of securities sub-brokerage business and providing them with more diversified choices.
4. The Company's subsidiary in Hong Kong will develop (global) "futures + securities" integrated businesses by itself-built platforms, and attract customers

from Singapore, Malaysia, and Hong Kong to trade Taiwan's securities and futures.

(II) Digital and AI Development Strategy

1. Establish an AI department to lead the financial industry in fully developing enterprise AI, including financial services, system platforms, consulting services, and precision marketing, in order to create differentiated competitive advantages.
2. Introduce AI learning into Smart Push, optimize with customer feedback data, and improve the performance of Smart Push. Establish a professional short video production team to replace text-based marketing with short videos, expand the marketing coverage and increase the marketing effect.
3. Keep introducing design thinking training and core coaches, to root the innovation DNA into the whole company and make it an inheritable core competency.

(III) Innovative business strategy

1. The Leverage Transaction Department will develop new products independently, such as high-interest currency portfolio index, to meet the demand of spot customers for high-interest products, cooperate with Proprietary Trading Department on make-marking, and increase proprietary strategies to optimize its performance.
2. The market-making proprietary team is planning to enter new markets in India and Thailand to diversify the markets and increase profit sources.
3. The Managed Futures Department will continue to expand the scale of asset management in Taiwan by capitalizing on its core competence of “low risk, high return”, and expand the customer base of overseas assets to increase its volume of managed assets.

(IV) Talent cultivation and rotation strategy

1. The Company will list cultivation and introduction of outstanding talents as the KPIs of various department leaders. The talents in various departments are the Company's assets, and should be adjusted and rotated properly to develop their potential.
2. Combine external resources to expand the activities of “T-Sport for Top Trader”, and continue to cooperate with universities to cultivate futures trading talents on campus.
3. Redesign the internship program, including remuneration, incentives, and internship content, to more effectively recruit internship students and search for talents through internship training.

(V) ESG green finance strategy

1. In accordance with the policies and guidelines of competent authorities, the Company has established an accountability framework and a “business-like” development model, and the three teams of the ESG committee meet regularly to set goals, and development strategies, and review effectiveness.
2. Utilize digital technologies in investment, business, marketing, and operations to effectively increase efficiency and reduce carbon emissions.
3. Promote campus education, design and promote leveraged micro-instruments, and redesign the counter experience and website browsing process for the “vulnerable groups” to truly realize the spirit of inclusive financing.

Chairman:

President:

Accounting manager:

# Chapter II. Corporate Governance Report

## I. Background information of directors, supervisor, president, executive vice presidents, vice presidents, and the heads of various departments and branches

### (I) Directors' and Supervisors' Information

March 31, 2025

Title	Nationality and registry	Name	Gender / Age	Date elected	Term	Date first elected (Note 1)	Shares at Election		Current number of shares held		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current duties in the Company and in other companies	Spouse or relatives of second degree or closer acting as department heads, directors or supervisor			Remark (Note 2)
							Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation	
Director	Republic of China	Capital Securities Corp.		2024.5.30	3 Years	1997.7.08	119,177,014	56.63%	138,619,711	55.46%	0	0	0	0			-	-	-	
Chairman	Republic of China	Chia, Chung-Tao	Male Age 61-70	2024.5.30	3 Years	2015.8.10	0	0	0	0	0	0	0	0	Master of Business Administration, National Chengchi University Director of Capital Securities Corp. President	Director of CSC Futures (HK) Ltd. Chairman of Capital International Technology Corp. Chairman of True Partner Capital Technology (Chengdu) Co., Ltd. Chairman of Capital Futures Technology (Shanghai) Co., Ltd. Director of Taiwan Futures Exchange	-	-	-	
Director	Republic of China	Lee, Wen-Chu	Male Age 61-70	2024.5.30	3 Years	2021.8.26	208,609	0.10%	240,027	0.10%	0	0	0	0	Executive Master of Business Administration, National Cheng Chi University Chairman, Capital Futures Corp.	Director and President of Capital Securities Corp. Director of CSC Futures (HK) Ltd. Director of Capital Securities (HK) Ltd. Director of CSC International Holdings Ltd.	-	-	-	
Director	Republic of China	Liu, Ching-Tsun	Male Age 71-80	2024.5.30	3 Years	2011.9.19	0	0	0	0	0	0	0	0	M.P.A., University of San Francisco, USA Chairman, Capital Securities Corp.	Director of Capital Securities Corp. Director of Taiwan Oasis Technology Co., Ltd. Independent director of PharmaEssentia Corporation	-	-	-	
Director	Republic of China	Hung Yeh Investment Co., Ltd.		2024.5.30	3 Years	2012.6.19	2,031	0.00%	2,335	0.00%	0	0	0	0			-	-	-	



Title	Nationality and registry	Name	Gender / Age	Date elected	Term	Date first elected (Note 1)	Shares at Election		Current number of shares held		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current duties in the Company and in other companies	Spouse or relatives of second degree or closer acting as department heads, directors or supervisor			Remark (Note 2)
							Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation	
Director	Republic of China	Lin, Tzu-Yi	Female Age 50-60	2025.2.25	3 Years	2025.2.25	0	0	0	0	0	0	0	0	Executive Master of Business Administration in International Finance (IEMBA) of National Taipei University Director of Capital Securities Corp.	Director of Capital Securities Corp. Supervisor of Fomet Enterprise Co., Ltd. Supervisor of Shang Wei Investment Co., Ltd. Supervisor of Tai Lian Investment Co., Ltd. Supervisor of Hong Long Enterprise Co., Ltd. Supervisor of Chia Shan Yueh Construction	-	-	-	Note 1
Independent Director	Republic of China	Lin, Juh-Cheng	Male Age 61-70	2024.5.30	3 Years	2024.5.30	0	0	0	0	0	0	0	0	Master of Business Administration (MBA), Mississippi State University  Vice President, Taiwan Futures Exchange	Director, Securities Analysis Association Adjunct Lecturer, Graduate Institute of Management, National Taiwan Normal University	-	-	-	
Independent Director	Republic of China	Hsiao, Nai-Ching	Female Age 61-70	2024.5.30	3 Years	2020.6.19	0	0	0	0	0	0	0	0	Master of Law, National Chung Hsing University Judge of Supreme Court	Lawyer, Hsiao Nai Ching Law Firm	-	-	-	
Independent Director	Republic of China	Wu, Yung-Sheng	Male Age 61-70	2024.5.30	3 Years	2021.5.20	0	0	0	0	0	0	0	0	Ph.D. of Law, National Chengchi University School consultant of Ming Chuan University and an adjunct professor of the Department of Finance	Independent Director of Rubytch Corp. Independent Director of DEXIN Corp. Adjunct professor of Institute of Business and Economic Law, CTBC Business School	-	-	-	

Note 1: Date of first serving as a director and independent director of the Company. If interrupted, please specify.

On February 25, 2025, Hung Yeh Investment Co., Ltd. changed its representative from Ms. Wang, Hui-Chin to Ms. Lin, Tzu-Yi.

Note 2: Where the chairperson of the Board of Directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response.

Table 1: The Major Shareholders of Corporate Shareholders

March 31, 2025

Corporate Shareholder Name	Major Shareholders of Corporate Shareholders (Shareholding %)
Capital Securities Corp.	Capital Tip Customized Taiwan Select High Dividend ETF Fund Account (9.80) Fu Ding Investment Co., Ltd. (3.52) Bao Zuo Investment Co., Ltd. (3.50) KGI Taiwan Premium Selection High Dividend 30 ETF Fund Account (3.37) Bao Sheng Investment Co., Ltd (3.33) Tai Sheng Investment Co., Ltd. (3.29) Hong Chia Investment Co., Ltd. (2.98) Min Huei Enterprise Co., Ltd. (2.82) Hontai Life Insurance Co., Ltd. (2.80) Bao Qing Investment Co., Ltd. (2.78)
Hung Yeh Investment Co., Ltd.	Chao Lung Investment Co., Ltd. (41.25) Tai Fa Investment Co., Ltd. (18.58) Tai Hsiang Investment Co., Ltd. (18.54) Tai He Investment Co., Ltd. (9.73) Hong Chia Investment Co., Ltd. (3.28) Tai He Construction Management Co., Ltd. (1.74) Tai Lain Investment Co., Ltd. (1.72) Bao Zuo Investment Co., Ltd. (1.52) Fu Ding Investment Co., Ltd. (1.52) Tai Chun Investment Co., Ltd. (0.93)

Table 2: Major shareholder(s) where the major shareholder of the juristic is a juristic person

Corporate Shareholder Name	Major Shareholders of Corporate Shareholders (Shareholding %)
Capital Tip Customized Taiwan Select High Dividend ETF Fund Account	Not Applicable
Fu Ding Investment Co., Ltd.	Chao Lung Investment Co., Ltd. (24.73) Tai Fa Investment Co., Ltd. (13.02) Tai Hsiang Investment Co., Ltd. (9.76) Bao Qing Investment Co., Ltd. (6.51) Hong Chia Investment Co., Ltd. (6.51) Yu Chun Enterprise Co., Ltd. (6.03) Fu Tai Construction Corporation (5.80) Tai He Investment Co., Ltd. (5.21) Tai Chun Enterprise Co., Ltd. (4.28) Run Hsiang Enterprise Co., Ltd. (4.27)
Bao Zuo Investment Co., Ltd.	Chao Lung Investment Co., Ltd. (21.83) Chen Huei Enterprise Co., Ltd. (18.43) Tai Hsiang Investment Co., Ltd. (12.16) Hong Long Enterprise Co., Ltd. (9.91) Tai Fa Investment Co., Ltd. (18.29) Tai Sheng Investment Co., Ltd. (3.17) Tai Chien Investment Co., Ltd. (1.93) Tai He Investment Co., Ltd. (11.93) Bao Sheng Investment Co., Ltd (0.83) Hong Yong Construction Corporation (0.19)

Corporate Shareholder Name	Major Shareholders of Corporate Shareholders (Shareholding %)
KGI Taiwan Premium Selection High Dividend 30 ETF Fund Account	Not Applicable
Bao Sheng Investment Co., Ltd.	Tai He Investment Co., Ltd. (56.09) Tai Fa Investment Co., Ltd. (11.48) Tai Hsiang Investment Co., Ltd. (11.40) Chao Lung Investment Co., Ltd. (9.25) Tai Chun Enterprise Co., Ltd. (2.73) Chen Huei Enterprise Co., Ltd. (1.99) Yu Bao Enterprise Co., Ltd. (1.91) Yin Feng Enterprise Co., Ltd. (1.82) Han Bao Enterprise Co., Ltd. (1.74) Wang Hsing Enterprise Co., Ltd. (1.58)
Tai Sheng Investment Co., Ltd.	Tai He Investment Co., Ltd. (23.93) Chao Lung Investment Co., Ltd. (19.86) Tai Fa Investment Co., Ltd. (13.40) Tai Hsiang Investment Co., Ltd. (10.29) Yu Bao Enterprise Co., Ltd. (5.98) Han Bao Enterprise Co., Ltd. (5.27) Chen Huei Enterprise Co., Ltd. (4.42) Yu Chun Enterprise Co., Ltd. (4.40) Fu Tai Construction Corporation (3.77) Quanyi Construction Corporation (3.54)
Hong Chia Investment Co., Ltd.	Chao Lung Investment Co., Ltd. (24.20) Tai He Investment Co., Ltd. (12.42) Hong Tai Construction Co., Ltd. (9.97) Fu Tai Construction Corporation (9.97) Tai Hsiang Investment Co., Ltd. (10.03) Tai Sheng Investment Co., Ltd. (7.96) Tai Fa Investment Co., Ltd. (6.37) Lian Mao Investment Co., Ltd. (4.78) Bao Zuo Investment Co., Ltd. (3.18) Fornet Tech Co., Ltd. (3.18)
Min Huei Enterprise Co., Ltd.	Lian Mao Investment Co., Ltd. (16.53) Wei Wang Investment Co., Ltd. (14.75) Hong Chang Enterprise Co., Ltd. (13.66) Sheng Hsiang Enterprise Co., Ltd. (10.11) Tai Chun Investment Co., Ltd. (10.02) Tai Chun Enterprise Co., Ltd. (8.48) Han Bao Enterprise Co., Ltd. (8.47) Chen Huei Enterprise Co., Ltd. (6.42) Yu Bao Enterprise Co., Ltd. (5.80) Run Hsiang Enterprise Co., Ltd. (4.76)
Hontai Life Insurance Co., Ltd.	Lin, Chang-Lung (19.35) Tai Lain Investment Co., Ltd. (4.97) Hong Chang Enterprise Co., Ltd. (4.89) Wei Wang Investment Co., Ltd. (4.89) Hong Sheng Industrial Co., Ltd. (4.88) Quanyi Construction Corporation (4.85) Rui Jin Enterprise Co., Ltd. (4.80) Min Huei Enterprise Co., Ltd. (4.58) Hong Long Enterprise Co., Ltd. (4.40) Yin Feng Enterprise Co., Ltd. (4.34)

Corporate Shareholder Name	Major Shareholders of Corporate Shareholders (Shareholding %)
Bao Qing Investment Co., Ltd.	Tai Fa Investment Co., Ltd. (19.72) Tai Hsiang Investment Co., Ltd. (19.43) Chao Lung Investment Co., Ltd. (19.43) Quanyi Construction Corporation (6.93) Fu Tai Construction Corporation (6.93) Hong Long Enterprise Co., Ltd. (5.51) Run Hsiang Enterprise Co., Ltd. (5.51) Tai He Investment Co., Ltd. (4.93) Bao Zuo Investment Co., Ltd. (4.35) Tai Sheng Investment Co., Ltd. (4.35)
Chao Lung Investment Co., Ltd.	Y.L. Lin Hung Tai Education and Culture Charity Trust (92.88) Fu Tai Construction Corporation (2.77) Han Bao Enterprise Co., Ltd. (2.07) Bao Qing Investment Co., Ltd. (1.52) Tai Ye Enterprise Co., Ltd. (0.69) Quanyi investment Co., Ltd. (0.07)
Tai Fa Investment Co., Ltd.	Y.L. Lin Hung Tai Education and Culture Charity Trust (100.00)
Tai Hsiang Investment Co., Ltd.	Y.L. Lin Hung Tai Education and Culture Charity Trust (100.00)
Tai He Investment Co., Ltd.	Y.L. Lin Hung Tai Education and Culture Charity Trust (89.86) Yin Feng Enterprise Co., Ltd. (5.09) Yu Bao Enterprise Co., Ltd. (2.98) Tai Ye Enterprise Co., Ltd. (0.51) Hong Chia Investment Co., Ltd. (0.49) Bao Qing Investment Co., Ltd. (0.49) Tai Chien Investment Co., Ltd. (0.43) Quanyi investment Co., Ltd. (0.15)
Tai He Construction Management Co., Ltd.	Qarnet Enterprise Co, Ltd. (19.61) Hong Long Enterprise Co., Ltd. (20.50) Min Huei Enterprise Co., Ltd. (18.75) Fornet Enterprise Co., Ltd. (15.18) Sheng Hsiang Enterprise Co., Ltd. (15.14) Fornet Tech Co., Ltd. (10.71)
Tai Lain Investment Co., Ltd.	Tai Hsiang Investment Co., Ltd. (43.02) Chao Lung Investment Co., Ltd. (16.65) Tai Fa Investment Co., Ltd. (15.27) Tai He Investment Co., Ltd. (14.85) Yin Feng Enterprise Co., Ltd. (3.26) Han Bao Enterprise Co., Ltd. (3.26) Fu Tai Construction Corporation (3.23) Hong Tai Construction Co., Ltd. (0.44)
Tai Chun Investment Co., Ltd.	Tai Fa Investment Co., Ltd. (30.63) Tai He Investment Co., Ltd. (20.32) Chao Lung Investment Co., Ltd. (19.71) Tai Hsiang Investment Co., Ltd. (18.91) Tai Chun Enterprise Co., Ltd. (2.91) Han Bao Enterprise Co., Ltd. (2.88) Yin Feng Enterprise Co., Ltd. (2.74) Run Hsiang Enterprise Co., Ltd. (1.89)

(II) Disclosure of professional qualification of the directors and supervisors and independence of directors

Qualification Name	Professional qualification and experience	Compliance of independence	Number of positions as an Independent Director in other public listed companies
Capital Securities Corp. Representative: Chairman, Chia, Chung-Tao	<ul style="list-style-type: none"> <li>With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>Former Director and President of Capital Securities, and currently the Chairman of the Company.</li> <li>Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	-	0
Capital Securities Corp. Representative: Director, Liu, Ching-Tsun	<ul style="list-style-type: none"> <li>With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>Former Chairman of Capital Securities Corp., currently Director of Capital Securities Corp.</li> <li>Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	-	1
Capital Securities Corp. Representative: Director, Lee, Wen-Chu	<ul style="list-style-type: none"> <li>With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>Former President and Chairman of Capital Futures, and currently Director and President of Capital Securities.</li> <li>Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	-	0
Hung Yeh Investment Co., Ltd. Representative: Director, Lin, Tzu-Yi	<ul style="list-style-type: none"> <li>With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>Currently the Vice President of Sheng Hsiang Enterprise Operation Center, director of Capital Securities Corp., and supervisor of Fornet Enterprise, Shang Wei Investment, and Tai Lain Investment.</li> <li>Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	-	0
Lin, Juh-Cheng Independent Director	<ul style="list-style-type: none"> <li>With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>Former Executive Vice President of TAIFEX. Currently Adjunct Lecturer, Graduate Institute of Management, National Taiwan Normal University, and Director, Securities Analysis Association.</li> <li>Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	(1) Not employed by the Company or any of its affiliated companies. (2) Not a director, supervisor of the Company or any its affiliated companies. (3) Does not hold more than 1% of the company's outstanding shares in his/her own name or under the name of spouse, underage children, or any other person; nor is any party listed herein one of the ten largest natural person shareholders of the company.	0

Hsiao, Nai-Ching Independent Director	<ul style="list-style-type: none"> <li>• With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>• Former judge of Supreme Court, currently lawyer at Hsiao Nai Ching Law Firm.</li> <li>• Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	<p>(4) Not the spouse, the kindred to the second tier under the Civil Code or the direct kin within the third tier under the Civil Code of the managerial officers stated in Subparagraph 1 or other roles stated aforementioned Subparagraph.</p> <p>(5) Not a director, supervisor or employee of an institutional shareholder directly holding more than 5% of the outstanding shares issued by the company, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders, or a representative of an institutional shareholders appointed as the director or supervisor of the company according to Paragraph 1 or 2, Article 27 of The Company Act.</p>	0
Wu, Yung-Sheng Independent Director	<ul style="list-style-type: none"> <li>• With at least five years of work experience or have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company.</li> <li>• Former Dean and School Consultant of Ming Chuan University School of Law and Adjunct Professor of the Department of Finance. Currently the Adjunct professor of Institute of Business and Economic Law, CTBC Business School, and the Independent Director, Audit and Remuneration Committee Member of Rubytech Corp. and Dexin Corp.</li> <li>• Does not meet any descriptions stated in Article 30 of the Company Act.</li> </ul>	<p>(6) Not a director, supervisor or employee of the company controlling over one half of the company director seats or voting shares under one person.</p> <p>(7) Not a director, supervisor or employee of the Company whose chairperson and president or equivalent role is same person or its spouse.</p> <p>(8) A director, supervisor, managerial 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.</p> <p>(9) Not a professional or owner, partner, director, supervisor, managerial officer or the spouse of these roles of a sole proprietorship, partnership of the Company or institution that audits or provides related business, legal, financial, accounting services or consultation with service fees over the last two years for the company or its affiliates.</p> <p>(10) Have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</p> <p>(11) Does not have the government, legal person or its representative elected as stipulated in Article 27 of the Company Act.</p>	2

#### Diversity and Independence of board of directors

1. The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking 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: A professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills, and industry experience.
2. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows: ability to make judgments about operations, accounting and financial analysis ability, business management ability, crisis management ability, knowledge of the industry, an international market perspective, leadership ability, decision making ability.
  3. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
  4. The Board of Directors of the Company shall give guidance the Company's strategy, supervision to the management level, and be responsible to the Company and shareholders. The operations and arrangements of its corporate governance system shall ensure that the Board of Directors exercises its functions and powers in accordance with laws and regulations, Articles of Association or the resolutions of the General Meeting of shareholders. To meet the needs of the Company's business development, the Board of Directors should be composed of experts and scholars in industry, accounting, management, etc.; members of the board should have business experience, legal or accounting qualifications. The Company gives focus to gender equality in the composition of the Board of Directors, with at least one female director.
  5. The Company's current Board of Directors is composed of 7 Directors, including 3 Independent Directors and 4 Legal Representative Directors, including 5 male and 2 female Directors, accounting for 71% and 29% respectively, and the directors who are employees account for 14%. The current Board of Directors was re-elected at the Annual General Meeting of Shareholders on May 30, 2024, and only two female directors were elected, which is the reason why the number of directors of either gender did not reach one-third of the total number of directors. The Company will continue to promote gender diversity, actively seek qualified female professionals, and strengthen the career development of the Company's senior female management to expand the source of female director candidates, and endeavor to achieve the goal of one-third of directors of either gender in the next re-election of directors, in order to enhance the overall diversity of the Board of Directors, and further strengthen the diversity and synergistic effect of the Board of Directors.

Chairman Chia, Chung-Tao, Director Lee, Wen-Chu, Director Liu, Ching-Tsun and Director Lin, Tzu-Yi all have experience in operation management, financial accounting, international market and leadership decision-making in the futures, securities, and financial industries. Independent Director Lin, Juh-Cheng was serving as the Executive Vice President of TAIFEX and is currently Adjunct Lecturer, Graduate Institute of Management, National Taiwan Normal University, and Director, Securities Analysis Association; independent director Hsiao, Nai-Ching is a retired judge of the Supreme Court; and independent director Wu, Yung-Sheng was serving as the school consultant of Ming Chuan University and an adjunct professor of the Department of Finance. According to their academic experience, 5 directors have business experience, 2 have accounting expertise, and 2 have legal expertise.
  6. In order to improve corporate governance and strengthen the functions and independence of independent directors, the Company's "Corporate Governance Best-Practice Principles" specifies that no independent director may serve for more than three consecutive terms. None

of the independent directors has served for more than three consecutive terms at present. None of the directors are spouses or related within the second degree of kinship.

7. Implementation of board diversity:

Title	Chairman	Director			Independent Director		
Name	Chia, Chung-Tao	Lee, Wen-Chu	Liu, Ching-Tsun	Lin, Tzu-Yi	Lin, Juh-Cheng	Hsiao, Nai-Ching	Wu, Yung-Sheng
Gender	Male	Male	Male	Female	Male	Female	Male
Age	Age 61-70	Age 61-70	Age 71-80	Age 51-60	Age 61-70	Age 61-70	Age 61-70
Nationality	Republic of China						
Seniority of independent directors	-	-	-	-	Less than 3 years	3-6 years	3-6 years
Professional background							
Industry	V	V	V	V	V		
Legal						V	V
Financial accounting				V	V		
Professional knowledge and skills							
Make judgments about operations	V	V	V	V	V	V	V
Financial and accounting analysis				V	V		
Business management	V	V	V	V	V	V	V
Crisis management	V	V	V	V	V	V	V
Knowledge of the industry	V	V	V	V	V		v
An international market perspective	V	V	V	V	V	V	V
Leadership ability	V	V	V	V	V	V	V
Decision making ability	V	V	V	V	V	V	V



## (III) Background information of president, executive vice presidents, vice presidents, and the heads of various departments and branches

March 31, 2025

Title	Nationality	Name	Gender	Job commencement date	Shareholding		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current positions in other companies	Spouse or relatives of second degree or closer acting as managerial officer			Acquisition of employee stock warrants by managerial officers	Remark
					Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation		
President	Republic of China	Mao, Chen-Hua	Male	2005/9/6	120,684	0.05%	0	0	0	0	Business Administration Executive Program, National Chengchi University Senior Executive Vice President of Capital Futures Corp.	Director and President of Capital International Technology Corp. Director of True Partner Capital Technology (Chengdu) Co., Ltd. Director of Capital Futures Technology (Shanghai) Co., Ltd.	-	-	-	-	-
Senior Executive Vice President	Republic of China	Huang, Wei-Ben	Male	2014/4/1	40,000	0.02%	0	0	0	0	Master of Financial, Operating National Kaohsiung First University of Science Sales Assistant Vice President, SinoPac Futures Corp.	None	-	-	-	-	-
Senior Executive Vice President	Republic of China	Chen, Chi-Hao	Male	2020/9/14	0	0	0	0	0	0	J.D., Washington University in St. Louis, USA Manager, Yuanta Financial Holdings Lawyer, Y.R. Lee & Partners	Director of Capital International Technology Corp. Director of Capital Futures Technology (Shanghai) Co., Ltd. Supervisor of True Partner Capital Technology (Chengdu) Co., Ltd.	-	-	-	-	-
Senior Executive Vice President	Republic of China	Yang, Rui-Ling	Female	2011/12/28	0	0	0	0	0	0	Department of Business Administration Shih Chien University Sales Executive Vice President, Masterlink Futures Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Hsu, Ji-Ching	Male	2005/1/1	72,609	0.03%	0	0	0	0	Department of International Trade, Tamkang University Manager, Masterlink Futures Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Lin, Li-Chuan	Female	2006/6/1	121,053	0.05%	0	0	0	0	Department of Business, Providence University Assistant Vice President, Polaris Futures Corp.	Supervisor of Capital International Technology Corp. Supervisor of Capital Futures Technology (Shanghai) Co., Ltd.	-	-	-	-	-
Executive Vice President	Republic of China	Lin, Xiao-Chian	Male	2010/6/10	112,922	0.05%	0	0	0	0	Master of Business Administration, University of La Verne Vice President, J.P. Morgan Chase & Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Kuo, Shu-Zhen	Female	2013/1/1	50,000	0.02%	0	0	0	0	Department of Finance, National Kaohsiung First University of Science Vice President, New Edge Futures Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Lee, Chung-Wei	Male	2014/7/14	30,000	0.01%	0	0	0	0	Master of Science, Columbia University in the City of New York Sales Vice President, KGI Securities Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Cho, Cheng-Kang	Male	2016/4/1	40,000	0.02%	0	0	0	0	Department of Finance, National Taichung University of Science and Technology Sales Assistant Vice President of Capital Securities Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Ho, Cho-I	Male	2016/8/1	20,000	0.01%	0	0	0	0	Master in Information Management, Texas State University Vice President, Barclays Securities	None	-	-	-	-	-

Title	Nationality	Name	Gender	Job commencement date	Shareholding		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current positions in other companies	Spouse or relatives of second degree or closer acting as managerial officer			Acquisition of employee stock warrants by managerial officers	Remark
					Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation		
Executive Vice President	Republic of China	Cheng, Shin-Pin	Male	2022/6/20	0	0	0	0	0	0	Master of Business Administration, State University of New York at Binghamton Assistant Vice President, KGI Securities Corp.	None	-	-	-	-	-
Executive Vice President	Republic of China	Wang, Min-Nan	Male	2024/3/1	40,000	0.02%	0	0	0	0	Master of Department of Money and Banking, National Chengchi University General Manager, Shanghai Jifeng Investment Management Co., Ltd.	None	-	-	-	-	-
Senior Vice President	Republic of China	Lian, Jing-Lian	Female	2003/5/2	81,479	0.03%	0	0	0	0	Department of Statistics, Tamkang University Manager, Yuanta Futures Co., Ltd.	None	-	-	-	-	-
Senior Vice President	Republic of China	Peng, Chien-Cheng	Male	2012/7/2	31,495	0.01%	0	0	0	0	Master of Finance, National Chung Hsing University Vice President, President Futures Corp.	None	-	-	-	-	-
Senior Vice President	Republic of China	Lin, Hsiu-Chu	Female	2017/4/1	20,000	0.01%	0	0	0	0	Department of Insurance, Shih Chien University Capital Futures Corp., Manager	None	-	-	-	-	-
Senior Vice President	Republic of China	Chung, Cheng-Huang	Male	2018/4/2	15,000	0.01%	0	0	0	0	Ph.D. of Finance Department, National Taiwan University Assistant Vice President of Risk Management Dept., Waterland Securities	None	-	-	-	-	-
Senior Vice President	Republic of China	Chu, Chun-Chang	Male	2020/4/1	3,000	0.00%	0	0	0	0	Department of Information Management and Communication Arts, Chaoyang University of Technology Capital Futures Corp., Senior Specialist of Introducing Broker Sales Department	None	-	-	-	-	-
Senior Vice President	Republic of China	Chang, Su-Fang	Female	2020/4/1	50,575	0.02%	7,000	0.00%	0	0	National Formosa University Senior Specialist, Capital Futures Corp.	None	-	-	-	-	-
Senior Vice President	Republic of China	Chen, Chih-Chung	Male	2020/12/1	40,000	0.02%	0	0	0	0	Department of Chinese Literature, National Chengchi University Senior Vice President, Capital Securities Corp.	None	-	-	-	-	-
Vice President	Republic of China	Chen, Tsung-Yu	Male	2018/4/1	25,000	0.01%	0	0	0	0	Department of Financial Engineering and Actuarial Mathematics, Soochow University Capital Futures Corp., Manager	None	-	-	-	-	-
Vice President	Republic of China	Chang, Yun-Hsuan	Female	2022/4/1	20,000	0.01%	0	0	0	0	Information Management Department, Wan-Neng Senior & Commercial Vocational School Manager, Yuanta Futures	None	-	-	-	-	-
Vice President	Republic of China	Wu, Wen-Jie	Male	2022/4/1	22,000	0.01%	0	0	0	0	Dep. of Information Management, Ming Chuan University Project Manager, MasterLink Securities Corp.	None	-	-	-	-	-
Vice President	Republic of China	Liu, Kun-Ming	Male	2023/1/3	0	0	0	0	0	0	Department of Finance and Banking, Shih Chien University Sales Vice President, Yuanta Futures	None	-	-	-	-	-

Title	Nationality	Name	Gender	Job commencement date	Shareholding		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current positions in other companies	Spouse or relatives of second degree or closer acting as managerial officer			Acquisition of employee stock warrants by managerial officers	Remark
					Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation		
Vice President	Republic of China	Hsu, Hua-Shan	Female	2023/4/1	40,000	0.02%	0	0	0	0	Department of Accounting, National Chengchi University KPMG Vice President, Audit Department	None	-	-	-	-	-
Vice President	Republic of China	Jen, Ming-Ying	Female	2023/5/15	10,000	0.00%	0	0	0	0	Department of Law, Soochow University Lawyer, Y.R. Lee & Partners	None	-	-	-	-	-
Vice President	Republic of China	Li, Guan-Huei	Male	2024/3/18	50,000	0.02%	0	0	0	0	Department of Electrical Engineering, National Yunlin University of Science and Technology. Fubon Futures Corp., Assistant Manager.	None	-	-	-	-	-
Vice President	Republic of China	Chang, Chih-Hung	Male	2025/3/10	0	0	0	0	0	0	Department of Political Science of Fu Hsing Kang College, National Defense University Sales Manager, KGI Futures	None	-	-	-	-	-
Assistant Vice President	Republic of China	Chang, Ya-Ju	Female	2020/9/1	37,051	0.01%	0	0	0	0	Business Administration of National Taipei University Senior Manager of Finance Department, Capital Futures	None	-	-	-	-	-
Assistant Vice President	Republic of China	Cheng, Chao-Ting	Male	2024/12/10	0	0	0	0	0	0	Master of Banking and Finance, Tamkang University Capital Futures Corp., Manager	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Liu, Pao-Hua	Male	2015/4/1	63,016	0.03%	0	0	0	0	Department of Finance, National Taiwan University Assistant Vice President of Taiwan International Futures Corp.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Chang, Mu-Min	Male	2018/4/1	19,520	0.01%	0	0	0	0	Department of Transportation and Communication Management Science & Institute of Telecommunications Management, National Cheng Kung University Sales Vice President, Capital Futures Corp.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Lu, Wei-Liang	Male	2020/4/1	100	0.00%	100	0.00%	0	0	Master's Program in Finance, Fu Jen Catholic University Sales Assistant Vice President, MasterLink Futures Corp.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Chen, Yung-Lin	Male	2020/4/1	30,000	0.01%	0	0	0	0	MBA, Western Washington University Assistant Vice President, Concord Securities Co., Ltd.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Yi, Chien-Hsiung	Male	2021/9/1	20,000	0.01%	0	0	0	0	Master in Computer Science, National Tsing Hua University Executive Vice President of CSC Futures (HK) Ltd.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Lai, Han-Sen	Male	2022/03/14	0	0	0	0	0	0	Master of Business, Kainan University Assistant Vice President of Managed Futures Department, Cathay Futures	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Shen, Chun-Liang	Male	2023/4/1	23,000	0.02%	0	0	0	0	Bachelor's degree from National Taipei University of Business Assistant Vice President, Omni-Channel	None	-	-	-	-	-

Title	Nationality	Name	Gender	Job commencement date	Shareholding		Shareholdings of spouse and underage children		Shares held in the names of others		Academic background & experience	Current positions in other companies	Spouse or relatives of second degree or closer acting as managerial officer			Acquisition of employee stock warrants by managerial officers	Remark
					Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding			Title	Name	Relation		
											Department, Capital Futures Corp						
Senior Executive Officer	Republic of China	Chen, Hsien-Chang	Male	2025/2/11	0	0	0	0	0	0	Department of Industrial Education National Taiwan Normal University Engineer, Gamma Technology & IT Consultancy Co., Ltd.	None	-	-	-	-	-
Senior Executive Officer	Republic of China	Li, Chih-Sheng	Male	2024/07/22	6,000	0.00%	0	0	0	0	Master of Department of Mathematical Sciences, National Cheng Chi University Assistant Manager, Financial Markets Division, Bank SinoPac	None	-	-	-	-	-

Note: Where the chairperson of the Board of Directors and the general manager or person of an equivalent post (the highest level manager) of a are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto.

## II. Remuneration paid to directors, supervisors, presidents, and executive vice presidents in the most recent year

### (I) Remuneration of general directors and independent directors (disclosure of individual names and remuneration methods)

2024 (Unit: NT\$ Thousand)

Title	Name	Remuneration to Directors								The sum of A, B, C and D as a percentage of after-tax profit		Remuneration as an employee								The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit		Remuneration received from the invested companies other than the subsidiaries and the parent company
		Remuneration (A)		Pension (B)		Remuneration to directors (C)		Fees for services rendered (D)				Salaries, bonuses, special allowances etc. (E)		Pension (F)		Remuneration to employees (G)						
		The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company		All companies shown in the financial report		The Company	All companies shown in the financial report			
														Cash amount	Stock amount	Cash amount	Stock amount					
Director	Capital Securities Corp.	0	0	0	0	11,284	11,284	350	350	11,634 0.98%	11,634 0.98%	0	0	0	0	0	0	0	0	11,634 0.98%	11,634 0.98%	0
Chairman	CAPITAL SECURITIES CORP. Representative: Chia, Chung-Tao	12,409	12,409	0	0	0	0	0	0	12,409 1.04%	12,409 1.04%	503	503	0	0	152	152	0	0	13,064 1.10%	13,064 1.10%	0
Director	CAPITAL SECURITIES CORP. Representative: Liu, Ching-Tsun	0	0	0	0	0	0	175	175	175 0.01%	175 0.01%	0	0	0	0	0	0	0	0	175 0.01%	175 0.01%	1,630
Director	CAPITAL SECURITIES CORP. Representative: Lee, Wen-Chu	0	0	0	0	0	0	0	0	0 0.00%	0 0.00%	0	0	0	0	0	0	0	0	0 0.00%	0 0.00%	1,630
Director	Hung Yeh Investment Co., Ltd.	0	0	0	0	3,761	3,761	165	165	3,926 0.33%	3,926 0.33%	0	0	0	0	0	0	0	0	3,926 0.33%	3,926 0.33%	0
Director	Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin	0	0	0	0	0	0	0	0	0 0.00%	0 0.00%	0	0	0	0	0	0	0	0	0 0.00%	0 0.00%	0
Independent Director	Chen, Kuo-Tay (Note)	200	200	0	0	771	771	60	60	1,031 0.09%	1,031 0.09%	0	0	0	0	0	0	0	0	1,031 0.09%	1,031 0.09%	0

Independent Director	Lin, Juh-Cheng (Note)	706	706	0	0	0	0	85	85	791 0.07%	791 0.07%	0	0	0	0	0	0	0	0	791 0.07%	791 0.07%	0
Independent Director	Hsiao, Nai-Ching	904	904	0	0	771	771	140	140	1,815 0.15%	1,815 0.15%	0	0	0	0	0	0	0	0	1,815 0.15%	1,815 0.15%	0
Independent Director	Wu, Yung- Sheng	904	904	0	0	771	771	125	125	1,800 0.15%	1,800 0.15%	0	0	0	0	0	0	0	0	1,800 0.15%	1,800 0.15%	0

1. Please describe the remuneration policy, system, standard and structure of independent directors, and describe the linkage to the remuneration amount according to the responsibilities, risks, time, and other factors:

In addition to the responsibilities of the Board of Directors, all three independent directors of the Company also serve as members of the Audit Committee, Remuneration Committee, and Ethics and Sustainability Committee. The remuneration of the independent directors of the Company are determined in accordance with the Company Act and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, considering factors such as directors' participation in the Company's operations, contribution, and operational performance. It is stipulated in the Company's Articles of Association where the extent of its participation in the Company's operations and the value of its contributions are determined compared to the industry level where a reasonable remuneration different from directors will also be determined.

2. Other than those disposed in the Table above, remuneration received by directors in the recent year for services provided (e.g. serving as a consultant to all non-employees of the parent company/companies in the financial report/reinvested enterprises, etc.): None

Note: 1. The driver's compensation is NT\$1,192 thousand.

2. Independent Director Chen, Kuo-Tay retired on May 30, 2024 due to expiration of term, and Independent Director Lin, Juh-Cheng took office on May 30, 2024 after re-election.

Table of salaries scale

Remunerations to individual directors in respective brackets along the salaries scale	Name of director			
	Total of the aforementioned 4 items (A+B+C+D)		Total of the aforementioned 7 items (A+B+C+D+E+F+G)	
	The Company	All companies shown in the financial report (H)	The Company	All companies shown in the financial report (I)
<NT\$1,000,000	Capital Securities Corp. Representative: Liu, Ching-Tsun Capital Securities Corp. Representative: Lee, Wen-Chu Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin; Lin, Juh-Cheng	Capital Securities Corp. Representative: Liu, Ching-Tsun Capital Securities Corp. Representative: Lee, Wen-Chu Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin; Lin, Juh-Cheng	Capital Securities Corp. Representative: Liu, Ching-Tsun Capital Securities Corp. Representative: Lee, Wen-Chu Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin; Lin, Juh-Cheng	Hung Yeh Investment Co., Ltd. Representative: Wang, Hui-Chin; Lin, Juh-Cheng
NT\$1,000,000 ~ NT\$2,000,000 (exclusive)	Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng	Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng	Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng	Capital Securities Corp. Representative: Liu, Ching-Tsun Capital Securities Corp. Representative: Lee, Wen-Chu; Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng
NT\$2,000,000 ~ NT\$3,500,000 (exclusive)	-	-	-	-
NT\$3,500,000 ~ NT\$5,000,000 (exclusive)	Hung Yeh Investment Co., Ltd.	Hung Yeh Investment Co., Ltd.	Hung Yeh Investment Co., Ltd.	Hung Yeh Investment Co., Ltd.
NT\$5,000,000 ~ NT\$10,000,000 (exclusive)	-	-	-	-
NT\$10,000,000 ~ NT\$15,000,000 (exclusive)	Capital Securities Corp., Capital Securities Corp. Representative: Chia, Chung-Tao	Capital Securities Corp., Capital Securities Corp. Representative: Chia, Chung-Tao	Capital Securities Corp., Capital Securities Corp. Representative: Chia, Chung-Tao	Capital Securities Corp., Capital Securities Corp. Representative: Chia, Chung-Tao
NT\$15,000,000 ~ NT\$30,000,000 (exclusive)	-	-	-	-
NT\$30,000,000 ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 ~ NT\$100,000,000 (exclusive)	-	-	-	-
> NT\$100,000,000	-	-	-	-
Total	7	7	7	7

## (II) Remuneration of president and executive vice president (with the name(s) indicated for each remuneration range)

2024 (Unit: NT\$ Thousand)

Title	Name	Salary (A)		Pension (B)		Bonuses and allowances etc. (C)		Remuneration to employees (D)				The sum of A, B, C, and D as a percentage of after-tax net profit (%)		Remuneration from invested businesses other than the subsidiaries or the parent company
		The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company	All companies shown in the financial report	The Company		All companies shown in the financial report		The Company	All companies shown in the financial report	
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Chia, Chung-Tao	25,968	25,968	1,402	1,402	70,036	70,036	2,284	0	2,284	0	99,690 8.37%	99,690 8.37%	None
President	Mao, Chen-Hua													
Senior Executive Vice President	Huang, Wei-Ben													
Senior Executive Vice President	Chen, Chi-Hao													
Senior Executive Vice President	Yang, Rui-Ling													
Executive Vice President	Lin, Li-Chuan													
Executive Vice President	Kuo, Shu-Zhen													
Executive Vice President	Cho, Cheng-Kang													
Executive Vice President	Hsu, Ji-Ching													
Executive Vice President	Lin, Xiao-Chian													
Executive Vice President	Lee, Chung-Wei													



Executive Vice President	Ho, Cho-I													
Executive Vice President	Chen, Wei-Ting (Note)													
Executive Vice President	Wu, Chung-Hsien (Note)													
Executive Vice President	Wang, Min-Nan (Note)													
Executive Vice President	Cheng, Shin-Pin (Note)													
Senior Executive Officer	Yi, Chien-Hsiung													

Note: Chen, Wei-Ting left office on March 18, 2024.  
Wu, Chung-Hsien took office on March 18, 2024, and left office on May 14, 2024.  
Wang, Min-Nan took office on March 1, 2024.  
Cheng, Shin-Pin took office on April 1, 2024.

Table of salaries scale

The brackets of remunerations to all Presidents and Executive Vice Presidents of the Company	Names of the presidents and the executive vice presidents	
	The Company	All companies shown in the financial report
<NT\$1,000,000	Chia, Chung-Tao	Chia, Chung-Tao
NT\$1,000,000 ~ NT\$2,000,000 (exclusive)	Wu, Chung-Hsien	Wu, Chung-Hsien
NT\$2,000,000 ~ NT\$3,500,000 (exclusive)	Cheng, Shin-Pin; Wang, Min-Nan	Cheng, Shin-Pin; Wang, Min-Nan
NT\$3,500,000 ~ NT\$5,000,000 (exclusive)	Yi, Chien-Hsiung; Cho, Cheng-Kang; Hsu, Ji-Ching; Chen, Wei-Ting; Lee, Chung-Wei; Ho, Cho-I	Yi, Chien-Hsiung; Cho, Cheng-Kang; Hsu, Ji-Ching; Chen, Wei-Ting; Lee, Chung-Wei; Ho, Cho-I
NT\$5,000,000 ~ NT\$10,000,000 (exclusive)	Lin, Li-Chuan; Kuo, Shu-Zhen; Huang, Wei-Ben; Lin, Xiao-Chian; Chen, Chi-Hao	Lin, Li-Chuan; Kuo, Shu-Zhen; Huang, Wei-Ben; Lin, Xiao-Chian; Chen, Chi-Hao
NT\$10,000,000 ~ NT\$15,000,000 (exclusive)	Mao, Chen-Hua	Mao, Chen-Hua
NT\$15,000,000 ~ NT\$30,000,000 (exclusive)	Yang, Rui-Ling	Yang, Rui-Ling
NT\$30,000,000 ~ NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 ~ NT\$100,000,000 (exclusive)	-	-
> NTD100,000,000	-	-
Total	17	17

## (III) Name of the managers received remuneration and the distribution of remuneration

2024 (Unit: NT\$ Thousand)

	Title	Name	Stock amount	Cash amount	Total	As a percentage of net profit after tax (%)
Managerial officer	CEO	Chia, Chung-Tao	0	8,679	8,679	0.73%
	President	Mao, Chen-Hua				
	Senior Executive Vice President	Huang, Wei-Ben				
	Senior Executive Vice President	Yang, Rui-Ling				
	Senior Executive Vice President	Chen, Chi-Hao				
	Executive Vice President	Lin, Li-Chuan				
	Executive Vice President	Kuo, Shu-Zhen				
	Executive Vice President	Cho, Cheng-Kang				
	Executive Vice President	Hsu, Ji-Ching				
	Executive Vice President	Cheng, Shin-Pin				
	Executive Vice President	Lin, Xiao-Chian				
	Executive Vice President	Lee, Chung-Wei				
	Executive Vice President	Ho, Cho-I				
	Executive Vice President	Wang, Min-Nan				
	Senior Vice President	Lian, Jing-Lian				
	Senior Vice President	Chung, Cheng-Huang				
	Senior Vice President	Peng, Chien-Cheng				
	Senior Vice President	Chen, Chih-Chung				
	Senior Vice President	Chang, Su-Fang				
	Senior Vice President	Chu, Chun-Chang				
	Senior Vice President	Lin, Hsiu-Chu				
	Vice President	Hsu, Hua-Shan				
	Vice President	Chang, Yun-Hsuan				

	Vice President	Chen, Tsung-Yu				
	Vice President	Liu, Kun-Ming				
	Vice President	Wu, Wen-Jie				
	Vice President	Li, Guan-Huei				
	Vice President	Chang, Chih-Hung				
	Vice President	Jen, Ming-Ying				
	Assistant Vice President	Chang, Ya-Ju				
	Assistant Vice President	Cheng, Chao-Ting				
	Senior Executive Officer	Yi, Chien-Hsiung				
	Senior Executive Officer	Chen, Yung-Lin				
	Senior Executive Officer	Liu, Pao-Hua				
	Senior Executive Officer	Lai, Han-Sen				
	Senior Executive Officer	Li, Chih-Sheng				
	Senior Executive Officer	Chang, Mu-Min				
	Senior Executive Officer	Shen, Chun-Liang				
	Senior Executive Officer	Lu, Wei-Liang				
	Senior Executive Officer	Chen, Hsien-Chang				

- (IV) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or consolidated financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, presidents and the executive vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Remuneration payment information to the Company Directors supervisor, the President, and Executive Vice President for the past 2 years

Unit: NT\$ Thousand

Item		2023		2024	
		The Company	All companies shown in the consolidated report	The Company	All companies shown in the consolidated report
Remuneration for Directors (including independent directors)	Remuneration amount	32,332	32,332	33,581	33,581
	As a percentage of net profit after tax	3.20%	3.20%	2.81%	2.81%
President's and Executive Vice Presidents' remuneration	Remuneration amount	79,143	79,143	99,690	99,690
	As a percentage of net profit after tax	7.83%	7.83%	8.37%	8.37%

2. Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure
- (1) The remuneration of the directors of the Company is based on the market and the remuneration level of the same industry, and is paid in accordance with the general standard of the industry with consideration to the individual performance, degree of participation and contribution to the Company's operations, responsibilities, achievement of the Company's operating goals and financial status, evaluation of the rationality of its linkage between the individual and the Company's overall operational performance and future risks, and pay attendance fees based on the actual attendance at the Board of Directors. The remuneration of directors is reviewed by the remuneration committee and the Board of Directors. The remuneration committee regularly evaluates the remuneration of directors and reviews the remuneration system in a timely manner according to the operation and relevant laws and regulations to pursue a balance between the Company's sustainable operation and risk control.
  - (2) The remuneration of the Company's Managerial Officers includes salary and bonus, among which salary is audited by the Remuneration Committee and reviewed by the Board of Directors by referring to the level in the same industry and their title, rank, academic experience (or experience), professional abilities and responsibilities, etc., and bonus is based on the evaluation on Managerial Officer's performance. The Company conducts performance evaluation every year to evaluate the performance of Presidents and Managerial Officers at work within the year. The performance evaluation is made based on, including, financial indicators (such as earnings achievement rate, earnings growth rate, market share of sales

volume, achievement rate of sales volume, cumulative profit achievement rate, operating expense control rate) and non-financial indicators (such as business planning, leadership, risk control, promotion of sustainable development, professional knowledge, work efficiency, work attitude, as well as legal compliance and implementation). The results of evaluation on the performance of Presidents and Managerial Officers and their corresponding performance bonuses are submitted to Remuneration Committee for audit and reviewed by the Board of Directors.

In order to implement the company's operating goals and sustainable development goals, the factors for evaluation on the performance of Presidents, Executive Vice Presidents and other senior Managerial Officers are included in the evaluation on ESG implementation status, with a weight in performance indicators accounting for 7%. The Company closely links the ESG work performance of senior Managerial Officers with their variable remuneration (year-end bonus, performance bonus and employee remuneration) through performance management mechanism.

Performance is evaluated based on the following:

1. Reporting on the matters related to the authority in charge of ESG sustainable development should be completed.
2. The company's promotion of sustainable development and the implementation status of ESG matters should be reported to the Board of Directors.
3. The relevant matters of Shareholders' Meeting, the Board of Directors and Functional Committees should be dealt with.
4. The Company should reach the top 20% among listed companies in terms of its corporate governance evaluation result.
5. ESG should be implemented, and included in investment decisions depending on climate change and other situations.
6. Climate change risk assessment and greenhouse gas inspection related work should be completed.
7. Sustainability report should be completed and public information should be uploaded and disclosed.
8. Publicity or education and training related to sustainable development should be completed.
9. The performance goals for treating customer fairly should be achieved.
10. Other ESG-related activities and matters should be handled and completed.

### III. Corporate governance

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

In the most recent year (2024), the Board of Directors convened 11 meetings (A). The participation of the directors is enumerated below:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance (%) (B/A)	Remark
Chairman	CAPITAL SECURITIES CORP. Representative: Chia, Chung-Tao	11	0	100%	
Director	CAPITAL SECURITIES CORP. Representative: Lee, Wen-Chu	11	0	100%	
Director	CAPITAL SECURITIES CORP. Representative: Liu, Ching-Tsun	11	0	100%	
Director	Hung Yeh Investment Co., Ltd Representative: Wang, Hui-Chin	9	2	82%	
Independent Director	Lin, Juh-Cheng	7	0	100%	Took office on May 30, 2024 after re-election
Independent Director	Hsiao, Nai-Ching	11	0	100%	
Independent Director	Wu, Yung- Sheng	11	0	100%	
Independent Director	Chen, Kuo-Tay	4	0	100%	Left office on May 30, 2024

Other remarks:

- I. For the operation of the Board of Directors in any of the following circumstances, please specify the date, term, the contents of the proposals, the opinions of all independent directors, and the process of the opinions proposed by the independent directors:
  - (I) Issues required under Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee.
  - (II) Other than the aforementioned issues, the issue objected by an independent director or where an independent director maintains a qualified opinion with record or documented declaration in a decision resolved by the Board of Directors: None.
- II. With respect to the avoidance of conflicting interest agendas, describe the names of directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions.

Board of Directors	Proposal content/reasons for recusal due to conflicts of interest/resolution status
2024/1/23 21st meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for appointing chairman, director and supervisor and employing president for True Partner Capital Technology (Chengdu) Co., Ltd., i.e. the re-investee of the subsidiary Capital International Technology Corp. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: proposal for the 2023 managerial level (inclusive) or above managers performance evaluation result. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> </ul>

	<ul style="list-style-type: none"> <li>Proposal for ratification: The proposal for 2023 year-end bonus distribution for supervisors at managerial-level (inclusive) and above. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: proposal for paying festival bonus to the persons above manager level (inclusive) and bonus to Proprietary Trading Department, Securities Proprietary Trading Department and Advisory Department in the 2nd half of 2023. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> </ul>
2024/4/16 23rd meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>Proposal for ratification: Nomination of Candidates for the 10th Board of Directors (including Independent Directors). The list of nominees was reviewed one by one where Chairman Chia, Chung-Tao, Director Lee, Wen-Chu, Director Liu, Ching-Tsun, Director Wang, Hui-Chin, Independent Director Hsiao, Nai-Ching and Independent Director Wu, Yung-Sheng stated that they had an interest in the proposal and thus recused from voting, and did not participate in the discussion and voting of this proposal. During Chairman Chia, Chung-Tao's recusal, Director Lee, Wen-Chu acted as Chairman. The remaining directors present agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: proposal to terminate the non-competition restriction on directors and their representatives, which is submitted to the Annual General Meeting of Shareholders for approval. The list of candidates was reviewed one by one where Chairman Chia, Chung-Tao, Director Lee, Wen-Chu, and Director Liu, Ching-Tsun stated that they had an interest in the proposal and thus recused from voting, and did not participate in the discussion and voting. During Chairman Chia, Chung-Tao's recusal, Director Lee, Wen-Chu acted as Chairman. The remaining directors present agreed that the proposal was approved as it was.</li> </ul>
2024/5/13 24th meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for 2023 employee compensation. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: proposal for 2023 director's remuneration distribution. Non-independent directors stated that they had an interest in the proposal and recused from voting, and did not participate in the discussion and voting. Independent director Chen, Kuo-Tay acted as the deputy chairperson, and the proposal for distribution of remuneration to non-independent directors was approved after the deputy chairperson consulted all the independent directors present. Independent directors stated that they had an interest in the proposal and recused from voting, and did not participate in the discussion and voting. All other directors present approved the proposal for distribution of remuneration to independent directors.</li> </ul>
2024/5/30 1st meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Proposal for ratification: Proposal for appointment of the 6th Remuneration Committee members. The Remuneration Committee members were reviewed one by one where Independent Director Hsiao, Nai-Ching, Independent Director Wu, Yung-Sheng, and Independent Director Lin, Juh-Cheng stated that they had an interest in the proposal and thus recused from voting, and did not participate in the discussion and voting. The remaining directors present agreed that the proposal was approved as it was.</li> </ul>



2024/7/30 3rd meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Proposal for ratification: Proposal for the 1st half of 2024 performance evaluation results for supervisors at managerial level (inclusive) and above Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: the appointment of the directors and supervisors, and the renewal of the president of the subsidiary True Partner Capital Technology (Chengdu) Co., Ltd. Chairman Chia, Chung-Tao and relevant supervisors present stated that he have an interest in the proposal and thus he recused from voting, and they did not participate in the discussion and voting. Director Lee, Wen-Chu acted as the chairman, and the remaining directors agreed that the proposal was approved as it was.</li> <li>Proposal for ratification: Proposal for the Company's 10th Board of Directors' travel expenses, attendance fees, director remuneration distribution principles, and functional committee attendance fees. Non-independent directors stated that they had an interest in the proposal and recused from voting, and did not participate in the discussion and voting. Independent director Lin, Juh-Cheng acted as the deputy chairperson, and the proposal for distribution of remuneration to non-independent directors was approved after the deputy chairperson consulted all the independent directors present. Independent directors stated that they had an interest in the proposal and recused from voting, and did not participate in the discussion and voting. All other directors present approved the proposal for distribution of remuneration to independent directors.</li> </ul>
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III. Exchange-Listed and OTC-Listed Companies shall disclose the evaluation cycle and period, evaluation scope, method and evaluation content of the Board of Directors' self (or peers) evaluation

Evaluation on the Board of Directors: The results of the evaluation on the performance of the Board of Directors and functional committees in 2024 have been reported at the 8th meeting of the 10th Board of Directors on January 14, 2025.

Evaluation Cycle	Evaluation performed once a year		
Evaluation Period	January 1, 2024 to December 31, 2024		
Evaluation Scope	Whole board of directors, each director and functional committees		
Evaluation Method	Board of directors' internal self-evaluation, directors' self-evaluation and members of functional committees' self-evaluation		
Evaluation Content	(I) Board of directors' evaluation		
	Evaluation Index	Evaluation item	Evaluation result
	A. Level of participation in the Company's operations	12	4.96
	B. Improvement of board's/functional committee's decision quality	12	5
	C. Board/functional committee composition	7	5
	D. Election and ongoing education of directors	4	5
	E. Internal Control	6	5

(II) Directors' evaluation

Evaluation Index	Evaluation item	Evaluation result
A. Director's awareness toward the Company's goals and missions	3	5
B. Director's awareness to duties	3	5
C. Level of participation in the Company's operations	8	4.96
D. Management and communication of internal relations	3	4.95
E. Professionalism and ongoing education of directors	3	4.81
F. Internal Control	3	5

(III) Audit Committee's evaluation

Evaluation Index	Evaluation item	Evaluation result
A. Level of participation in the Company's operations	4	5
B. Awareness of the duty	5	5
C. Improvement on the quality of Audit Committee's decision	7	5
D. Audit Committee's composition and structure	3	5
E. Internal Control	3	5

(IV) Remuneration Committee's evaluation

Evaluation Index	Evaluation item	Evaluation result
A. Level of participation in the Company's operations	4	5
B. Awareness of the duty	4	5
C. Improvement on the quality of Remuneration Committee's decision	7	5
D. Remuneration Committee's composition and structure	3	5

(V) Ethics and Sustainability Committee Performance Evaluation

Evaluation Index	Evaluation item	Evaluation result
A. Level of participation in the Company's operations	4	5
B. Awareness of Duties of Ethics and Sustainability Committee	3	5
C. Improvement on the quality of Ethics and Sustainability Committee's decision	7	5
D. Ethics and Sustainability Committee's composition and structure	3	5

Performance evaluation results:

(I) The average score of the board's evaluation was 4.99, which was "excellent"

(II) The average score of each directors' evaluation was 4.95, which was "excellent"

(III) The average score of Audit Committee's evaluation was 5, which was "excellent"

	(IV) The average score of Remuneration Committee's evaluation was 5, which was "excellent"
	(V) The average score of Ethics and Sustainability Committee's evaluation was 5, which was "excellent"

- IV. The objective of the current year and the most recent year to strengthen the board's functions (such as the establishment of an audit committee, improve information transparency, etc.) and implementation evaluation.

In order to implement operating management-based accountability system and establish a responsible corporate culture, the Company causes its Board of Directors to formulate the Guidelines for Implementation of Accountability System, specifying that the Company's major matters refer to information security protection, treating-customer-fairly and legal compliance, and causes its President or the senior management above Executive Vice President designated by him/her to directly supervise the indeed implementation of daily business by the supervisors from the departments which are specially responsible for the said major matters. The Company includes the implementation effectiveness of the major matters in the evaluation on the performance of relevant departments and persons; The Board of Directors should review, every year, the performance of the departments which are specially responsible for major matters.

- (II) The state of operations of the Audit Committee or the state of participation in board meetings by the supervisors: Number of meetings; rate of attendance (or of attendance as a non-voting participant) of each independent director or supervisor; and any other matters that require reporting

The Audit Committee of the Company is composed of three independent directors, and the qualifications of the three members are all in compliance with the regulations of the competent authorities. The operation and objective of the audit committee are based on the fair representation of the Company's financial statements, the selection (dismissal), independence and performance of certified accountants, the effective implementation of the Company's internal control, compliance with relevant laws and regulations, and the management and control of the Company's existing or potential risks.

The official power of the audit committee: formulate or amend the internal control system, assess the effectiveness of the internal control system, formulate or amend company regulations such as the acquisition or disposal of assets, a matter bearing on the personal interest of a director, critical asset or derivative product trading, critical capital lending, endorsement, or guarantee, offering, issuance or private placement of equity securities, appointment, dismissal or remuneration of certified accountants, appointment and dismissal of a chief financial officer, chief accounting officer or chief internal auditor, annual and interim financial reports, and other major matters stipulated by the Company or the competent authority.

## Operation Status of the Audit Committee

In the most recent year (2024), the Company's Audit Committee convened a total of five meetings

(A) where the facts of participation by the independent directors are enumerated below:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance (%) (B/A)	Remark
Independent Director	Lin, Juh-Cheng	3	0	100%	Convener, took office on May 30, 2024
Independent Director	Hsiao, Nai-Ching	5	0	100%	
Independent Director	Wu, Yung-Sheng	5	0	100%	
Independent Director	Chen, Kuo-Tay	2	0	100%	Convener, left office on May 30, 2024

Other remarks:

- I. Where any one among those enumerated below exists as the performance by the Audit Committee, the convention date, term, contents of agenda, outcome of the decision resolved in the Audit Committee as well as the Company's opinions toward the Audit Committee's opinions should be expressly remarked.

(I) Issues required under Article 14-5 of the Securities and Exchange Act.

Date and time of the Audit Committee	Discussion/Resolution	The Company's response to the opinions of Audit Committee
2024/3/11 13th meeting of the 3rd Audit Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: 2023 Anti-Money Laundering and Counter-Terrorism Financing Internal Control System Declaration. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	2024/3/12 It was approved by all the directors attended the 22nd meeting of the 9th Board of Directors.
	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for 2023 Design and Implementation Declaration of Internal Control System. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	
	<ul style="list-style-type: none"> <li>Proposal for ratification: Amendment to the Company's Internal Control System. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	
	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for 2023 Annual Business Report and Consolidation and Individual Financial Report. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	
	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for 2023 Profit Distribution. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	
	<ul style="list-style-type: none"> <li>Proposal for ratification: 2024 certified accountant independence assessment. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors</li> </ul>	

	<p>for resolution.</p> <ul style="list-style-type: none"> <li>Proposal for ratification: 2024 Annual Quotation of Accountants' Auditing Fees. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	
2024/5/9 14th meeting of the 3rd Audit Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: The Company's Consolidated financial statements of the 1st quarter of 2024. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	2024/5/13 It was approved by all the directors attended the 24th meeting of the 9th Board of Directors.
2024/8/21 1st meeting of the 4th Audit Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Amendment to the Company's Internal Control System. It was approved and submitted to the Board of Directors for resolution after the attendees have completed explanation and left the meeting and all members of the Audit Committee have approved the attached amendment to this proposal.</li> <li>Proposal for ratification: Individual and Consolidated Financial Report for the 1st half of 2024 (January 1 to June 30) The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	2024/8/22 It was approved by all the directors attended the 4th meeting of the 10th Board of Directors.
2024/11/5 2nd meeting of the 4th Audit Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Consolidated financial statements of the 3rd quarter of 2024. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> <li>Proposal for ratification: Improvement plan for the deficiencies mentioned in the penalty case of the FSC on August 6, 2024. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> <li>Proposal for ratification: Amendment to the Company's Internal Control System. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> <li>Proposal for ratification: The Company's audit plan for 2025. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	2024/11/7 It was approved by all the directors attended the 6th meeting of the 10th Board of Directors.
2024/12/9 3rd meeting of the 4th Audit Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: The Company intends to issue new shares for cash capital increase in 2024 in order to increase the working capital to meet the needs of long-term business development. The attendee left after proposal description, and the proposal was approved by all the members, and submitted to the Board of Directors for resolution.</li> </ul>	2024/12/9 It was approved by all the directors attended the 7th meeting of the 10th Board of Directors.

- (II) Except the aforementioned issue, other issue not yet resolved in the Audit Committee but has been duly resolved by two-thirds majority of the total number of director seats: None.
- II. With respect to the avoidance of conflicting interest agendas, describe the names of independent directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions: None.
- III. Facts of communications by and between independent directors and Internal Audit Head as well as Certified Public Accountant(s) (should include issues regarding the Company's finance, financial conditions, facts in business operation and such key issues, the method of communications and the outcome thereof):
- (I) Communication methods between independent directors and the internal audit head:
1. After the internal audit report and follow-up report are presented, an internal audit summary report of the implementation of the audit items for the previous month shall be sent to the independent directors for review.
  2. The Company holds a symposium for independent communication between independent directors and internal audit head at least once every year. General directors and management are not present at such symposium.
  3. The internal audit head regularly attends meetings of the Audit Committee and the Board of Directors to report on the implementation status of audit matters and the improvement of deficiencies.
  4. If the independent directors have questions or suggestions on the internal audit report or other audit matters, they will directly contact the internal audit head, and communicate or exchange opinions in person at the audit committee and board meetings; therefore, the communication channels are unobstructed.
  5. Dates and communication for this fiscal year:

Date	Meeting	Attendee	Agenda	Opinions of independent directors and implementation
2024/8/21	Symposium for independent directors and internal audit head	Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng Auditing Officer: Lian, Jing-Lian	<ul style="list-style-type: none"> <li>• Annual average frequency of external audits</li> <li>• Communication on audit matters and presentation of audit report</li> <li>• Staffing of Auditing Department</li> </ul>	Auditing Officer explained matters one by one

Date	Meeting	Agenda	Opinions of independent directors/implementation
2024/3/11	Audit Committee	<ul style="list-style-type: none"> <li>• Proposal for 2023 Design and Implementation Declaration of Internal Control System</li> <li>• Internal audit report</li> </ul>	The proposal was approved by all the members and submitted to the Board of Directors
2024/3/12	Board of Directors		The proposal was approved by all present directors
2024/5/9	Audit Committee	<ul style="list-style-type: none"> <li>• Internal audit report</li> </ul>	The proposal was approved by all the members and submitted to the Board of Directors
2024/5/13	Board of Directors		The proposal was approved by all present directors

Date	Meeting	Agenda	Opinions of independent directors/implementation
2024/8/21	Audit Committee	<ul style="list-style-type: none"> <li>Amendment to the Company's Internal Control System</li> <li>Internal audit report</li> </ul>	The proposal was approved by all the members and submitted to the Board of Directors
2024/8/22	Board of Directors		The proposal was approved by all present directors
2024/11/5	Audit Committee	<ul style="list-style-type: none"> <li>Proposed audit plan for 2025</li> <li>Amendment to the Company's Internal Control System</li> <li>Internal audit report</li> </ul>	The proposal was approved by all the members and submitted to the Board of Directors
2024/11/7	Board of Directors		The proposal was approved by all present directors

(II) Communication method between the independent directors and CPAs:

1. The certified accountants of the Company regularly describe the process and scope of auditing the Company's financial statements to the audit committee and board of director every six months, and fully discuss with the independent directors.
2. The Company arranges a symposium for independent directors and certified accountants (at least once) every year to make communication on and verify work plan and key matters, etc. General directors and management are not present at such symposium.
3. If any independent director has any questions or suggestions about the contents of financial statements or other financial matters, it may make communication or discussion or exchange opinions face to face at the symposium.
4. Dates and communication for this fiscal year:

Date	Meeting	Accountant attended the symposium	Agenda	Opinions of independent directors/implementation
2024/3/11	Symposium for independent directors and certified accountants	KPMG CPA Wu, Cheng-Yen	<ul style="list-style-type: none"> <li>Sharing of Significant Internal Control Deficiencies and Reminders Found by Competent Authorities During Recent Inspections of Companies Listed on TPEX or Emerging Stock Market</li> <li>Sharing of recent updates of important laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>CPA explained one by one in details.</li> </ul>

Date	Meeting	Participating Finance Officer and Accountants	Agenda	Opinions of independent directors/implementation
2024/3/11	Audit Committee	Head of accounting Lin, Li-Chuan KPMG CPA Wu, Cheng-Yen	<ul style="list-style-type: none"> <li>The Company's 2023 business report and consolidated and individual financial statements</li> </ul>	<ul style="list-style-type: none"> <li>Accountant's statement: an unqualified opinion will be issued after the review</li> <li>The proposal was approved by all the</li> </ul>

Date	Meeting	Participating Finance Officer and Accountants	Agenda	Opinions of independent directors/implementation
		CPA Chen, Yi-Jen		members and submitted to the Board of Directors
2024/3/12	Board of Directors			<ul style="list-style-type: none"> <li>The proposal was approved by all present directors</li> </ul>
2024/8/21	Audit Committee	Head of accounting Lin, Li-Chuan KPMG CPA Wu, Cheng-Yen CPA Chen, Yi-Jen	<ul style="list-style-type: none"> <li>Individual and Consolidated Financial Report for the 1st half of 2024 (January 1 to June 30)</li> </ul>	<ul style="list-style-type: none"> <li>Accountant's statement: an unqualified opinion will be issued after the review</li> <li>The proposal was approved by all the members and submitted to the Board of Directors</li> </ul>
2024/8/22	Board of Directors			<ul style="list-style-type: none"> <li>The proposal was approved by all present directors</li> </ul>

### (III) Composition and performance of Remuneration Committee

The Company has set up a Remuneration Committee whose composition, responsibilities and operations are as follows:

The Company's Remuneration Committee has three members, all of whom meet the requirements of the competent authority.

Remuneration committee member shall exercise the care of a good administrator in faithfully participants the conclusion the official powers listed below, and shall submit its recommendations for deliberation by the Board of Directors:

1. Prescribe and periodically review the performance evaluation and remuneration policy, system, standards, and structure for directors and managerial officers.
2. Periodically evaluate and prescribe the remuneration of directors and managerial officers.

The Committee shall perform the above mentioned duties based on the following principles:

1. With respect to the performance assessment and remuneration of directors and managerial officers of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
2. No suggestions are made to guide directors and managerial officers to engage in acts that may exceed the Company's risk appetite to pursue own salary and remuneration.
3. The specificity of the industry and the nature of the Company's business shall be considered when determining the proportion of profit sharing for short-term performance and the changes in the payment time of part of the salary and remuneration of directors and executives.

Information on the operation of the Remuneration Committee:



1. Information on the members of the Remuneration Committee

March 31, 2025

Identity	Name	Professional qualification and experience/ Compliance of independence	Number of other public companies where the members are also the members of the remuneration committee of these companies
Independent Director	Lin, Juh-Cheng	Please refer to pages 9-10 for the disclosure of professional qualification of the directors and independence of directors.	0
Independent Director	Hsiao, Nai-Ching		0
Independent Director	Wu, Yung- Sheng		2

2. Information on the operation of the Remuneration Committee

- (1) The Company's Remuneration Committee has three Committee members in total.
- (2) Tenure of Committee members in the current session: May 30, 2024 - May 29, 2027

In 2024, the Remuneration Committee convened 9 meetings (A). The qualifications and participation facts of the Committee members are enumerated below:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance (%) (B/A)	Remark
Independent Director	Lin, Juh-Cheng	5	0	100%	Took office on May 30, 2024, Convener
Independent Director	Hsiao, Nai-Ching	8	1	89%	
Independent Director	Wu, Yung-Sheng	5	0	100%	Took office on May 30, 2024
Independent Director	Chen, Kuo-Tay	4	0	100%	Left office on May 30, 2024, Convener
Committee	Li, Shen-Yi	4	0	100%	Left office on May 30, 2024

Important matters of the Remuneration Committee in the most recent year are as follows:

Remuneration Committee	Discussion/Resolution/Implementation:	Attended Committee Member
2024/1/23 20th meeting of the 5th Remuneration Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Amendment of the Company's "Guideline for Securities IB Direct Sales Bonus". It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the Subparagraphs 1 &amp; 2, Article 2 of the Guideline were revised, and the chairperson consulted all the members.</li> <li>Proposal for ratification: Proposal for the 2023 managerial level (inclusive) or above managers' performance evaluation result. It was approved and submitted to the Board of Directors for approval after the attendees have completed explanation and left, a note was added to the attachment to explain the reason for evaluation, and the chairperson consulted all the members.</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Li, Shen-Yi

	<ul style="list-style-type: none"> <li>• Proposal for ratification: Proposal for 2023 year-end bonus distribution for supervisors at managerial level (inclusive) and above. It was approved and submitted to the Board of Directors for approval after the attendees have completed explanation and left, the salary structure and year-end bonus multiplier criteria were specified in the Business Personnel Remarks section of the attachment, and the chairperson consulted all the members.</li> <li>• Proposal for ratification: Proposal for the Company to pay festival bonus to the persons above manager level (inclusive) and bonus to Futures Proprietary Trading Department, Securities Proprietary Trading Department and Futures Advisory Department in the 2nd half of 2023. It was approved and submitted to the Board of Directors for approval after the attendees completed explanation and left, and the chairperson consulted all the members and they had no objection.</li> </ul>	
2024/3/11 21st meeting of the 5th Remuneration Committee	<ul style="list-style-type: none"> <li>• Proposal for ratification: Proposal for change to and promotion of the supervisor and deputy supervisors of Omni-Channel Department of the Company. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the explanation has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: Proposal for promotion of the deputy supervisor of the Company's Foreign Institutional Clients Department. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>• Proposal for ratification: Proposal for promotion of the deputy supervisor of Research &amp; Development Department. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the explanation has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: Proposal for the promotion of supervisors at managerial level (inclusive) and above of the Company in 2024. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the explanation has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: proposal for the Company's 2023 remuneration distribution for employees and directors. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Li, Shen-Yi
2024/4/16 22nd meeting of the 5th Remuneration Committee	<ul style="list-style-type: none"> <li>• Proposal for ratification: proposal for promotion and employment of the supervisor of Transaction Division III of the Company's Proprietary Trading Department. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the explanation has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: Amendment to the Company's Guideline for Employee Performance Evaluation. It was approved and submitted to the Board of Directors for review</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Li, Shen-Yi

	after the attendees have completed explanation and left, the attached explanation has been revised, and the chairperson has consulted all the members.	
2024/5/9 23rd meeting of the 5th Remuneration Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: proposal for the Company's board wages and remuneration adjustment for supervisors at managerial-level (inclusive) and above in 2024. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>Proposal for ratification: Proposal for the Company's 2023 employee compensation. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>Proposal for ratification: Proposal for the Company's 2023 director's remuneration distribution. The attendee left after proposal description. The remuneration to directors was approved after the chairperson has consulted all the members and they have agreed upon, except for the amount of the remuneration to independent directors Chen and Hsiao. The section of the proposal concerning the remuneration of Independent Director Hsiao was approved after Independent Director Hsiao recused from voting, and the chairperson consulted the members present and they agreed. The section of the proposal concerning the remuneration of Independent Director Chen was approved after Independent Director Chen recused from voting, the acting chairperson Li, Shen-Yi consulted the members present and they agreed. Please submit this proposal to the Board of Directors for review.</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Li, Shen-Yi
2024/6/26 1st meeting of the 6th Remuneration Committee	<ul style="list-style-type: none"> <li>Proposals for ratification: proposal for the election of the convener and chairman of the 6th Remuneration Committee of the Company. After discussion among all the members, Lin, Juh-Cheng was unanimously elected as the Convener and Chairperson of the Sixth Remuneration Committee of the Company.</li> <li>Proposal for ratification: Proposal for promotion of the supervisor of Financial Innovation Department of the Company. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>Proposal for ratification: proposal for the extension of the period for implementation of the Company's Guideline for Managed Futures Department Bonus. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> </ul>	Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng
2024/7/30 2nd meeting of the 6th Remuneration Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Proposal for the 1st half of 2024 performance evaluation results for supervisors at managerial level (inclusive) and above of the Company. After the attendees have completed explanation, the stakeholders Chairman Chia, Chung-Tao, President Mao, Chen-Hua, and Senior Executive Vice President Chen, Chi-Hao recused. It was approved and submitted to the Board of Directors for approval after the chairperson consulted all the members and they had no objection.</li> </ul>	Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng

	<ul style="list-style-type: none"> <li>• Proposal for ratification: The Company's Proprietary Trading Department trading performance bonus calculation criteria intend to application for aggregating the realized and unrealized gains and losses. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the reasons have been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: Proposal for amendment of the Company's "Guideline for Bonus Distribution of Proprietary Trading Department". It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the Subparagraph 3, Article 5 of the Guideline has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: Proposal for the Company's 10th Board of Directors' travel expenses, attendance fees, director remuneration distribution principles, and functional committee attendance fees. The travel expenses, attendance fees, and director remuneration distribution principles were approved after the chairperson, Lin, Juh-Cheng, has consulted all the members and they have agreed upon, except for the travel expenses, attendance fees, and director remuneration distribution principles for independent directors Lin, Hsiao, and Wu. The section of the proposal concerning the travel expenses, attendance fees, and director remuneration distribution principles for Independent Director Hsiao was approved after Independent Director Hsiao recused from voting, and the chairperson consulted the members present and they agreed. The section of the proposal concerning the travel expenses, attendance fees, and director remuneration distribution principles for Independent Director Wu was approved after Independent Director Wu recused from voting, and the chairperson consulted the members present and they agreed. The section of the proposal concerning the travel expenses, attendance fees, and director remuneration distribution principles for Independent Director Lin was approved after Independent Director Lin recused from voting, and Independent Director Hsiao, Nai-Ching served as the acting chairperson and consulted the members present and they agreed. Please submit this proposal to the Board of Directors for review.</li> </ul>	
2024/8/21 3rd meeting of the 6th Remuneration Committee	<ul style="list-style-type: none"> <li>• Proposal for ratification: Proposal for exemption of calculating the lost amount of the bonus calculation basis for the Company's Securities Proprietary Trading Department for the periods from July 1 to December 31, 2023, and from January 1 to May 31, 2024. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, the description has been revised, and the chairperson has consulted all the members.</li> <li>• Proposal for ratification: proposal for employment of the supervisor for the Digital Planning Office under the Company's Digital Growth Department. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> </ul>	Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng

<p>2024/9/12 4th meeting of the 6th Remuneration Committee</p>	<ul style="list-style-type: none"> <li>• Proposal for ratification: Proposal for official appointment of the supervisor of the Sales Division II of the Company's Taichung Branch. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>• Proposal for ratification: Proposal for the Company to pay festival bonus to the supervisors above manager level (inclusive) and bonus to Futures Proprietary Trading Department and Securities Proprietary Trading Department in the 1st half of 2024. It was approved and submitted to the Board of Directors for approval after the attendees completed explanation and left, and the chairperson consulted all the members and they had no objection.</li> </ul>	<p>Lin, Juh-Cheng Wu, Yung-Sheng</p> <p>Hsiao, Nai-Ching entrusted Lin, Juh-Cheng to act as proxy</p>
<p>2024/11/5 5th meeting of the 6th Remuneration Committee</p>	<ul style="list-style-type: none"> <li>• Proposal for ratification: proposal for the Company's salary adjustment for supervisors at managerial-level (inclusive) and above. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>• Proposal for ratification: Proposal for amendment of the Company's "Guideline for Festival Bonuses Distribution". It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>• Proposal for ratification: Proposal for amendment of the Company's "Guideline for Employee Year-End Bonus Distribution". It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> <li>• Proposal for ratification: Proposal for 2024 year-end bonus based on two-month basic salary. It was approved and submitted to the Board of Directors for review after the attendees have completed explanation and left, and the chairperson has consulted all the members and they had no objection.</li> </ul>	<p>Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng</p>

Other remarks:

- I. Where the board of directors does not adopt or amend the proposal(s) posed by the Remuneration Committee: The Company shall expressly elaborate on the date, term while the board of directors meeting was convened, contents of the issues, outcome of decisions resolved in the board of directors and the Company's response to the opinions posed by the Remuneration Committee (For instance, if the salary pay resolved by the board of directors is higher than that proposed by the Remuneration Committee, the Company should elaborate on the fact of differential gap and the cause thereof): None.
- II. Where a decision resolved in the Remuneration Committee is found in contravention of rules or in qualified opinion as verified with records or documented declaration, the Company shall expressly elaborate on the date, terms of the meeting convened by the Remuneration Committee, contents of agenda, opinions of all members and acts taken in response to such opinions: None.

#### (IV) Composition and performance of Ethics and Sustainability Committee

The Company's Ethics and Sustainability Committee is composed of three independent directors. Ethics and Sustainability Committee's meeting shall be held at least once every year. Ethics and Sustainability Committee shall be responsible for formulating

and supervising the implementation of Ethical Management policies and preventive measures, and promoting and supervising sustainable development and customer fair treatment-related matters, and reporting compliance and resolutions to the Board of Directors. The main duties of Ethics and Sustainability Committee include:

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Analyzing and assessing the risks of unethical conduct within the business scope on a regular basis and accordingly adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Assisting in integrating the values of sustainable development and treating-customer-fairly into the Company's corporate culture.
4. Reviewing the Company's policies and objectives on sustainable development and treating-customer-fairly, and monitoring their implementation and effectiveness.

Ethics and Sustainability Committee held 4 meetings (A) in the most recent year (2024), with the attendance as follows:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance (%) (B/A)	Remark
Independent Director	Lin, Juh-Cheng	2	0	100%	Took office on May 30, 2024, Convener
Independent Director	Hsiao, Nai-Ching	4	0	100%	
Independent Director	Wu, Yung-Sheng	4	0	100%	
Independent Director	Chen, Kuo-Tay	2	0	100%	Left office on May 30, 2024, Convener

Important matters of the Ethics and Sustainability Committee in the most recent year are as follows:

Ethics and Sustainability Committee	Discussion/Resolution/Implementation:	Attended Committee Member
2024/1/23 7th meeting of the 2nd Ethics and Sustainability Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Amendment to the Company's Guidelines for Dealing with the Disputes from Consumers. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Wu, Yung-Sheng
2024/3/11 8th meeting of the 2nd Ethics and Sustainability Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: the Company's 2024 "Treating Customer Fairly Principle" Evaluation Form. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> </ul>	Chen, Kuo-Tay Hsiao, Nai-Ching Wu, Yung-Sheng

Ethics and Sustainability Committee	Discussion/Resolution/Implementation:	Attended Committee Member
2024/8/21 1st meeting of the 3rd Ethics and Sustainability Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Election of the convener and chairperson of the third Ethics and Sustainability Committee of the Company. Lin, Juh-Cheng was elected as the convener and chairperson of the third Ethics and Sustainability Committee of the Company.</li> <li>Proposal for ratification: The 2023 Sustainability Report of the Company. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> </ul>	Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng
2024/11/5 2nd meeting of the 3rd Ethics and Sustainability Committee	<ul style="list-style-type: none"> <li>Proposal for ratification: Set the Company's customer fair treatment KPI from January 2025 to December 2025. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> <li>Proposal for ratification: Amendment to the Procedures for Handling Material Inside Information. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> <li>Proposal for ratification: Amendment to the Corporate Governance Best-Practice Principles. All members resolved to approve this proposal and it was submitted to the Board of Directors for resolution.</li> </ul>	Lin, Juh-Cheng Hsiao, Nai-Ching Wu, Yung-Sheng

(V) Performance in corporate governance and the differential gap between corporate governance and Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the cause thereof

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Will the Company based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” set up and disclose the Company’s corporate governance best-practice principles?	V		The Company has formulated corporate governance best-practice principles (amendment to which was approved at the 6th meeting of the 10th Board of Directors on November 7, 2024), as approved by the Board of Directors, in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Corporate Governance Best-Practice Principles for Futures Commission Merchants, and the Company disclosed the corporate governance best-practice principles on its website and MOPS.	No major discrepancy
II. Shareholding structure and shareholders’ equity				
(I) Will the Company have the internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly?	V		(I) The Company’s “Corporate Governance Best-Practice Principles” stipulates that a designated person is responsible for the collection and disclosure of corporate information, and a spokesperson system and a procedure guideline for managing shareholders’ suggestions, doubts, disputes and litigation matters has been established to ensure proper implementation. In addition to the Investor Contact Window on the Company’s website, a shareholder services agent is mandated to manage the shareholders’ questions and suggestions.	No major discrepancy
(II) Will the Company possess the list of the Company’s major shareholders and the list of the ultimate controllers of the major shareholders?	V		(II) The Company governs the shareholding and the list of shareholders according to the shareholder register and the monthly shareholding declaration and disclosed in the annual report in accordance with the regulations.	No major discrepancy
(III) Will the Company establish and implement the risk control and firewall mechanisms with the related parties?	V		(III) For the Company’s financial and business dealings or transactions with its related parties and shareholders, the Company has formulated the Rules for Making Financial and Business Trading between Related Parties and between the Enterprises in the Group, with the contents including the procedures for management on purchase and sale, acquisition or disposal of assets, lending of money, endorsement, guarantee and other transactions, and relevant major transactions should be submitted to the Board of Directors for resolution and approval and submitted to the Shareholders’ Meeting for approval or reporting.	No major discrepancy



Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
(IV) Will the Company set up internal norms to prohibit insiders from utilizing the undisclosed information to trade securities?	V		(IV) The Company has established “Administrative Measures for Opening Futures Trading Account for Insiders” and “Measures for Insider Account Opening and Securities Trading Management and Credit Trading Account Opening and Trading” to regulate insider trading and other transactions. Prohibit insiders from utilizing the undisclosed information to trade securities and formulate “Procedures for Handling Material Inside Information”.	No major discrepancy
III. The constitution and obligations of the Board of Directors				
(I) Does the board of directors formulate and implement diversity policies, specific management objectives?	V		(I) In accordance with the reference example of the “XXX Co., Ltd. Procedures for Election of Directors” of TWSE, the Company shall consider the overall configuration of the Board of Directors for the selection and appointment of directors of the Company. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company’s business operations, operating dynamics, and development needs. Please refer to pages 10-12 of this annual report.	No major discrepancy
(II) Will the Company, in addition to setting the Remuneration Committee and Audit Committee lawfully, have other functional committee set up voluntarily?	V		(II) In order to ensure implementation of ethical management, sustainable development and treating-customer-fairly principles, the Company has voluntarily established an Ethics and Sustainability Committee, with three members, composed of all Independent Directors, which is responsible for formulating and supervising the implementation of ethical management policies and preventive measures, and promoting and supervising sustainable development and treating-customer-fairly-related matters, and reporting to the Board of Directors regularly (at least once a year). Please refer to pages 41-43 of this annual report.	No major discrepancy
(III) Does the company establish a method to evaluate board performance and evaluate board performance every year? Are the performance evaluation results reported to the board and used as a reference for the remuneration and nomination for re-election of individual directors?	V		(III) The Board of Directors of the Company has established the “Performance Evaluation Guideline for the Board of Directors and Functional Committees”. The scope of evaluation includes the whole Board of Directors, each director and functional committees. The evaluation methods include internal self-evaluation of the Board of Directors and functional committees, self-evaluation by directors or other appropriate methods of performance evaluation. The Company has completed the performance evaluation of the Board of Directors in 2024, and submitted the consolidated evaluation results to the 8th meeting of the 10th Board of Directors on January 14, 2025. All members of the Board of Directors have the professional knowledge required for their positions where the Board of Directors	No major discrepancy

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies														
	Yes	No	Summary description															
(IV) Will the Company have the independence of the public accountant evaluated regularly?	V		<p>conducts annual performance evaluations based on directors' attendance and participation in corporate governance education and training, please refer to pages 29-31 of this annual report.</p> <p>(IV) The Company's Board of Directors evaluates the independence and competence of certified accountants by referring to Audit Quality Indicators (AQIs) (at least once) every year to ensure honest and ethical accounting, auditing and financial reporting and maintain effective internal control system, especially risk management, financial and operating control and compliance with relevant regulations and standards.</p> <p>The Company appointed Wu, Cheng-Yen and Chen, Yi-Jen, the CPAs from KPMG to serve as certified accountants in 2024. As evaluated, they meet the independence evaluation standards, and they issued the statement of accountants' independence. It was reviewed and approved at the 13th meeting of the 3rd Audit Committee on March 11, 2024 and the 22nd meeting of the 9th Board of Directors on March 12, 2024.</p> <p>Subject to the five major items and 13 indicators specified in AQIs, KPMG and its audit team have an audit quality comparable to the average level in the industry. The relevant information is disclosed on the Company's website.</p> <table><tr><th rowspan="2">Item</th><th colspan="2">Whether there are any of the following circumstances</th></tr><tr><th>Yes</th><th>None</th></tr><tr><td>1. The CPA is currently employed by the Company to perform routine work for which he or she receives a fixed salary, or serves as a director.</td><td></td><td>V</td></tr><tr><td>2. The CPA has previously served the Company as a director, managerial officer, or employee with material influence over attestation, and has been separated from the position for less than two years.</td><td></td><td>V</td></tr><tr><td>3. The CPA is a spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship of any responsible person or managerial officer of the Company.</td><td></td><td>V</td></tr></table>	Item	Whether there are any of the following circumstances		Yes	None	1. The CPA is currently employed by the Company to perform routine work for which he or she receives a fixed salary, or serves as a director.		V	2. The CPA has previously served the Company as a director, managerial officer, or employee with material influence over attestation, and has been separated from the position for less than two years.		V	3. The CPA is a spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship of any responsible person or managerial officer of the Company.		V	No major discrepancy
Item	Whether there are any of the following circumstances																	
	Yes	None																
1. The CPA is currently employed by the Company to perform routine work for which he or she receives a fixed salary, or serves as a director.		V																
2. The CPA has previously served the Company as a director, managerial officer, or employee with material influence over attestation, and has been separated from the position for less than two years.		V																
3. The CPA is a spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship of any responsible person or managerial officer of the Company.		V																

Evaluation Item	Actual governance						Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies	
	Yes	No	Summary description					
				4. The CPA, or the spouse or a minor child, has invested in the Company, or a relationship of benefit-sharing.		V		
				5. The CPA, or the spouse or a minor child, has lent or borrowed funds to or from the Company.		V		
				6. Perform management consulting or other non-attestation services sufficiently to affect the independence.		V		
				7. Not complying with the regulations by the competent authority on business matters regarding the rotation of CPA, handling accounting affairs on behalf of others, or other regulations that can affect independence.		V		
				8. Has been continuously appointed attestation services for seven years, or has been subject to disciplinary action or damage to the independence.		V		
				9. Has not obtained independent statements from the CPA.		V		
				10. The quality and timeliness of services such as auditing and taxation did not meet the demand.		V		
				11. The Company has been subject to litigation or rectification by the competent authority due to its financial report.		V		
				12. The scale and reputation of the accounting firm have been seriously damaged.		V		
				13. Accountants interact poorly with management, governance units, and the internal audit head.		V		
IV. Does a public company equip an appropriate number of eligible governance personnel and assign the governance officer to take charge of company’s governance affairs (including, without limitation,	V		The Company, as resolved by its Board of Directors, causes its Senior Executive Vice President , Chen, Chi-Hao, serving as a “Corporate Governance Officer”. He has the qualification to practice as a lawyer and has been engaged in legal compliance and legal related affairs in financial related institutions and public companies as a supervisor for more than three years. His professional duties include dealing with the matters related to the meetings of the Board of Directors, Shareholders’ Meeting and functional committees in accordance with laws, making minutes for					No major discrepancy

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
providing directors and supervisors with the data required for business operations, assistance for the legal compliance of directors and supervisors, handling affairs related to holding a board meeting or a general meeting of shareholders and producing minutes for board meetings and general meetings of shareholders)?			the meetings of the Board of Directors, Shareholders' Meeting and functional committees, assisting directors in their appointment and continuing education, providing directors with information needed to execute their business, assisting directors in complying with laws and regulations, and other matters specified in laws and regulations, Articles of Association or contracts. Please refer to pages 27-43 of this annual report for the operation of the Board of Directors and Functional Committees in 2024.	
V. Has the Company established a communication channel with the stakeholders (including but not limited to the shareholders, employees customers, and suppliers), set up a stakeholder section on the Company's website, and responded appropriately to the important corporate social responsibilities concerned by the stakeholders?	V		The Company has a spokesperson and an Investor Relation and Customer Service Center, the contact window and information of which are disclosed on the Company's website, for stakeholders to provide various opinions. In addition, the Company has a stakeholder section on its website to maintain good, smooth and diversified communication channels, and to formulate major management policies and implementation plans for major issues that stakeholders concern about.	No major discrepancy
VI. Has the Company commissioned a professional stock service agent to handle shareholders affairs?	V		The Company has commissioned the Registrar Agency Department of Capital Securities Corp. to handle shareholders affairs.	No major discrepancy
VII. Disclosure of information				
(I) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		(I) The Company's website discloses relevant financial business and corporate governance information and is regularly updated for investors to view.	No major discrepancy
(II) Has the Company adopted other information disclosure methods	V		(II) The Company discloses relevant information to the MOPS of the competent authority in accordance with regulations.	No major discrepancy

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
<p>(such as, establishing an English website, designating a responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company's website, etc.)?</p> <p>(III) Does the company announce and report its financial statements within two months after the end of a fiscal year, and publish and declare in advance the financial statements of Q1, Q2 and Q3 as well as status of monthly operations?</p>		V	<ol style="list-style-type: none"> <li>1. The Company has set up an English website. <a href="https://www.capitalfutures.com.tw/en-us/about/business">https://www.capitalfutures.com.tw/en-us/about/business</a></li> <li>2. Operations such as company information collection and disclosure are all performed by relevant departments.</li> <li>3. There are spokespersons and investor relations, and its contact information are disclosed on the company's website to provide investors a convenient communication channel.</li> <li>4. The information and video of the Company's juristic person seminar program are disclosed on the Company's website or MOPS.</li> </ol> <p>(III) For the audit and review of the financial report of the Company, before appointing an accountant to issue an audit opinion to the merged company, it is necessary to obtain sufficient and appropriate audit proof for all the entities of the merged company (including all domestic and foreign subsidiaries); however, obtaining sufficient and appropriate audit evidence requires time and it is difficult for the Company to announce and report the annual financial report within two months after the end of the fiscal year. The Company is still discussing the audit schedule with the accountant to comply with corporate governance.</p>	No major discrepancy
VIII. Are there any other important information (including but not limited to the interests of employees, employee care, investor relations, supplier relations, the rights of stakeholders, the advanced study of directors and supervisors, the implementation of risk management policies and risk measurement standards, the execution of customer policy, the purchase of liability insurance for the Company's directors and supervisors) that are helpful in	V		<ol style="list-style-type: none"> <li>1. Employee rights and interests: The Company has established various personnel management regulations, as well as "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" and "Guidelines of Using Employee Opinion Boxes". All workers can put forward opinions on business content, operating procedures, administrative measures, rules and regulations, and opinions regarding to helping business operations, or infringing or affecting personal rights and interests.</li> <li>2. Employee care: Engaging physicians and nursing personnel to the Company to provide health consulting services and the correct concept of the precaution against diseases and the advice on treatment for employees. For the protection of personal privacy, the consultations were conducted one on one.</li> <li>3. Relation with investors and stakeholders' rights: The Company has a spokesperson and an Investor Relation and Customer Service Center, the contact window and information of which are disclosed on the Company's website, for investors to provide various opinions. In</li> </ol>	No major discrepancy

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary description	
understanding the corporate governance operation of the Company?			<p>addition, the Company has a stakeholder section on its website to maintain good, smooth and diversified communication channels, and to formulate major management policies and implementation plans for major issues that stakeholders concern about.</p> <p>4. Relation with suppliers: There are specific provisions specifying implementation of suppliers' ethical management and sustainable development in the Company's Ethical Corporate Management Best Practice Principles and Sustainable Development Best Practice Principles. The Company clearly includes corporate ethics and integrity, risk management, labor and human rights, social welfare, environmental protection etc. in its Supplier Management Policy, and discloses the same on its website.</p> <p>5. Most of the Company's directors have professional qualifications in securities and futures, and the Company maintains their core values and professional advantages and abilities through mechanisms and channels for directors' continuous study and education. The Company also discloses information about directors' completion of continuous education on MOPS and its website. In 2024, the Company's all directors (including independent directors) have completed more than 6 or 12 hours continuous education, 57 hours in total, please refer to pages 84-85 of this annual report.</p> <p>6. Implementation of risk management policies and risk measurement standards: The Company has established a "risk management system" which has been approved by the Board of Directors as the highest guiding principle for risk management which are participated and implemented by the Board of Directors, managers, and employees at all levels. Risk Management Department, as supervised by Audit Committee, makes necessary improvement suggestions, and reports to the Board of Directors once every half year, in accordance with the provisions of the Risk Management System, to timely reflect implementation of risk management, and it has made semi-annual report to the Board of Directors in March and August 2024. In addition, in response to the expansion and development of the trading strategies and businesses of Proprietary Trading Departments, the Company revised proprietary trading risk management measures.</p> <p>7. Implementation of customer policy: The Company has established a "Treating Customer Fairly Guideline", which includes ethical contract, fiduciary duty, authenticity of solicitation, suitability of goods or services, notification and disclosure, complex and high-risk</p>	

Evaluation Item	Actual governance			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			<p>commodity sales, equitable consideration to commission and performance, reporting protection and the professionalism of business personnel and other principles. Established a Treating Customer Fairly Committee, which is responsible for the planning and implementation of the Treating Customer Fairly Principle, and reports to the Board of Directors regularly (at least once a year) to ensure the implementation of the Treating Customer Fairly Principle.</p> <p>8. Capital Financial Group purchases liability insurance for directors and supervisors every year.</p>	
<p>IX. Please describe the improvement performed according to the corporate governance evaluation results published by the Governance Center of Taiwan Stock Exchange in recent years, and propose the matters with priority for improvement and the respective measures and Corporate:</p> <p>The Company received a total score of 96.72 in 2023 corporate governance evaluation, ranking 6% to 20% among listed companies, getting a record high score in the past years. The Company is committed to improving the protection of shareholders' rights and interests and fair treatment of shareholders, strengthening the structure and operation of the Board of Directors, improving information transparency, and promoting sustainable development.</p>				

(VI) Implementation of the promotion of sustainable development and the deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
I. Does the Company have a dedicated (concurrent) unit set up to promote the sustainable development governance framework, and the Board of Directors authorizing the management to handle matters and report the supervision results to the Board of Directors?	V		<p>1. The Company has approved the Sustainable Development Best Practice Principles and the Sustainable Development Policy in its Board of Directors' meeting, in order to establish its sustainable development promotion framework. The Company has also established Ethics and Sustainability Committee, a functional committee composed of three independent directors. Ethics and Sustainability Committee holds meeting at least once every year. Ethics and Sustainability Committee is responsible for formulating and supervising the implementation of Ethical Management policies and preventive measures, and promoting and supervising sustainable development and customer fair treatment-related matters.</p> <p>2. The Company also has established an ESG Committee in October 2022, responsible for the planning and execution of various ESG tasks. The President acts as the convener, and the members consist of the heads of the Proprietary Trading Department, the Securities Proprietary Trading Department, the Managed Futures Department, the Leverage Transaction Department, the Financial Innovation Department, the Finance Department, the Domestic Institutional Clients Department, the Digital Growth Department, the Risk Management Department, the Sustainability Management Office, and the General Affairs Department, as well as the corporate governance officer. Sustainability Management Office acts as a full-time (part-time) unit, which promotes sustainable development and is responsible for operating sustainable development, and its major responsibilities are to formulate and review various rules and systems related to sustainable development, and it is responsible for preparing sustainability reports and sustainable development activity plans every year, and it continues to pay attention to domestic and overseas sustainable development issues and development trends, and advocates sustainable development to the company's staff, with a view to shape the company's sustainable development culture further.</p> <p>3. Supervision of sustainable development by the Board of Directors The Board of Directors of the Company reviews the progress of the implementation of the</p>	No major discrepancy



Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			<p>sustainability promotion and greenhouse gas inventory planning and execution on a quarterly basis, and regularly (at least once a year) listens to the Company's annual plan of sustainability activities and the report on the effectiveness of its implementation, and makes relevant suggestions and necessary adjustments based on the effectiveness of the plan implementation. The Board of Directors not only focuses on the clarity of the overall objectives of the sustainability strategy, but also ensures that the Company's promotion strategy complies with the requirements of the relevant laws and regulations and can make timely adjustments to its direction in order to avoid any deviation from the set objectives in accordance with the changes in the global and local sustainability regulations.</p> <p>In 2024, the Board of Directors resolved various proposals, including reviewing the Company's Sustainability Report 2023, implementation of ESG responsibility investment, handling of customer complaints, implementation of the KPIs of the fair customer treatment principle, the effectiveness of the implementation of the Sustainability Promotion Plan 2023 and the Sustainability Promotion Plan 2024, the “Fair Customer Treatment ” assessment form, and amendments to the “Guidelines for Dealing with the Disputes from Consumers”, “Corporate Governance Best Practice Principles” and “Procedures for Handling Material Inside Information”, etc.</p> <p>Relevant supervision suggestions of the Board of Directors:</p> <ul style="list-style-type: none"> <li>• The Board of Directors requires the Company to provide the sustainability report to the directors every year when it submits the report, so that each director can effectively review and pay attention to the specific promotion of the sustainable development by the Company. The Board of Directors supervises that the specific objectives, achievements and future development plans set out in the report should be in line with the Company's long-term development direction and market demand, thus effectively promoting the Company's performance and competitiveness in the field of sustainability.</li> <li>• The Board of Directors proposes to optimize the existing customer complaint handling process, actively seek the best solution and regularly review its effectiveness to ensure that customer complaints are resolved promptly and appropriately.</li> <li>• The Board of Directors proposes that in order to avoid financial exploitation, the</li> </ul>	

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			<p>Company's benevolent care interviews should cover customers with agents and elderly customers.</p> <ul style="list-style-type: none"> <li>The Board of Directors urges the Company to continue to organize and publicize the deficiencies penalty cases announced by external regulators, so as to enhance the compliance awareness of colleagues.</li> <li>The Board of Directors suggests that the Company should review whether there are appropriate incentives for whistleblowers and should regularly assess the effectiveness of the incentives and make adjustments when necessary.</li> </ul>	
II. Does the company assess the risk of environmental, social, and governance (ESG) issues in relation to corporate operations based on the materiality principles and establish policies or strategies in relation to risk management?	V		<p>In accordance with the Company's "Sustainable Development Best Practice Principles" and the GRI Sustainability Reporting Standards, the Company has established an "Environmental, Social and Corporate Governance Risk Assessment Procedure" to examine sustainable issues such as environmental, social and corporate governance (ESG) related to the Company's operations, and to perform analysis on major issues. The analysis on major issues refers to an assessment process of the importance and relevance of the Company, stakeholders and their interactions will be performed for specific issues such as environment, society, and corporate governance (ESG) (such as energy conservation and carbon reduction, climate change, political events, innovation, digitalization). With reference to the four principles of stakeholder inclusiveness, sustainability context, materiality, and completeness of the Global Reporting Initiative's "Sustainability Reporting Guidelines," the Company has reviewed the sustainability issues through identification, ranking, verification, and review, performed materiality analyses, and calibrated our strategies and long-term goals for sustainability management, which are also used as the guidelines for preparing the sustainability report. In this way, the Company has examined the current state of sustainability, promoted continuous improvement in each department, and created shared value for society and the Company. And the Company attaches great importance to stakeholders' opinions and actively communicates with them through various channels. With reference to the eight principles of the GRI standards: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability, as well as the materiality issues of international benchmark companies and domestic counterparts, the Company annually reviews, identifies and adjusts the materiality issues related to the Company's operations, and identifies three major themes and 23 sustainability issues. Based on</p>	No major discrepancy

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			the feedback from the stakeholders' questionnaires, the Company has identified the major themes for the current year in order of “level of concern of stakeholders” and “level of impact on the company’s operations”. Upon analysis on major issues, the Company should assess the impacts on the evaluation on and decision-making related to stakeholders and the significance of their economic, environmental and social impacts, and then formulate management policies for major issues based on assessed risks and review the Company’s sustainable management strategies and goals.	
III. Environmental issues				
(I) Does the company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		(I) The Company approved the Sustainable Development Best Practice Principles and the Sustainable Development Policy in its Board of Directors’ meeting. As for its policies, the Company establishes short-, medium-and long-term goals for sustainable development and environmental, social, corporate governance and other matters, and regularly reviews and formulates specific promotion plans or implementation schemes, and other execution measures, and requires its staff to jointly promote energy-saving and carbon-reduction and implements corporate sustainable management policy.	No major discrepancy
(II) Is the company committed to enhancing the power efficiency and using renewable materials that are with low impact on the environmental impacts?	V		(II) As a financial service provider, the Company has relatively low overall direct consumption and carbon emissions, but is still actively responding to the implementation of energy saving, carbon reduction and ecological conservation activities, paying attention to climate change issues, and committed to improving energy efficiency and continuing to actively promote paper lessness to reduce the consumption of paper, water resources, and various types of energy. The Company actively promotes e-services, tries to make financial services closer to everyone's life, provides the latest domestic and international economic and financial situation and economic and financial indicators, market information and comments on the Company's website, and expands its application to various mobile devices. Develop energy-saving and carbon reduction strategies and action plans, continue to promote the implementing measures to reduce greenhouse gas emissions, and actively evaluate and utilize renewable energy. Purchase equipment that meets energy efficiency and environmental protection standards, and continue to improve the resource utilization efficiency of office and electrical equipment to ensure that operations meet environmental protection and energy conservation goals. In July 2023, the Company launched a lighting energy-saving trade-in program with an	No major discrepancy

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
(III) Does the Company assess the present and future potential risks and opportunities of climate change on the Company and take related actions?	V		investment of NT\$121,250. It was initially estimated that a total of 4,148 kWh of electricity could be saved in a year. In 2024, the investment amount of the lighting energy-saving trade-in program was NT\$76,230, and it was initially estimated that a total of 5,132 kWh of electricity could be saved in a year; it was initially estimated that a total of 2,900 kWh of electricity could be saved in a year by the photocopier carbon reduction and replacement project; the total amount of investment in the water chilling unit was NT\$3,074,400; the total amount of green procurement of 93 computer mainframes and 45 computer monitors was NT\$1,981,732.  (III) The Company regularly provides climate-change risk management information to its Board of Directors every year based on Task Force on Climate-related Financial Disclosures (TCFD) to ensure the effective operation of its climate risk management mechanism. In May 13, 2024, the 24th meeting of the 9th Board of Directors reported the climate risk management information and the implementation status of related financial disclosure of 2023, and explained, based on the core elements of TCFD (4 core elements, including governance, strategy, risk management and indicators, and targets, and 11 matters recommended to be disclosed), that how to identify climate-related risks and opportunities, and analyzed their impacts on the company's operation and countermeasures to such risks and opportunities.	No major discrepancy
(IV) Did the Company produce statistics on the GHG emissions, water consumption, and total waste in the last two years? Has the company established policies for GHG reduction, water conservation, and waste management?	V		(IV) In order to fulfill our corporate responsibility for environmental protection and to respond to the national net-zero emission policy, the Company conducts annual greenhouse gas emission inventories to ensure control and management of the current status of greenhouse gas emissions, and promotes voluntary greenhouse gas reduction programs based on the results of the inventories. The Company's waste management focuses on source reduction and resource recovery to minimize the impact of waste on the environment. The Company belongs to the financial services industry, the waste generated is mainly domestic garbage, and the Company has implemented a waste classification and reduction strategy by classifying waste into general garbage and recyclables: general garbage is handled by the building's property management company or a qualified cleaning company, while recyclables are properly handled by professional recycling vendors. The Company is also committed to promoting the management of water resources by incorporating water conservation and water efficiency	No major discrepancy

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies						
	Yes	No	Summary description							
			<p>improvement into the management policy for water resources. The measures taken include replacing high water-consuming equipment and selecting water-saving labeled products. The Company will continuously optimize its internal water use equipment and processes to ensure the efficiency of resource utilization, and encourage the incorporation of water-saving behaviors into office and daily life.</p> <p>The Company has set a short-term (1~3 years) greenhouse gas reduction target: Carbon emission per unit revenue is reduced by 1% as compared with the base year. The GHG emission, water consumption, and total weight of wastes (including Head Office in Taipei and Branch in Taichung) are disclosed in the sustainability report.</p> <ul style="list-style-type: none"><li>• Boundary and Coverage: All operational sites in Taiwan (including the Taipei headquarters and Taichung branch)</li><li>• Greenhouse Gas Emissions: 545.1277 metric tons of CO2e in 2023; 596.3297 metric tons of CO2e in 2024</li><li>• Water consumption: 5,544 (tons) in 2023; 5,245 (tons) in 2024</li><li>• Total weight of wastes: 5,097 kg in 2023 and 6,490 kg in 2024.</li></ul> <p>Additional information is available on page 71-72 of this annual report.</p>							
IV. Social issues (I) Does the Company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?	V		<p>(I) The Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace are specified in the labor terms and conditions concluded by the Company and staff. The Company clearly stipulates in the “Work Rules” that all employees shall participate in labor insurance and national health insurance, and their insurance premiums will be subsidized by the Company according to laws and regulations. In order to protect and safeguard basic human rights, the Company recognizes and supports relevant international regulations concerning human rights, and formulates human rights policies for Capital Futures in accordance with such regulations.</p> <p>The implementation status of human rights related education and training of the Company in 2024:</p> <table><tr><th>Course topics</th><th>Attendance (person)</th><th>Course Duration (min)</th></tr><tr><td>Gender equality awareness and</td><td>387</td><td>30</td></tr></table>	Course topics	Attendance (person)	Course Duration (min)	Gender equality awareness and	387	30	No major discrepancy
Course topics	Attendance (person)	Course Duration (min)								
Gender equality awareness and	387	30								

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies									
	Yes	No	Summary description										
(II) Has the company established and implemented reasonable employee welfare measures (including remuneration, vacation, and other benefits) and appropriately reflected business performance and achievements in the remuneration for employees?	V		<table><tr><td>rights and interests</td><td></td><td></td></tr><tr><td>Workplace violence prevention</td><td>333</td><td>30</td></tr><tr><td>Human rights policy</td><td>326</td><td>30</td></tr></table> <p>(II) The formulation of the Company’s rules and regulations is based on and abides by related labor laws and regulations and requires all employees to abide by it to protect the rights and interests of all employees. The Company has formulated reasonable remuneration and reward system, and it uses its operating status, price indexes and employee’s personal performance in the then current year as the bases for annual adjustment to salaries and payment of year-end and festival bonuses. The Company has also established “Guideline for Employee Performance Evaluation”, “Guideline for Employee Year-End Bonus Distribution”, “Guideline for Festival Bonuses Distribution” and “Guideline for Sales Bonus” for each business unit, which serve as the basis for the performance evaluation and remuneration system of company executives and employees. It is specified in its Articles of Association that 0.6% to 2% of its profits in the current year shall be distributed as employees’ remuneration, the company’s operating performance shall be reflected in employees’ remuneration, and staff shall share the company's operating results.</p> <p>The Company provides various statutory leave and provides employees with labor insurance and national health insurance, as well as various types of insurance at various preferential rates for employees. The Employee Welfare Committee has been established to provide employees with a wide range of welfare measures, such as wedding and funeral subsidies, hospitalization and surgery consolation payments, maternity subsidies, travel subsidies, natural disaster consolation payments, and emergency relief, etc. A series of employee activities have also been organized to enhance the cohesion and sense of identity of employees towards the Company. The Company employs professional medical staff to provide health counseling services at our clinics on a regular basis.</p> <p>In addition, in order to encourage employees to actively participate in voluntary public service activities, the Company provides employees with volunteer leave to promote public interests.</p> <p>In order to take care of the life of our employees after retirement, the Company has established</p>	rights and interests			Workplace violence prevention	333	30	Human rights policy	326	30	No major discrepancy
rights and interests													
Workplace violence prevention	333	30											
Human rights policy	326	30											

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary description	
			<p>the retirement regulations for our employees. In order to establish long-term harmonious labor-management relations, employees who have served for more than 10 years and have reached the age of 55, or have served for more than 20 years, can apply for early retirement in accordance with the provisions better than the Labor Standards Act. Employees who meet the legal requirements for voluntary retirement or mandatory retirement may apply for retirement at any time, and the criteria for pension payments are in accordance with the Labor Standards Act and the Labor Pension Act. The net obligation under the defined benefit pension plan is calculated based on the present value of the future benefits earned by the employees in the current period or in the past under various welfare plans. The net obligation is actuarially determined annually by a qualified actuary using the projected unit credit method, and a contribution is made annually to the employees' pension reserve under the defined benefit plan and the defined contribution plan.</p> <p>For employees who choose the pension system under the Labor Standards Act, the Company contributes 2% to 15% of the employees' total monthly wages to the Labor Pension Reserve Fund account at the Bank of Taiwan.</p> <p>For employees who choose the pension system under the Labor Pension Act, the Company contributes 6% of employees' monthly wages to the individual pension accounts established by the Bureau of Labor Insurance. For employees who voluntarily contribute to the pension fund, the Company deducts the amount from the employees' monthly wages and deposits it into the individual pension accounts established by the Bureau of Labor Insurance according to the voluntary contribution rate.</p> <p>The Company's employees are diversified, with male and female employees accounting for 53% and 47% approximately, while male and female supervisors account for about 63% and 37%.</p> <p>The Benefit Committee offered NT\$1,872,000 of various subsidies in 2024.</p> <p>The Company provided employees with NT\$512,804 of sports clubs funds in 2024.</p> <p>The Company offered 126 person-times of health consultation services in 2024.</p> <p>Please refer to pages 106-110 of this annual report.</p>	

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies				
	Yes	No	Summary description					
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		<div> <div>(III) The Company attaches great importance to the personal safety as well as physical and mental health of its employees, provides and maintains a good working environment, and regularly implements general safety and health education and training. The Company, through international standard certification ISO22301 Business Continuity Management System, ensures to minimize any damage when it encounters sudden emergencies, so as to ensure personnel safety, legal compliance, customers’ rights and interests, the Company’s goodwill and assets, and make sure that operation of its significant businesses may be resumed successively within a recovery time in order to maintain its operating.</div> <table> <tr> <th>Item</th> <th>Content</th> </tr> <tr> <td>Insurance and benefit</td> <td> <ul style="list-style-type: none"> <li>Group insurance such as labor insurance, health insurance, employee life insurance, accident insurance, accidental medical treatment and occupational insurance.</li> <li>Employees are invited to include their family members into group insurance at discounted premium. Term life, accidental injury, medical treatment, and cancer insurance policies have been offered to care for employees and their family members.</li> <li>Formulate the “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace”.</li> <li>The Company has set up a dedicated website for employees, providing various company information bulletins, education and training, the Employee Welfare Committee section, and the health and education corner, providing channels for employees to express their opinions and interact with each other, as well as providing a healthy and friendly workplace environment.</li> <li>Hold employee health checkup every three years and provide employees with preferential health checkup plans with health checkup centers.</li> <li>Engaging physicians and nursing personnel to the Company to provide health consulting services and the correct concept of the precaution against diseases and the advice on treatment for employees.</li> <li>The Company has set up a “tunnel blood pressure monitor” to help employees</li> </ul> </td> </tr> </table> </div>	Item	Content	Insurance and benefit	<ul style="list-style-type: none"> <li>Group insurance such as labor insurance, health insurance, employee life insurance, accident insurance, accidental medical treatment and occupational insurance.</li> <li>Employees are invited to include their family members into group insurance at discounted premium. Term life, accidental injury, medical treatment, and cancer insurance policies have been offered to care for employees and their family members.</li> <li>Formulate the “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace”.</li> <li>The Company has set up a dedicated website for employees, providing various company information bulletins, education and training, the Employee Welfare Committee section, and the health and education corner, providing channels for employees to express their opinions and interact with each other, as well as providing a healthy and friendly workplace environment.</li> <li>Hold employee health checkup every three years and provide employees with preferential health checkup plans with health checkup centers.</li> <li>Engaging physicians and nursing personnel to the Company to provide health consulting services and the correct concept of the precaution against diseases and the advice on treatment for employees.</li> <li>The Company has set up a “tunnel blood pressure monitor” to help employees</li> </ul>	No major discrepancy
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				<p>manage their blood pressure and emphasize employee health.</p> <ul style="list-style-type: none"><li>The Company emphasizes the physical and mental health of our employees, encourages them to engage in sports and leisure activities, and offers subsidies for employees' sports and entertainment club activities.</li></ul>	
			Environment and Health	<ul style="list-style-type: none"><li>The business premises are completely non-smoking, and the internal website provides promotional videos about the important regulations of the Tobacco Hazards Prevention Act and smoking cessation methods.</li><li>The Company cleans and disinfects the office environment regularly. The office environment inspection and verification report are carried out every six months (April and October 2024).</li></ul>	
			Safety certificate	<ul style="list-style-type: none"><li>Capital Financial Group has been certified by BSI's ISO 22301 Business Continuity Management. The purpose of this certification is to ensure that the Company can minimize any damages when it encounters sudden emergencies, so as to ensure personnel safety, legal compliance, customers' rights and interests, the Company's goodwill and assets, and make sure that operation of the Group's significant businesses may be resumed successively within a recovery time in order to maintain its operating.</li></ul>	
			Personal data authentication	<ul style="list-style-type: none"><li>Capital Financial Group leads the industry and is the first domestic financial institution to obtain and implement international certification for PIMS on securities, futures, and insurance agent/broker in accordance with the relevant requirements of the Personal Data Protection Act. The Company actively protects the rights of personal data, reduce the possible impact of any personal data file infringement incident, and continue to implement and improve the personal data management system.</li></ul>	
			Employee safety	<ul style="list-style-type: none"><li>Access control management and security management monitoring system are implemented for all personnel and office.</li><li>Ensure communication channel is established with the police security unit for alert to maintain work safety.</li></ul>	

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(IV) Does the Company have an effective career capacity development training program established for the employees?	V		(IV) The Company accords to the different career stages and organizational development needs of personnel at all levels, and also plan a comprehensive training plan and provide colleagues with timely and diversified learning channels, so as to achieve win-win benefits of organizational talent development and personal career development. Every year, based on the business operation, business direction and future forward-looking development, the Company plans complete functional trainings for supervisors and employees at all levels, including new employee training, professional advancement training, supervisor training, etc., to help employees continue to learn and grow through a variety of learning methods. Please refer to pages 108-109 of this annual report.	No major discrepancy
(V) Does the company comply with the related laws and regulations and international standards regarding the customer health and safety, customer privacy, marking communication, and labeling of its products and services and establish policies to protect the rights and interests of customers and procedures for grievances?	V		(V) The Company has established “Personal Data Management Objectives and Policies” to implement personal data protection and management measures, safeguard the rights of personal data owners and minimize the impact of any infringement of personal data files, and continuously operate and improve the personal data management system. The Company has obtained international standard certifications such as BSI certification, ISO 27001 Information Security and BS 10012 Personal Data Protection, and has established comprehensive management and control mechanisms and measures for the protection of personal data. It covers the personal data protection objectives and policies to be followed by all employees, temporary employees, contractors and consultants of the Company, as well as their roles and responsibilities in the planning, practice and continuous improvement of personal data management. The Company provides education and training to all employees and requires the partners to sign commitment letters to maintain the security of all personal data files and the sustainable operation.  The Company has established the “Principle of Fair Customer Treatment” to protect the rights and interests of financial consumers, ensure that the physically and mentally challenged have full access to equal and reasonably convenient financial services, and handle financial consumption disputes in a fair, reasonable, and effective manner, in order to increase financial consumers' confidence in the marketplace, and establish a corporate culture that emphasizes the protection of the rights and interests of financial consumers.  According to the regulations of the Company’s “Administrative Measures for the Production	No major discrepancy

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
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(VI) Has the company established policies for management to request suppliers to comply with the relevant laws and regulations of environmental protection, occupational safety and health, and labor human rights? Does the company keep track on the implementation of such policies?	V		<p>and Distribution of Publicity Materials for Advertisements, Solicitation or Promotional Activities”, employees engaged in advertisements, solicitation and promotional activities should submit relevant publicity materials and advertisements before using them externally. The content, after being reviewed by the supervisor for any inappropriate, misrepresented, misleading investors, or matters violating relevant laws and regulations, can be used after approval.</p> <p>To protect the rights and interests of customers, the Company has established the “Guidelines for Dealing with the Disputes from Consumers” and the “Implementation Guidelines for the Whistle-blowing System”, and provided effective communication and complaint channels for customers.</p> <p>Customer service hotline: 412-8878 (please add 02 if you are calling by using a mobile phone); over-the-counter acceptance unit: The Company’s various business units</p> <p>(VI) Supplier management: In addition to the “Supplier Management Policy” on the Company’s website, which clearly includes corporate ethics and integrity, risk management, labor and human rights, social welfare and environmental protection, suppliers must fill in the “Supplier Corporate Social Responsibility Self-Assessment Form” when entering a new cooperation contract, conduct self-assessment on several ESG requirements, and sign the Company’s letter of undertaking in the “Supplier Management Policy”. The Company regularly conducts a comprehensive evaluation of suppliers in the 4th quarter of each year, and the unit contractor fills in the “Supplier Evaluation Form” to screen out the suppliers to be improved and conduct follow-up review and improvement. The Company provided suppliers with on-line education and training on December 10, 2024 to advocate the Company’s ESG policies and ideas and implement management on suppliers.</p>	No major discrepancy
V. Did the company, following internationally recognized guidelines, prepare and publish reports such as its sustainable environment report to disclose non-financial information of the company? Did the company apply	V		The Company prepares sustainability report by referring to internationally recognized rules or guidelines for preparation of report and in accordance with the Rules for Listed Companies to Prepare and Publicize Sustainability Report of Taiwan Stock Exchange. The Company has completed preparation of 2023 Sustainability Report in August 2024, which has been reviewed and approved by the Ethics and Sustainability Committee on August 21, 2024, and presented as a discussion proposal to and approved by the Board of Directors on August 22, 2024, and obtained	No major discrepancy

Promotion items	Implementation			Deviation and causes of deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
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for assurance or guarantee of such reports to a third-party certification body?			CPAs' assurance report. Assurance is issued by KPMG for the Report, on an independent and limited basis, based on the item I to item IV which shall be disclosed in financial insurance industry as specified in Attachment 1-3 under Article 4 of the Rules for Listed Companies to Prepare and Publicize Sustainability Report of Taiwan Stock Exchange, in accordance with the assurance rules No. 3000 Assurance for Audit or Review on the Financial Information That Are not Historical Financial Information issued by the Accounting Research and Development Foundation.	
<p>VI. If the Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the principles and their implementation: The Company strictly follows the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and “Corporate Governance Best-Practice Principles for Futures Commission Merchants”, formulates the “Sustainable Development Policy” and “Sustainable Development Best Practice Principles”, and actively practices sustainable development. There is no major deviation in operation.</p>				
<p>VII. Other important information that facilitates understanding of the implementation status of promotion of sustainable development: The Company discloses its Sustainability Report and related information on its website for stakeholders' reference; Stakeholders also may communicate their opinion on the matters that they concern about by telephone, company website or email, and the Company will deal with it by dedicated personnel.</p>				

(VII) Climate-related information and implementation status

Item	Implementation																		
I. The Board of Directors’ supervision and governance on climate-related risks and opportunities shall be explained.	<div>1. The Company’s Board of Directors, its highest unit for supervising climate change risks and opportunities, is responsible for approving, reviewing, and supervising risk strategies and risk policies, and also shall lead the company to develop new climate-related business and opportunities. Ethics and Sustainability Committee, a functional committee under the Board of Directors, is composed of all independent directors, promotes and supervises sustainable development-related matters, reviews the policies and goals established, and supervises relevant implementation status and results. Ethics and Sustainability Committee regularly holds meeting (at least once a year), and reports to the Board of Directors.</div> <div>2. The Company causes its president serving as the convener of the cross-department ESG Committee. Sustainability Management Office, a business unit under ESG Committee that deals with matters, is responsible for assisting the Committee in the matters related to exercising of its powers and duties. ESG Committee is responsible for the implementation of and supervision on ESG, and there are ESG Matter-related Investment Group, GHG Inspection Group, Climate Matter-related Management Group, and other task groups established under ESG Committee to promote various work. The risk management unit also regularly reports to the Board of Directors the company’s transition and physical risk changes as well as evaluation results, so that the Board of Directors and management can continuously and effectively grasp the issues related to sustainable development and climate changes.</div>																		
II. How the identified climate risks and opportunities impact the company’s businesses, strategies and finance (in a short term, medium term and long term) shall be explained.	<div>In compliance with the guidance for measurement on climate risks issued by TCFD and other international organizations, the Company identifies climate-related risks and opportunities, and actively develops solutions to respond to the three major management strategies, i.e. reducing carbon emission, proposing low-carbon service, and adapting to climate changes, with a hope to reduce any impacts on operation and finance brought by climate changes and to improve the company’s resilience against climate. The Company defines a short-term as future 3 years, a medium-term as 3 to 5 years, and a long-term as 5 to 10 years as the periods for evaluation on possible impacts brought by identified climate-related risks and opportunities, according to its climate change risk and opportunity evaluation methodology.</div> <table><tr><th>Risk / Opportunity</th><th>Type</th><th>Short term (1-3 years)</th><th>Medium term (3-5 years)</th><th>Long term (5-10 years)</th></tr><tr><td rowspan="2">Risk</td><td><div><div>• Transition risks</div><div>The risks related to the changes in policies and regulations, technologies, markets, social and economic conditions may occur during low-carbon transition course.</div></div></td><td><div><div>• Increase in carbon tax or carbon rate</div><div>• Low-carbon transition image (company reputation) not established yet</div></div></td><td><div><div>• Failure in development of low-carbon transition technologies</div></div></td><td><div><div>• Changes in market preferences</div></div></td></tr><tr><td><div><div>• Physical risks</div><div>There may be immediate or long-term physical risks brought by climate changes in terms of weather patterns. Physical risks may have financial impacts on the company, such as direct damage to assets</div></div></td><td><div><div>• Increase in flood</div><div>• Increase in drought</div></div></td><td><div><div>• Increase in flood</div><div>• Increase in drought</div></div></td><td><div><div>• Rise in average temperature</div></div></td></tr></table>					Risk / Opportunity	Type	Short term (1-3 years)	Medium term (3-5 years)	Long term (5-10 years)	Risk	<div><div>• Transition risks</div><div>The risks related to the changes in policies and regulations, technologies, markets, social and economic conditions may occur during low-carbon transition course.</div></div>	<div><div>• Increase in carbon tax or carbon rate</div><div>• Low-carbon transition image (company reputation) not established yet</div></div>	<div><div>• Failure in development of low-carbon transition technologies</div></div>	<div><div>• Changes in market preferences</div></div>	<div><div>• Physical risks</div><div>There may be immediate or long-term physical risks brought by climate changes in terms of weather patterns. Physical risks may have financial impacts on the company, such as direct damage to assets</div></div>	<div><div>• Increase in flood</div><div>• Increase in drought</div></div>	<div><div>• Increase in flood</div><div>• Increase in drought</div></div>	<div><div>• Rise in average temperature</div></div>
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Item	Implementation				
		and indirect impacts caused by disruption in supply chains.			
	Opportunities	The efforts made to mitigate and adapt to climate changes will create opportunities for the company.	<ul style="list-style-type: none"> <li>Research and development of low-carbon digital financial services</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of resource using efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable finance-related commodities</li> </ul>
<p>1. Risks brought by climate changes</p> <p>(1) In terms of transition risks, the company may encounter transition risks caused by the damage to reputation during low-carbon transition course because the image of attaching importance to low-carbon transition has not been established yet; The transition risks of decrease in profitability caused by the increase in the operation costs of investment objects resulting from the increase in carbon tax or carbon rate will have impacts in a short term. While, the transition risks of the decrease in profitability caused by the failure in development of low-carbon transition technologies for investment objects will have impacts in a medium term. The transition risks of reduced interest in the market in making investment in high-carbon-emission industries will have impacts in a long term.</p> <p>(2) In terms of physical risks, the physical risks of decrease in its profitability caused by the loss of assets or increase in the operating costs of investment objects resulting from flood or drought will have impacts in a short and medium term. In addition, such events will also cause physical risks that the Company's own operating facilities would be damaged. The physical risks caused by rising average temperature to operating facilities and investment industries are expected to have significant impacts for a long term.</p> <p>2. Opportunities brought by climate changes</p> <p>In terms of opportunities, with the changes in the patterns of the transactions with customers, the Company will make investment in the research and development of low-carbon digital financial services, improve customers' on-line experience, and increase the number of transactions made through digital channels, which will have impacts on the business in a short term; And the Company will take energy-saving and carbon-reduction actions, and improve the using efficiency of resources, which will have impacts in a medium term. As for the development of green financial products or services, the Company hopes to give play to a role in changing the environment through financial products. If there are index investment developed due to climate or environmental changes in the future, futures will be the best channels for risk hedging, thus related futures commodities will inevitably occur, and there will be preparation made in futures industry. The impacts brought by climate changes on the supply, demand and price of bulk goods, if any, will have significant impacts on various commodity futures. The development of net-zero emission will drive the demands for futures in carbon rights trading, and the development of carbon-related emerging futures commodities will come soon.</p>					

Item	Implementation		
III. The impacts of extreme climate events and transition actions on finance shall be specified.	The Company evaluates climate change risks, identifies the relevant risks that may have significant financial impacts, and proposes countermeasures. In order to identify and evaluate climate-related risks, the supervisors from various major business units discuss, as members, on the basis of working groups, the list of climate-related risks that they face by referring to TCFD’s suggestions for disclosure and relevant information about climate changes, and they finally summarize the results obtained by various units, and identify major climate risks.		
	Transition Risk / Opportunity		
	R: Risk / O: Opportunity	Financial impacts	Countermeasures
	R: Increase in carbon tax or carbon rate	↓	Investment management mechanisms or limits should be established for high-carbon-emitting industries. GHG emission should be understood during related investment evaluation course. Transition risks should be inspected at least annually, and changes in and early warning information about transition risks should be tracked.
	R: Failure in development of low-carbon transition technologies	↓	The development status of low-carbon transition technologies should be understood during investment course, and investment should be reduced or avoided in case of any significant risks.
	R: Changes in market preferences	↓	Related risks should be considered upon evaluation on the financial products related to high-carbon-emitting industries. Close attention should be paid to the current status and future trends of the industry, and investment in the stocks of such companies as lack of the concept of sustainable management or do not attach importance to climate risk management should be reduced gradually.
	R: Impacts on company’s reputation	↓	Attention and response should be actively paid to climate risk-related issues, and corporate public welfare image and customers’ recognition should be improved.
	O: Research and development of low-carbon digital financial services	↑	The Company should strive to improve customers’ digital experience, improve customers’ trust and cooperative relationships with them, and increase revenue.
	O: Sustainable finance-related commodities	↑	The Company should timely participate in promotion of related commodities depending on the demands in mark and the development of objective conditions.
IV. How climate risk identification, evaluation and management procedures are integrated into the	1. The Company’s Risk Management System has integrated climate-related risk management procedures into its overall risk management procedures, and amended its existing Sustainable Development Policy and Sustainable Development Best Practice Principles in 2023, and formulated the ESG Responsibility-based Investment Policy and the Key Points of Greenhouse Gas Inventory and Verification Operations. Capital Futures has established responsibility-based investment regulations to identify, evaluate and manage climate risks associated with each investment project, in order to implement due diligence governance, fulfill the loyalty obligations of the financial industry to maximize		



Item	Implementation																																							
overall risk management system should be explained.	<p>the interests of beneficiaries and shareholders, minimize the environmental and social risks caused by investments, and support the development of sustainable enterprises that have a positive impact on society and the environment. For customers in high carbon emission industries, additional due diligence and prudent evaluation are required to avoid investing in investment targets that lack the concept of sustainable management or do not emphasize climate risk.</p> <p>2. For identified climate risks, the Company effectively controls climate-related operational risks by virtue of three-line defense mechanisms. The first line of defense is business units. Various business units identify climate-related risks based on their business contents, and they formulate and implement countermeasures; The second line of defense is climate risk management unit, which is responsible for assisting in monitoring the implementation of climate risk management by the first line of defense; The third line of defense is audit unit, which evaluates the effectiveness of the climate risk management of the first and second lines of defense, and assists in inspecting and improving any deficiencies in overall risk control and verifying greenhouse gas inventory.</p>																																							
V. If scenario analysis is used to evaluate the resilience against climate change risks, the scenarios, parameters and assumptions used, as well as analysis factors and major financial impacts should be explained.	<p>1. In order to ensure that the Company can operate continuously and stably in the face of various risks, the impacts of climate-related risks on businesses, strategies and financial planning are evaluated through scenario analysis method based on the situations that may occur within a specific scope.</p> <p>2. Climate risk can be categorized into transition risk and physical risk</p> <p>(1) Transition risk: Capital Futures performs evaluation according to the structure of NGFS based on six relevant climate change scenarios, including orderly transition, disorderly transition, and out-of-control warming, etc. The carbon price is based on the scenario parameters released by NGFS Phase 3, and adopts the carbon prices set by 1.a GCAM5.3+ NGFS: Energy demand and CO2 emissions model for Taiwan in 2030 and 2050.</p> <table><tr><th colspan="4">Scenario</th><th>2030</th><th>2050</th></tr><tr><td>Scenario 1</td><td rowspan="2">Orderly transition</td><td>Net Zero 2050</td><td>Low emission scenario, with approximately 1.4°C of warming</td><td>About 0.0038% of decrease in net worth</td><td>About 0.0223% of decrease in net worth</td></tr><tr><td>Scenario 2</td><td>Below 2°C</td><td>Moderate emission scenario, with approximately 1.6°C of warming</td><td>About 0.0025% of decrease in net worth</td><td>About 0.0098% of decrease in net worth</td></tr><tr><td>Scenario 3</td><td rowspan="2">Disorderly transition</td><td>Divergent Net Zero</td><td>Low emission scenario, with approximately 1.4°C of warming</td><td>About 0.0091% of decrease in net worth</td><td>About 0.0378% of decrease in net worth</td></tr><tr><td>Scenario 4</td><td>Delayed transition</td><td>Moderate emission scenario, with approximately 1.6°C of warming</td><td>0% of decrease in net worth</td><td>About 0.0154% of decrease in net worth</td></tr><tr><td>Scenario 5</td><td rowspan="2">Global warming out of control</td><td>Nationally Determined Contributions (NDCs)</td><td>High emission scenario, with approximately 2.6°C of warming</td><td>0.000016% of decrease in net worth</td><td>0.000016% of decrease in net worth</td></tr><tr><td>Scenario 6</td><td>Current Policies</td><td>High emission scenario, with more than 3°C of warming</td><td>0% of decrease in net worth</td><td>0% of decrease in net worth</td></tr></table> <p>(2) Physical Risk: According to the definition of climate risk proposed by the IPCC, the risk is composed of three factors: Hazard (H), Vulnerability (V), and Exposure (E). The “Hazard” factor is the probability of heavy rainfall and the depth of flooding it may cause; the</p>	Scenario				2030	2050	Scenario 1	Orderly transition	Net Zero 2050	Low emission scenario, with approximately 1.4°C of warming	About 0.0038% of decrease in net worth	About 0.0223% of decrease in net worth	Scenario 2	Below 2°C	Moderate emission scenario, with approximately 1.6°C of warming	About 0.0025% of decrease in net worth	About 0.0098% of decrease in net worth	Scenario 3	Disorderly transition	Divergent Net Zero	Low emission scenario, with approximately 1.4°C of warming	About 0.0091% of decrease in net worth	About 0.0378% of decrease in net worth	Scenario 4	Delayed transition	Moderate emission scenario, with approximately 1.6°C of warming	0% of decrease in net worth	About 0.0154% of decrease in net worth	Scenario 5	Global warming out of control	Nationally Determined Contributions (NDCs)	High emission scenario, with approximately 2.6°C of warming	0.000016% of decrease in net worth	0.000016% of decrease in net worth	Scenario 6	Current Policies	High emission scenario, with more than 3°C of warming	0% of decrease in net worth	0% of decrease in net worth
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	<p>“Vulnerability” factor is the percentage of asset value loss that may be caused by the impact of different depths of flooding, or the percentage of turnover loss that may be caused by the shutdown; and the “Exposure” factor is the value of the assets or turnover of the location where the company operates. Hazard (H) is estimated by applying the data provided by the financial industry's climate physical risk information integration platform (HAZ-flood-06-flooding-flooding probability (base method)-future-administrative district (township and city)).</p> <p style="text-align: center;">Hazard (H): Annual average probability of flooding</p> <table><tr><th colspan="2" rowspan="2">Scenario / Location No.</th><th colspan="5">Middle of century (2041-2060)</th><th colspan="5">End of century (2081-2100)</th></tr><tr><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th></tr><tr><td>RCP 2.6</td><td rowspan="4">Probability of flooding</td><td>0.1%</td><td>0.2%</td><td>0.1%</td><td>0.04%</td><td>0.1%</td><td>0.1%</td><td>0.2%</td><td>0.1%</td><td>0.1%</td><td>0.1%</td></tr><tr><td>RCP 4.5</td><td>0.1%</td><td>0.1%</td><td>0.1%</td><td>0.04%</td><td>0.1%</td><td>0.1%</td><td>0.2%</td><td>0.1%</td><td>0.04%</td><td>0.1%</td></tr><tr><td>RCP 6.0</td><td>0.04%</td><td>0.1%</td><td>0.1%</td><td>0.04%</td><td>0.1%</td><td>0.1%</td><td>0.2%</td><td>0.1%</td><td>0.1%</td><td>0.1%</td></tr><tr><td>RCP 8.5</td><td>0.1%</td><td>0.1%</td><td>0.1%</td><td>0.1%</td><td>0.1%</td><td>0.1%</td><td>0.5%</td><td>0.2%</td><td>0.1%</td><td>0.2%</td></tr></table> <p style="text-align: center;">Vulnerability (V) X Exposure (E): Damage scenario at the time of disaster</p> <p style="text-align: right;">Expected annual loss amount (<b>R = H × V × E</b>)</p> <table><tr><th colspan="2">Scenario</th><th>Middle of century (2041-2060)</th><th>End of century (2081-2100)</th><th colspan="2">Scenario</th><th>Middle of century (2041-2060)</th><th>End of century (2081-2100)</th></tr><tr><td>RCP 2.6</td><td rowspan="4">Flooding</td><td>NT\$ 2,710,000</td><td>NT\$ 2,880,000</td><td>RCP 2.6</td><td rowspan="4">Flooding</td><td>NT\$ 2,700</td><td>NT\$ 2,900</td></tr><tr><td>RCP 4.5</td><td>NT\$ 14,660,000</td><td>NT\$ 16,930,000</td><td>RCP 4.5</td><td>NT\$ 14,700</td><td>NT\$ 16,900</td></tr><tr><td>RCP 6.0</td><td>NT\$ 1,350,000</td><td>NT\$ 106,290,000</td><td>RCP 6.0</td><td>NT\$ 500</td><td>NT\$ 108,500</td></tr><tr><td>RCP 8.5</td><td>NT\$ 14,520,000</td><td>NT\$ 188,260,000</td><td>RCP 8.5</td><td>NT\$ 14,500</td><td>NT\$ 224,400</td></tr></table>	Scenario / Location No.		Middle of century (2041-2060)					End of century (2081-2100)					1	2	3	4	5	1	2	3	4	5	RCP 2.6	Probability of flooding	0.1%	0.2%	0.1%	0.04%	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	RCP 4.5	0.1%	0.1%	0.1%	0.04%	0.1%	0.1%	0.2%	0.1%	0.04%	0.1%	RCP 6.0	0.04%	0.1%	0.1%	0.04%	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	RCP 8.5	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.5%	0.2%	0.1%	0.2%	Scenario		Middle of century (2041-2060)	End of century (2081-2100)	Scenario		Middle of century (2041-2060)	End of century (2081-2100)	RCP 2.6	Flooding	NT\$ 2,710,000	NT\$ 2,880,000	RCP 2.6	Flooding	NT\$ 2,700	NT\$ 2,900	RCP 4.5	NT\$ 14,660,000	NT\$ 16,930,000	RCP 4.5	NT\$ 14,700	NT\$ 16,900	RCP 6.0	NT\$ 1,350,000	NT\$ 106,290,000	RCP 6.0	NT\$ 500	NT\$ 108,500	RCP 8.5	NT\$ 14,520,000	NT\$ 188,260,000	RCP 8.5	NT\$ 14,500	NT\$ 224,400
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VI. If there is a transition plan corresponding to management on climate-related risks, the contents of the plan as well as the indicators and goals used to identify and manage physical and transition risks shall be explained.	<div><div>1. The following action plan is proposed and will be gradually implemented in the future in order to move towards the sustainable development goal of net-zero carbon emissions by 2050:</div><div><div>(1) Make an inventory of greenhouse gas emissions and plan for short-, medium- and long-term sustainability goals.</div><div>(2) Introduce relevant environmental and energy management systems.</div><div>(3) Plan for the procurement of renewable energy and set energy conservation targets.</div></div><div>2. Taking the year 2023 as the base year, the indicators and targets for identifying greenhouse gas emissions are described in Section 9, and the indicators for identifying and managing physical risks and transition risks are described in Section 5. The countermeasures are as follows:</div><div><div>(1) Transition Risk: Capital Futures has established responsibility-based investment regulations to identify, evaluate and manage climate risks associated with each investment project, in order to implement due diligence governance, fulfill the loyalty obligations of the financial industry to maximize the interests of beneficiaries and shareholders, minimize the environmental and social risks caused by investments, and support the development of sustainable enterprises that have a positive impact on society and the environment. For customers in high carbon emission industries, additional due diligence and prudent evaluation are required to avoid investing in</div></div></div>																																																																																																					

Item	Implementation						
	investment targets that lack the concept of sustainable management or do not emphasize climate risk. (2) Physical Risk: All of Capital Futures’ operations are located in metropolitan areas with relatively perfect flood control facilities, and the maximum daily rainfall in such areas throughout the year does not exceed the disaster-causing standard, i.e. 600 mm in 24 hours. Therefore, there is no immediate risk of flooding; however, we have formulated a Business Continuity Management (BCM) plan and conduct regular drills.						
VII. If internal carbon pricing is used as a planning tool, the basis for establishing the price shall be explained.	The Company has no internal carbon pricing plan at present. For industries that are not high carbon emitters, the implementation of an internal carbon pricing mechanism may result in additional administrative and calculation costs that may outweigh the potential benefits, making the overall economic benefits unclear.						
VIII. If there are climate-related goals established, the activities covered, the scope of GHG emission, the planning schedule, annual achievement progress and other information shall be explained; If carbon offset or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of offset carbon reduction credits or the quantity of renewable energy certificates (RECs) shall be explained. The Company carries out GHG inspection in accordance with ISO14064, has obtained the CPA assurance for 2024 GHG inspection in 2025, and will gradually achieve the short-, medium- and long-term goals corresponding to management on climate-related risks and opportunities. Please refer to Section 9 below for the planning schedule and annual achievement progress of greenhouse gas emission reduction.							
IX. GHG inspection and assurance status and reduction goals, strategies and specific action plans							
(I) The company’s GHG inspection and assurance status in the most recent two years							
Year	Boundary and Coverage	Total emission (metric tons of CO2e)			Density (metric tons of CO2e per NT\$ million of turnover)	Assurance made by	Description about assurance
2024	Capital Futures Corp. (operation locations in Taiwan)	Scope 1	42.4096	651.8389	0.2470	KPMG	Assurance opinions are limited
		Scope 2	553.9201				Assurance opinions are limited
	Subsidiaries	Scope 1	4.0000			None	
		Scope 2	51.5092				
2023	Capital Futures Corp.	Total emission (metric tons of CO2e)			Density (metric tons of CO2e per NT\$ million of turnover)	Assurance made by	Description about assurance
		Scope 1	36.4715	545.1277	0.2722	KPMG	Assurance opinions are limited
		Scope 2	508.6562				Assurance opinions are limited
Greenhouse Gas Emission Intensity: In 2024, the intensity was 0.2470 metric tons CO2e per million in revenue, representing a 9.26% reduction compared to 0.2722 metric tons CO2e per million in revenue in 2023 (base year). Water Consumption and Intensity: In 2023, water consumption was 5,544 kWh; in 2024, it was 5,245 kWh. The average consumption per person in 2024 was 16.1 kWh,							

Item	Implementation		
(II)	<p>an 8.30% decrease from the 2023 (base year) average of 17.6 kWh per person.</p> <p>Waste Generation and Intensity: In 2023, waste generation was 5,097 kg; in 2024, it increased to 6,490 kg. The average waste generated per person in 2024 was 19.97 kg, representing a 23.41% increase from the 2023 (base year) average of 16.18 kg per person.</p>		
	<p>GHG reduction goals, strategies and specific action plans</p> <p>Capital Futures sets the year of 2023 as a base year, and classifies short-term (2024-2026), medium-term (2027-2029), and long-term (2030), as shown in the table below.</p> <p>In recent years, the Company's operation scale has been expanding and the number of employees has been increasing. However, with effective energy-saving and carbon reduction measures, the Company's overall direct consumables, water and electricity consumption and carbon emissions have been effectively controlled. The Company's operational needs mainly include the procurement and maintenance of information equipment and the procurement of facilities and consumables for business-related matters. Therefore, the Company will continue to implement green procurement, and mainly purchase from local vendors in Taiwan and its operation locations to ensure the stability and localization of the supply chain. The Company will continue to promote relevant energy saving and carbon reduction measures, fully promote e-energy conservation, waste reduction, resource recycling and reuse, and implement the environmental protection awareness by daily operations improvement. In the future, the Company will audit the achievement status of the goals and make adjustment on a rolling basis depending on external environmental trends, with a hope to mitigate the impacts of climate changes through such goals-based management to maintain a normal and stable operation and move toward net-zero carbon emissions.</p>		
	Goal	Short term (2024-2026)	Medium term (2027-2029)
	GHG emission	Carbon emission per unit revenue is reduced by 3% as compared with the base year	Carbon emission per unit revenue is reduced by 5% as compared with the base year
	Waste reduction	The amount of waste per person is reduced by 3% as compared with the base year	The amount of waste per person is reduced by 5% as compared with the base year
	Water resources management	The amount of waste per person is reduced by 1% as compared with the base year	The amount of waste per person is reduced by 3% as compared with the base year
			Long term (2030)
			Carbon emission per unit revenue is reduced by 10% as compared with the base year
			The amount of waste per person is reduced by 10% as compared with the base year
			The amount of waste per person is reduced by 5% as compared with the base year

(VIII) Performance in ethical corporate management inconsistency with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary description	
I. Business Integrity Policy and action plans				
(I) Has the Company established policies for ethical corporate management approved by the board of directors and stated such policies and practices in its regulations and external documents and in the commitment made by the board of directors and senior management to actively implement such policies?	V		(I) The Company has formulated the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct as approved by its Board of Directors, which stipulate that directors, managerial officers, employees, appointees, or persons with substantive control shall abide by the principle of integrity and refrain from engaging in unethical conduct, indicating that the Board of Directors and the management are actively fulfilling the commitment of ethical corporate management. The Company discloses Ethical Corporate Management policies to make sure suppliers, customers and other relevant corporates and persons understand its faith and rules of ethical management.	No major discrepancy
(II) Has the Company established an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies?”	V		(II) The Company has established a risk assessment mechanism for unethical conduct, and has formulated a “Self-Assessment Form for Unethical Conduct” for regular analysis and evaluation every year. In addition, business activities with a high risk of unethical conduct within the business scope are specified in various rules and regulations. In accordance with Article 7 of the Company's “Ethical Corporate Management Best Practice Principles”, 8 major unethical risk factors and 30 risk items are defined based on the types of unethical conduct and the industry characteristics of the Company. In 2024, the Company was evaluated as at a low risk of unethical conduct based on the self-evaluation of unethical risk factors, while taking into account the existing framework of authority and responsibility related to the fulfillment of ethical corporate management and the overall risk control measures, and the fact that no significant incidents of unethical conduct have been reported by the Company. The Company also implements an employee ethic guarantee insurance system, which is insured at different levels according to the type of business handled by employees. Its covers	No major discrepancy

Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary description	
(III) Has the Company established in the preventive programs the operating procedures for unethical behavior prevention, penalties and grievance systems of breaching the guidelines for conduct, and implemented and periodically review them?	V		<p>the financial loss of the Company caused by employee robbery, theft, fraud, misappropriation or other illegal acts.</p> <p>(III) The Company's "Procedures for Ethical Management and Guidelines for Conduct" stipulates norms and handling procedures for various unethical conduct. It also incorporates ethical corporate management into employee performance evaluation and human resources policies, and establishes clear and effective reward, punishment and report systems. Under serious violation of ethical corporate manage, the person will be dismissed or terminated in accordance with relevant laws and regulations or the Company's HR regulations. The Company regularly evaluates the effectiveness of the preventive measures established for the implementation of ethical corporate management, and evaluates the compliance with relevant business processes. The relevant guidelines are also reviewed and revised in line with changes in internal and external regulations.</p>	No major discrepancy
<p>II. Proper enforcement of business integrity</p> <p>(I) Does the Company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?</p> <p>(II) Has the Company established a dedicated (concurrent) unit to implement ethical corporate management under BOD and report regularly(at least once a year) to BOD the status of implementation and supervision of ethical management policy and preventive programs of unethical behavior?</p>	V	V	<p>(I) The Company evaluates the ethical records of the counterparties, and specifies the relevant ethical conduct clauses such as information security, privacy protection policy statement and confidentiality agreement, and specifies the relevant ethical conduct clauses in the business contract. If the activity involves dishonest behavior, the other party may unconditionally terminate or cancel the contract at any time.</p> <p>(II) The Board of Directors and management actively implement the commitment of the ethical corporate management policy and implement it in internal management and business activities. The Company has set up the Ethics and Sustainability Committee under the Board of Directors to act as a dedicated unit to promote Ethical Corporate Management. It is responsible for formulating and supervising the implementation of Ethical Management policies and preventive measures. The Company has established a mechanism to assess the risk of unethical conduct in order to regularly analyze and evaluate business activities within the scope of business that carry a higher risk of unethical conduct. It will conduct an annual review of the Company's fulfillment of ethical management and report to the Board of Directors on a regular basis (at least once a year).</p>	<p>No major discrepancy</p> <p>No major discrepancy</p>

Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary description	
(III) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies?	V		<p>On November 7, 2024, it reported the Company's fulfillment of ethical management to the Board of Directors (including the results of self-evaluation of the risk of unethical conduct), and the current fulfillment of ethical management was described with reference to the 11 major aspects of the control measures of the ISO37001 anti-bribery management system. On November 7, 2024, the Company conducted a publicity campaign for its directors on the statutory themes of ethical management and sustainable development, prevention of insider trading, anti-money laundering and counter-terrorism financing, fair customer treatment and financial friendliness, and the Convention on the Rights of Persons with Disabilities (CRPD). In addition, we are actively organizing related publicity courses for our colleagues and have designed a post-course test system, which must be passed before completion of the course.</p> <p>(III) The Company has established “Procedures for Ethical Management and Guidelines for Conduct” and “Management Measures for Responsible Persons and Associated Persons Holding Concurrent Positions”; If any director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. The director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and the matter shall be recorded in the meeting minutes. When an employee conducts business and finds that it is possible to obtain illegitimate benefits with himself or with the stakeholders, in addition to reporting the relevant matter to the department supervisor and the Company’s special unit, department supervisor shall provide appropriate guidance.</p>	No major discrepancy
(IV) Has the Company established an effective accounting system and an internal control system for the internal audit unit to establish related audit programs based on the results of risk assessment of involvement in unethical behavior to audit and prevent the compliance with the preventive	V		<p>(IV) The Company has designed and established the “Accounting System” and “Internal Control System” in accordance with the “Regulations Governing the Preparation of Financial Reports” and "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets” and the requirements of the standard internal control systems of various industries and business needs and the systems are regularly reviewed by the auditing unit.</p> <p>The Company’s 2025 internal audit plan was reviewed and approved at the 6th meeting of the 10th Board of Directors on November 7, 2024, and was implemented by the audit unit. For the 2024 unethical conduct risk assessment results, the audit unit will check the</p>	No major discrepancy

Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons																														
	Yes	No	Summary description																															
<p>programs of unethical behavior or hire a CPA to perform the audit?</p> <p>(V) Has the Company organized corporate management internal and external education and training programs on a regular basis?</p>	V		<p>compliance of the prevention plan, and the audit results will be disclosed in the audit report.</p> <p>(V) The Company conducts education and training programs on work rules, compliance with laws and regulations, as well as discipline and norms for new employees upon their arrival at the Company. Each year, the Company regularly conducts education and training programs for all employees on fair customer treatment, financial friendliness, information security, protection of personal data, ethical management, and anti-money laundering, in order to fulfill the commitment of the integrity policy, and to implement the policy in its internal management and business activities.</p> <p>The Company’s 2024 education and training courses and promotion are as follows:</p> <table><tr><th>Course topics</th><th>Number of persons per time</th><th>Hours</th></tr><tr><td>Education and training on prohibited behaviors for futures salespersons for the 1st quarter of 2024</td><td>392</td><td>3</td></tr><tr><td>Education and training on whistle-blowing system for the 1st quarter of 2024</td><td>385</td><td>3</td></tr><tr><td>Education and training on advertising and on-line marketing for salespersons for the 1st quarter of 2024</td><td>249</td><td>3</td></tr><tr><td>Education and training on Financial Consumer Protection Act, and Treating-Customer-Fairly Principle (including friendly service, ethical management, advertising and publicity) for the 2nd quarter of 2024</td><td>314</td><td>3</td></tr><tr><td>Education and training on Personal Data Protection Act for the 2nd quarter of 2024</td><td>314</td><td>3</td></tr><tr><td>Education and training on anti-money laundering and counter-terrorism financing compliance for the 3rd quarter of 2024</td><td>351</td><td>3</td></tr><tr><td>Education and training on advertising and on-line marketing for salespersons for the 3rd quarter of 2024</td><td>218</td><td>3</td></tr><tr><td>Education and training on insider trading and short-swing trading for the 4th quarter of 2024</td><td>325</td><td>3</td></tr><tr><td>Education and training on advertising and on-line marketing for salespersons for the 4th quarter of 2024</td><td>203</td><td>3</td></tr></table>	Course topics	Number of persons per time	Hours	Education and training on prohibited behaviors for futures salespersons for the 1st quarter of 2024	392	3	Education and training on whistle-blowing system for the 1st quarter of 2024	385	3	Education and training on advertising and on-line marketing for salespersons for the 1st quarter of 2024	249	3	Education and training on Financial Consumer Protection Act, and Treating-Customer-Fairly Principle (including friendly service, ethical management, advertising and publicity) for the 2nd quarter of 2024	314	3	Education and training on Personal Data Protection Act for the 2nd quarter of 2024	314	3	Education and training on anti-money laundering and counter-terrorism financing compliance for the 3rd quarter of 2024	351	3	Education and training on advertising and on-line marketing for salespersons for the 3rd quarter of 2024	218	3	Education and training on insider trading and short-swing trading for the 4th quarter of 2024	325	3	Education and training on advertising and on-line marketing for salespersons for the 4th quarter of 2024	203	3	No major discrepancy
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Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary description	
III. The operations of the Company's Report System (I) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible staff designated to handle the individual being reported?	V		(I) To establish an ethical and transparent corporate culture, promote a sound management, and encourage reporting of illegal conducts, the Company has formulated the Implementation Guidelines for the Whistle-blowing System as approved by its Board of Directors, and the Internal Auditing Department accepts and investigates reported cases. The whistleblower can report through the following channels: Hotline and E-mail: the hotline and e-mail for whistleblowing disclosed on the Company's website. Written letter to address: the Company's address. Recipient of the written letter: the whistleblowing case acceptance unit. ※The company has no reported cases in 2024.	No major discrepancy
(II) Has the Company established standard operating procedures for investigating reported events, follow-up measures to be taken after the investigation was completed, and related confidentiality mechanisms?	V		(II) Based on the Company's "Implementation Guidelines for the Whistle-blowing System", anyone shall report any crime, fraud or violation of laws and regulations within the Company upon discovery. Types of cases accepted: criminal acts, fraudulent acts and violations of law or regulation. The acceptance unit and the investigation unit of the reported case are the Internal Auditing Department. The Company shall provide the following protection to the whistleblower: <ol style="list-style-type: none"> <li>1. The identity information of the whistleblower shall be kept confidential, and information sufficient to identify the identity shall not be disclosed.</li> <li>2. If there is a violation of the confidentiality, it should be sent to the Human Resources Arbitration Committee for review and handled in accordance with the Company's relevant work rules.</li> <li>3. If the report's accuracy is verified, the Company may base on its contribution to the corporate governance, grant proper award to the reporter in accordance with the Company's personnel regulations.</li> </ol>	No major discrepancy

Evaluation Item	Actual governance			Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reasons
	Yes	No	Summary description	
(III) Has the Company taken proper measures to protect the whistle-blowers from suffering any consequence of reporting an incident?	V		(III) The Company shall not terminate, dismiss, downgrade/relocate, give a reduction in pay, impair to any entitlement under the law, contract or customs, or other unfavorable disposition due to the reported case.	No major discrepancy
IV. Enhanced information disclosure (I) Does the Company have the contents of corporate management and its implementation disclosed on the website and MOPS?	V		The ethical management-related rules and systems, the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct, are disclosed on the Company's website and MOPS, and the implementation status of the courses related to advocating ethical management (including insider trading and anti-money laundering) to colleagues is disclosed.	No major discrepancy
V. Where a Company has worked Ethical Corporate Management Guiding Principles in accordance with the “Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies”, please expressly elaborate on the differential gap between the substantial performance and the Practice Principle: The “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethical Management and Guidelines for Conduct” operated and formulated by the Company all follow the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”.				
VI. Other vital information that helps to understand the practice of business integrity of the Company (e.g., the review and revision of the best-practice principles of the Company in business integrity). The Company regularly or irregularly reviews and amends ethical management-related regulations, and announces the latest revisions through the Company's internal website to enable investors and the company’s staff to understand the Company’s ethical management policies.				

(IX) Any other material information that would afford a better understanding of the status of the company's implementation of corporate governance: None.

(X) Hands-on performance in the internal control system:

1. For the Internal Control Statement, please refer to the Market Observation Post System at: Single Company → Corporate Governance → Corporate Regulations/Internal Control → Public Announcement of Internal Control Statement. <https://mops.twse.com.tw/mops/#/web/t06sg20>
2. When commissioned Certified Public Accountant(s) in the review of the internal control system, the review report shall be disclosed: None.

(XI) In the latest year until the date as of Annual Report issuance, and board the shareholders' meeting had resolved significant decisions

2024 Annual General Meeting of Shareholders

1. Date and Time: 10:00 am Thursday, May 30, 2024
2. Address: B2, No.97, Sec. 2, Dunhua S. Rd., Taipei City, R.O.C.
3. Resolutions of recognition matters, election matters and other proposals, and their implementation

Subject	Resolution	Implementation
Proposal for 2023 annual business report and consolidated and individual financial report	According to the voting results: there were 136,409,436 voting rights in favor (including 130,613,476 voting rights exercised electronically) accounted for 97.24% of the voting rights of shareholders present; there were 311,000 voting rights not in favor (including 311,000 voting rights exercised electronically); there were 3,555,884 forfeited voting rights (including 3,441,507 voting rights exercised electronically); and there was 0 invalid voting rights. The proposal was approved as it was.	It shall be handled and announced in accordance with the resolutions of the general meeting of shareholders
Proposal for distribution of 2023 earnings	According to the voting results: there were 136,404,253 voting rights in favor (including 130,608,293 voting rights exercised electronically) accounted for 97.23% of the voting rights of shareholders present; there were 335,671 voting rights not in favor (including 335,671 voting rights exercised electronically); there were 3,536,396 forfeited voting rights (including 3,422,019 voting rights exercised electronically); and there was 0 invalid voting rights. The proposal was approved as it was.	The distribution was completed according to the resolution of the general meeting of shareholders, and the cash dividend was NT\$ 3.44. Ex-dividend date: June 24, 2024 Payment date: July 15, 2024
The election of the 10th Board of Directors	Candidate	
	Director	Capital Securities Corp. Representative: Chia, Chung-Tao
		Elected votes
	Director	Capital Securities Corp. Representative: Lee, Wen-Chu
		Elected votes
	Director	Capital Securities Corp. Representative: Liu, Ching-Tsun
		Elected votes
	Director	Hung Yeh Investment Co., Ltd.
		Elected votes
MOEA approved the amendment registration on June 27, 2024		

Subject	Resolution			Implementation
		Representative: Wang, Hui-Chin	votes	
	Independent Director	Lin, Juh-Cheng	128,025,693 votes	
	Independent Director	Hsiao, Nai-Ching	129,439,315 votes	
	Independent Director	Wu, Yung- Sheng	128,894,807 votes	
Proposal for terminating non-competition restrictions on directors of the Company	According to the voting results: there were 136,118,703 voting rights in favor (including 130,322,743 voting rights exercised electronically) accounted for 97.03% of the voting rights of shareholders present; there were 449,127 voting rights not in favor (including 449,127 voting rights exercised electronically); there were 3,708,490 forfeited voting rights (including 3,594,113 voting rights exercised electronically); and there was 0 invalid voting rights. The proposal was approved as it was.			It shall be handled and announced in accordance with the resolutions of the general meeting of shareholders

In the latest year until the issuance date of Annual Report, the board had resolved significant decisions:

Date	Summary of Important Agenda	Director
2024/1/23 21st meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>• Making related foreign futures trading through British Marex Financial and the affiliates of Marex Group to which it is affiliated</li> <li>• Amendment to the Company's Guidelines for Dealing with the Disputes from Consumers</li> <li>• Amendment to the Company's Guideline for Securities IB Direct Sales Bonus</li> <li>• Amendment to the Company's Table of Professional Titles and The Titles on External Business Card</li> <li>• Proposal for changing and appointing directors for the subsidiary, CSC Futures (HK) Ltd.</li> <li>• Proposal for appointing chairman, director and supervisor and employing president for True Partner Capital Technology (Chengdu) Co., Ltd., i.e. the re-investee of the subsidiary Capital International Technology Corp.</li> <li>• Proposal for 2023 performance evaluation results for supervisors at managerial level (inclusive) and above</li> <li>• Proposal for 2023 year-end bonus distribution for supervisors at managerial level (inclusive) above</li> <li>• Proposal for paying festival bonus to the persons above manager level (inclusive) and bonus to Proprietary Trading Department, Securities Proprietary Trading Department and Advisory Department in the 2nd half of 2023</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/3/12 22nd meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>• Proposal for 2023 Employee and Director Remuneration Distribution</li> <li>• Proposal for 2023 Annual Business Report and Consolidation and Individual Financial Report</li> <li>• Proposal for 2023 Profit Distribution</li> <li>• 2024 certified accountant independence assessment</li> <li>• 2024 Annual Quotation of Accountants' Auditing Fees</li> <li>• The Company's 2024 "Treating Customer Fairly Principle" Evaluation Form</li> <li>• 2023 Anti-Money Laundering and Counter-Terrorism Financing Internal Control System Declaration</li> <li>• Proposal for 2023 Design and Implementation Declaration of Internal Control System</li> <li>• Amendment to the Company's Internal Control System</li> <li>• Amendment to the Rules of Procedures for Board of Directors and the Rules of Procedures for Audit Committee</li> <li>• Proposal for change to and promotion of the supervisors of Omni-Channel Department and Foreign Institutional Clients Department</li> <li>• Proposal for promotion of the deputy supervisor of Research &amp; Development Department</li> <li>• Proposal for exempting the deputy supervisor of the branch in Taichung from concurrent service</li> <li>• Proposal for promotion of the supervisors at manager level (inclusive) or above in 2024</li> <li>• Proposal for changing and appointing directors for the subsidiary, CSC Futures (HK) Ltd.</li> <li>• Proposal for the number of directors to be elected for the Company's 10th Board of Directors</li> <li>• Determine the date, venue and agenda of the 2024 Annual General</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun</p> <p>Independent Directors: Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng</p> <p>Director Wang, Hui-Chin entrusted chairman Chia, Chung-Tao to act for her</p>

	Meeting of Shareholders, accepting proposals from shareholders holding more than 1% of the shares and nominating candidates for directors (including independent directors)	
2024/4/16 23rd meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>Proposal for promotion and employment of the supervisor of Transaction Division III of the Proprietary Trading Department</li> <li>Amendment of the Company's "Guideline for Employee Performance Evaluation"</li> <li>Amendment to the Company's Table of Professional Titles and The Titles on External Business Card</li> <li>Proposal for reclassification of the Company's job levels and titles</li> <li>Proposal for nomination of candidates for the 10th Board of Directors (including Independent Directors)</li> <li>Proposal for terminating the non-competition restriction on directors and their representatives, which is submitted to the Annual General Meeting of Shareholders for approval</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/5/13 24th meeting of the 9th Board of Directors	<ul style="list-style-type: none"> <li>Consolidated financial statements of the 1st quarter of 2024</li> <li>Proposal for the Company's board wages and remuneration adjustment for supervisors at managerial-level (inclusive) and above in 2024</li> <li>Proposal for 2023 employee compensation</li> <li>Proposal for 2023 director's remuneration distribution</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Chen, Kuo-Tay; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/5/30 1st meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Proposal for electing the Company's Chairman</li> <li>Proposal for appointment of the 6th Remuneration Committee members</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/6/26 2nd meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Improvement plan for the deficiencies mentioned in the penalty case of the FSC on May 6, 2024</li> <li>Establishment of the "Financial Innovation Department" and Amendment of the Company's "Organization Regulations"</li> <li>Proposal for promotion of the supervisor of Financial Innovation Department</li> <li>Proposal for extension of the period for implementation of the Guideline for Managed Futures Department Bonus</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/7/30 3rd meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>The performance bonus for the Transaction Division III of the Proprietary Trading Department in the 1st half of 2024 is calculated based on the total of realized and unrealized gains and losses</li> <li>Amendment to the "Guideline for Bonus Distribution of Proprietary Trading Department"</li> <li>Proposal for the promotion of personnel of Securities Investment Consulting Department</li> <li>Proposal for the 1st half of 2024 performance evaluation results for supervisors at managerial level (inclusive) and above</li> <li>Proposal for the appointment of the directors and supervisors, and the renewal of the president of the subsidiary True Partner Capital Technology (Chengdu) Co., Ltd.</li> <li>Proposal for the Company's 10th Board of Directors' travel expenses, attendance fees, director remuneration distribution principles, and functional committee attendance fees</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>

2024/8/22 4th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Individual and Consolidated Financial Report for the 1st half of 2024 (January 1 to June 30)</li> <li>Amendment to the Company's Internal Control System</li> <li>Formulation of the Guidelines for Entrusting Others</li> <li>The 2023 Sustainability Report of the Company</li> <li>Exemption of calculating the lost amount of the bonus calculation basis for the Securities Proprietary Trading Department for the periods from July 1 to December 31, 2023, and from January 1 to May 31, 2024</li> <li>Proposal for changing and appointing directors for the subsidiary, CSC Futures (HK) Ltd.</li> <li>Proposal for the official appointment and employment of the managing director of the subsidiary CSC Futures (HK) Ltd.</li> <li>Proposal for employment of the supervisor for the Digital Planning Office under the Digital Growth Department</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/9/30 5th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Proposal for the Company's futures manager business intending to apply for an increase of NT\$50 million in allocated working capital.</li> <li>Proposal for promotion and official appointment of the supervisor of the Sales Division II of the Taichung Branch</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2024/11/7 6th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Amendment to the Guidelines for Professional Acceptance Investors for the Trading Business under Leveraged Margin Contracts and for Knowing and Evaluating Your Customers and Products</li> <li>Proposal for Taichung Branch intending to promote and invite the businesses of the futures manager business concurrently</li> <li>Improvement plan for the deficiencies mentioned in the penalty case of the FSC on August 6, 2024</li> <li>Consolidated financial statements of the 3rd quarter of 2024</li> <li>Amendment to the Company's Internal Control System</li> <li>The Company's audit plan for 2025</li> <li>Set the Company's customer fair treatment KPI from January to December 2025</li> <li>Amendment to the Procedures for Handling Material Inside Information</li> <li>Amendment to the Corporate Governance Best-Practice Principles</li> <li>Amendment to the "Business Approval Authority Table"</li> <li>Proposal for reassignment and transfer of Chen, Yung-Lin, Senior Vice President of Omni-Channel Department</li> <li>Proposal for the Company's salary adjustment for supervisors at managerial-level (inclusive) and above</li> <li>Amendment to the "Guideline for Festival Bonuses Distribution"</li> <li>Amendment to the "Guideline for Employee Year-End Bonus Distribution"</li> <li>Proposal for 2024 year-end bonus based on two-month basic salary</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p> <p>Director Wang, Hui-Chin entrusted chairman Chia, Chung-Tao to act for her</p>
2024/12/9 7th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Proposal for the Company issuing new shares for cash capital increase in 2024 in order to increase the working capital to meet the needs of long-term business development</li> <li>Proposal for change to the manager of futures brokerage business</li> <li>Proposal for extension of Chang, Mu-Min, special member of Omni-Channel Department, after reaching the retirement age</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>

2025/1/14 8th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>Improvement Plan for the Ratio of Adjusted Net Capital of Futures Dealers to Total Customer Margin Required for Unwritten Positions of Futures Dealers of the Company</li> <li>Proposal for 2025 Annual Operating Plan and Budget</li> <li>Matters related to the determination of the subscription base date of the Company's cash capital increase in 2024</li> <li>Proposal for cash capital increase and employee share subscription of the Company in 2024</li> <li>Proposal for 2024 performance evaluation results for supervisors at managerial level (inclusive) and above</li> <li>Proposal for 2024 year-end bonus distribution for supervisors at managerial level (inclusive) above</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Wang, Hui-Chin</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>
2025/3/6 9th meeting of the 10th Board of Director	<ul style="list-style-type: none"> <li>2024 Anti-Money Laundering and Counter-Terrorism Financing Internal Control System Declaration</li> <li>Proposal for 2024 Design and Implementation Declaration of Internal Control System</li> <li>Amendment to the Company's Internal Control System</li> <li>Amendment to the Procedures for Handling Material Inside Information</li> <li>Amendment to the Articles of Association</li> <li>Proposal for employment of the head of the Securities Channel Division, Omni-Channel Department</li> <li>Proposal for promotion and official appointment of the supervisor of the Sales Division IV of the Taichung Branch</li> <li>Proposal for promotion of the supervisors at manager level (inclusive) or above in 2025</li> <li>Proposal for 2024 Employee and Director Remuneration Distribution</li> <li>Proposal for 2024 Annual Business Report and Consolidation and Individual Financial Report</li> <li>Proposal for 2024 Profit Distribution</li> <li>2025 certified accountant independence assessment</li> <li>2025 Annual Quotation of Accountants' Auditing Fees</li> <li>Determine the date, venue and agenda of the 2025 Annual General Meeting of Shareholders and accepting proposals from shareholders holding more than 1% of the shares</li> </ul>	<p>Directors: Chia, Chung-Tao; Lee, Wen-Chu, Liu, Ching-Tsun; Lin, Tzu-Yi</p> <p>Independent Directors: Lin, Juh-Cheng; Hsiao, Nai-Ching; Wu, Yung-Sheng</p>

(XII) The main content of the record or written statement of different opinions raised by directors or supervisors on the important resolutions approved by the Board of Directors in the most recent year to the issuance date of the annual report: None.

(XIII) The most recent annual education and training for managers, directors, and supervisors to participate in corporate governance

Name	Organizer	Course name	Date	Hours
Chairman Chia, Chung-Tao	Taiwan Institute of Directors	How to Achieve Corporate Growth through Strategic M&A	2024/5/2	3
	Taiwan Corporate governance association	Data Center Re-Evolution: Silicon Photonics and Artificial Intelligence Server Development Trends	2024/8/16	3
Director Lee, Wen-Chu	Taiwan Academy of Banking and Finance	Practice of Influence Investing in SDGs	2024/4/18	3
	Securities & Futures Institute of R.O.C.	Institutional Investor Perspective Forum	2024/6/3	3
	Taiwan Stock Exchange Corporation	Summit on Strengthening Taiwan's Capital Market	2024/9/30	3



Name	Organizer	Course name	Date	Hours
Director Liu, Ching-Tsun	Taiwan Securities Association	Domestic and International Net Zero Transformation Related Trends and Corporate Response Strategies	2024/8/5	3
	Taiwan Securities Association	The Framework and Value of Corporate Sustainability Report	2024/9/11	3
	Taiwan Securities Association	Development trends of and international standards for digital evidence and digital identification	2024/10/16	3
	Taiwan Securities Association	How to analyze important business information from financial statements	2024/11/13	3
Director Wang, Hui-Chin	Securities & Futures Institute of R.O.C.	Legal and Transaction Practices of Mergers and Acquisitions	2024/7/4	3
	Securities & Futures Institute of R.O.C.	Shareholders' Meeting, Management Rights and Equity Strategy	2024/12/12	3
Independent Director Lin, Juh-Cheng	Taiwan Securities Association	The Framework and Value of Corporate Sustainability Report	2024/9/11	3
	Taiwan Corporate governance association	Innovative Thinking for Corporate Growth in the AI Era	2024/11/12	3
	Taipei Foundation of Finance	Offense and Defense Strategies for Non-Consensual Mergers and Acquisitions and Related Corporate Governance Issues	2024/12/2	3
	Securities & Futures Institute of R.O.C.	Seminar on Expanding Asian Asset Management Landscape with Derivatives	2024/12/25	3
Independent Director Hsiao, Nai-Ching	Taiwan Corporate governance association	Discussion on Utilization of Employee Compensation Strategies and Tools	2024/7/9	3
	Taiwan Corporate governance association	Digital Transformation of Enterprises: How to Take into Account the Intelligence, Security and Risks to Create a Win-Win-Win Situation	2024/8/13	3
Independent Director Wu, Yung-Sheng	Taiwan Corporate governance association	How to Improve Corporate Governance through TIPS Intelligent Financial Management	2024/8/7	3
	Taiwan Corporate governance association	Global Trend Analysis - Risks and Opportunities	2024/11/7	3

Title/Name	Organizer	Course name	Date	Hours
Head of Corporate Governance Chen, Chi-Hao Senior Executive Vice President	Taiwan Stock Exchange Corporation	Promotion Symposium for the Strategies for Implementation of Sustainable Development and Transition in Securities Industry	2024/4/25	2
	Chinese National Futures Association	Promotion Symposium for the Strategies for Implementation of Sustainable Development and Transition in Futures Industry	2024/5/24	3
	Taiwan Securities Association	Principle of Fair Customer Treatment Principle and Ethical Corporate Management	2024/3/27	3
		Domestic and International Net Zero Transformation Related Trends and Corporate Response Strategies	2024/8/5	3
	Securities & Futures Institute of R.O.C.	2024 Prevention of Insider Trading Advocacy Conference	2024/9/20	3
		2024 Insider Equity Transaction Legal Compliance Advocacy Conference	2024/10/25	3
		Sustainability Committee and Seminar for Chief Sustainability Officers	2024/12/4	3

Title/Name	Organizer	Course name	Date	Hours
Chief Information Security Officer Ho, Cho-I Executive Vice President	Taiwan Stock Exchange Corporation	Information Security Conference for Securities Dealers	2024/5/2	3
		Information Security Conference for Securities Dealers	2024/10/8	3
		Chief Information Security Officer Liaison Meeting in Securities and Futures Market	2024/10/18	3
		Information Business Seminar for Securities Dealers	2024/12/6	3
	Chinese National Futures Association	Promotion Symposium for the Strategies for Implementation of Sustainable Development and Transition in Futures Industry	2024/5/24	3
	Taiwan Securities Association	Information Security Training Program	2024/5/27~2024/5/29	15
Head of accounting Lin, Li-Chuan Executive Vice President	Chinese National Futures Association	On-the-Job Training for Futures Manager Business	2024/3/23~2024/3/24	12
		On-the-Job Training for Sales Personnel of Leveraged Traders	2024/8/24	6
	Taiwan Securities Association	On-the-Job Training for Foreign Exchange Derivatives	2024/8/3	6
	Accounting Research and Development Foundation	Continuing education for accounting supervisor	2024/9/19~2024/9/20	12
Auditing Officer Lian, Jing-Lian Senior Vice President	Chinese National Futures Association	On-the-Job Training for Futures Practitioners	2024/3/8~2024/3/9	6
		On-the-Job Training for Futures Manager Business	2024/8/3~2024/8/4	12
		On-the-Job Training for Sales Personnel of Leveraged Traders	2024/8/24	6
	Taiwan Securities Association	On-the-job training for anti-money laundering and counter-terrorism financing	2024/9/9~2024/9/10	6
	Accounting Research and Development Foundation	On-the-job Training for the Internal Auditors Related to Investment and Advising	2024/12/25	6

Title	Organizer	Course name	Head count	Hours
Other supervisors above manager level	Securities & Futures Institute of R.O.C.	On-the-job training for anti-money laundering and counter-terrorism financing	1	12
	Chinese National Futures Association		1	3
	Taiwan Securities Association		11	159
	Securities & Futures Institute of R.O.C.	Qualification Training for the Supervisors of Anti-Money Laundering Business Units	1	12
	Securities & Futures Institute of R.O.C.	Training for qualifications to serve as anti-money laundering and anti-terrorism persons and dedicated supervisors	1	24
	Taipei Foundation of Finance	Training for qualifications to serve as anti-money laundering and anti-terrorism persons and dedicated supervisors	1	24
	Chinese National Futures Association	Seminar for Analysis on Anti-Money Laundering Prevention / Counter-Terrorism Financing Laws and Orders and Cases	1	6
	Taiwan Securities Association	Risk Management Seminar - Mode	2	24
	Chinese National Futures Association	Financial Consumer Protection - Practical References for Serving Mentally Handicapped or Suspected Mentally Handicapped Individuals	1	3
	Taiwan Securities	Introduction and case study of Financial	1	3

Title	Organizer	Course name	Head count	Hours
	Association	Consumer Protection Act		
	Accounting Research and Development Foundation	Continuing training for the accounting supervisors of issuers, securities firms and stock exchanges	1	12
	Fast-Track Project Management Services Co., Ltd. DarenCademy	Fundamentals of Dynamic Scheduling	1	14
	Business Next Media Corp. School of Business Next Media	The Technique of Leading People Two-Day Course: Coaching Leadership x Key Direction	3	45
		In-depth Membership Management	2	15
		Practicing OKR! Creating Challenging Teams	2	15

#### IV. Information in public fees of the Certified Public Accountant Association

Unit: Expressed in Thousands of NT Dollars

Auditor's firm	Name of CPA	CPA auditing period	Audit remuneration	Non-audit remuneration	Total	Remark
KPMG	Wu, Cheng-Yen	January 2024 to December 2024	1,870	995	2,865	
	Chen, Yi-Jen					

As for non-audit remuneration, the services include tax services, confirmation on sustainability reports, greenhouse gas declaration confirmation report, application for issuance of invoices for taxes, payment of printing and courier fees for the company, review on staff salary sheet, and review on additional submissions.

- (I) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year: None.
- (II) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more: None.

#### V. Information on replacement of certified public accountant: If the company has replaced its certified public accountant within the last 2 fiscal years or any subsequent interim period

- (I) Former CPA

Date of replacement	March 13, 2023		
Reason and description for replacement	KPMG changed the certified accountants for financial statements from Wu, Cheng-Yen and Chung, Tan-Tan into Wu, Cheng-Yen and Chen, Yi-Jen from the 1st quarter 2023, in order to comply with Article 68 of the Standard on Quality Control 1 “Quality Control System of the CPA Firm”.		
Description on Appointer or CPA	Main parties to the dispute/status of the dispute	CPA	Mandating party
Terminated or discontinued the engagement	Voluntarily ended the engagement	V	
	Declined further engagement		
An audit report expressing other than an unqualified opinion during the 2 most recent years, furnish the opinion and reason.	None		
Disagreement between the company and the certified public accountant	Yes		Accounting principles or practices
			Financial report disclosure
			Auditing scope or procedure
			Other
	None	V	
	Note		

Additional Disclosures (Those should be disclosed under Item 1-4 to Item 1-7, Paragraph 6, Article 10 of this Guideline)	None
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(II) Regarding the successor certified public accountant

Auditor's firm	KPMG
Name of CPA	Wu, Cheng-Yen & Chen, Yi-Jen
Date of engagement	March 13, 2023
Pre-engagement regarding the accounting treatment of or application of accounting principles to a specified transaction and the type of audit opinion that might be rendered on the company's financial report and the subjects discussed during those consultations and the consultation results	None
Written opinions of the successor accountants on matters with which the predecessor accountants disagreed	None

(III) The reply letters on Item 1 and 2-3, Subparagraph 6, Article 10 of Regulations Governing the Preparation of Financial Reports from the previous CPA: None.

**VI. Where the company's chairperson, president, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed:**  
None.

**VII. The status of changes that directors, supervisors and shareholders holding more than 10 percent of outstanding shares had transferred and pledged their shares:**

- (I) Shareholder Equity Transfer: please refer to the Market Observation Post System at: Single Company → Changes in Shareholdings/Issuance of Securities → Equity Transfer Information Inquiry → Post-Transaction Declaration Form for Insider Shareholding Changes. [https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)
- (II) The Status of Changes in Share Pledge: None.
- (III) Counterparty in any such transfer or pledge of equity interests is a related party: None.

## VIII. Information disclosing the relationship between any of the company's top ten shareholders

### The interrelationship among the Company's Top Ten Shareholders

Base date: March 31, 2025; Unit: shares

Name	Shares held in own name		Shareholdings of spouse and underage children		Shares held in the names of others		Among the top 10 shareholders, there are related parties, spouse to each other, and kindred within the 2nd tier under the Civil Code, and the name and affiliation, if applicable		Remark
	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Name	Relation	
Capital Securities Corp. Representative: Chou, Hsiu-Chen	138,619,711	55.46%	0	0	0	0	-	-	-
Hontai Life Insurance Co., Ltd. Representative: Li, Chi-Hsien	5,562,688	2.23%	0	0	0	0	-	-	-
Zengmao Investment Co., Ltd. Representative: Lee, Yi-Hui	4,362,927	1.75%	0	0	0	0	-	-	-
Fengyang Investment Co., Ltd. Representative: Wang, Hui-Chin	2,301,037	0.92%	0	0	0	0	-	-	-
Chang Hwa Commercial Bank Co., Ltd. in custody for Mega Taiwan ESG Sustainable High Dividend Equal Weight ETF Securities Investment Trust Account	2,016,574	0.81%	0	0	0	0	-	-	-
GAINS Investment Corporation Representative: Wu, Chun-Hui	1,632,210	0.65%	0	0	0	0	-	-	-
Hua Nan Securities Co., Ltd. Representative: Huang, Chin-Ming	1,536,000	0.62%	0	0	0	0	-	-	-
Standard Chartered International Commercial Bank Sales Department in custody for JP Morgan Securities Co., Ltd. Investment Account	1,075,197	0.43%	0	0	0	0	-	-	-
Yingqun Investment Co., Ltd.	733,015	0.29%	0	0	0	0	-	-	-

Name	Shares held in own name		Shareholdings of spouse and underage children		Shares held in the names of others		Among the top 10 shareholders, there are related parties, spouse to each other, and kindred within the 2nd tier under the Civil Code, and the name and affiliation, if applicable		Remark
	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Name	Relation	
Representative: Chang, Yen-Chih	20,893	0.01%	0	0	0	0	-	-	-
Tianshan Investment Co., Ltd. Representative: Chang, Tien-Li	584,300	0.23%	0	0	0	0	-	-	-

## IX. Shares Held by the Company, Directors, Managers and Companies Directly or Indirectly Control the Company, and the Comprehensive Shareholding Ratio Based on Combined Calculation

### Comprehensive shareholding ratio

March 31, 2025; Unit: Thousands of shares; %

Reinvestment business	Invested by the Company		Investment held by directors, supervisors, managers, and directly or indirectly controlled enterprises		Aggregate investment	
	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding	Quantity	Ratio of shareholding
CSC Futures (HK) Ltd.	220,000	100	0	0	220,000	100
Capital International Technology Corp.	5,000	100	0	0	5,000	100
Capital True Partner Technology (Chengdu) Co., Ltd.	510	51	0	0	510	51
Capital Futures Technology (Shanghai) Co., Ltd.	4,000	100	0	0	4,000	100

Note: Long term investment in equity method by the Company.



# Chapter III. Capital Overview

## I. Capital and shares

### (I) Share category and sources of share capital

#### 1. Share category

Unit: Shares

Share category	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Common shares	249,937,584	62,416	250,000,000	Listed stock

#### 2. Sources of share capital

Year / month	Price of issue	Authorized capital		Paid-up capital		Remark		
		Quantity	Amount	Quantity	Amount	Sources of share capital	Paid in properties other than cash	Other
1997.02	NT\$10/share	20,000,000	200,000,000	20,000,000	200,000,000	Share capital initiation	None	-
1997.11	NT\$10/share	120,000,000	1,200,000,000	45,000,000	450,000,000	Capital increase by cash 250,000,000	None	Note 1
2003.11	NT\$10/share	120,000,000	1,200,000,000	61,500,000	615,000,000	Private equity offerings 165,000,000	None	Note 2
2009.03	NT\$27.5/share	120,000,000	1,200,000,000	67,650,000	676,500,000	IPO share capital increase of 61,500,000	None	Note 3
2009.07	NT\$10/share	120,000,000	1,200,000,000	75,226,800	752,268,000	Earning 75,768,000 was converted into share capital in 2008	None	Note 4
2010.06	NT\$10/share	120,000,000	1,200,000,000	84,630,150	846,301,500	Earning 94,033,500 was converted into share capital in 2009	None	Note 5
2011.07	NT\$10/share	120,000,000	1,200,000,000	92,246,863	922,468,630	Earning 76,167,130 was converted into share capital in 2010	None	Note 6
2013.08	NT\$10/share	120,000,000	1,200,000,000	100,087,847	1,000,878,470	Earning 78,409,840 was converted into share capital in 2012	None	Note 7
2014.06	NT\$23.3/share	120,000,000	1,200,000,000	119,997,847	1,199,978,470	Capital increase in 2014 199,100,000	None	Note 8
2015.07	NT\$10/share	250,000,000	2,500,000,000	122,397,804	1,223,978,040	Earning 23,999,570 was converted into share capital in 2015	None	Note 9
2017.02	NT\$31.38/share	250,000,000	2,500,000,000	160,397,804	1,603,978,040	Capital increase in 2016 380,000,000	None	Note 10

2018.08	NT\$10/share	250,000,000	2,500,000,000	176,437,584	1,764,375,840	Capital surplus 160,397,800 converted into share capital in 2017	None	Note 11
2020.03	NT\$34.4/share	250,000,000	2,500,000,000	210,437,584	2,104,375,840	Capital increase in 2019 340,000,000	None	Note 12
2025.03	NT\$52.8/share	250,000,000	2,500,000,000	249,937,584	2,499,375,840	Capital increase in 2024 395,000,000	None	Note 13

- Note: 1. Securities and Futures Bureau Official Letter (1997) Tai-Tsai-Cheng No. 84102 on November 27, 1997.  
2. Securities and Futures Bureau Official Letter Tai-Tsai-Cheng-Chi-Tzu No. 0920154585 on November 27, 2003.  
3. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 0980012451 on March 31, 2009.  
4. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 0980032927 on July 2, 2009.  
5. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 0990032848 on June 25, 2010.  
6. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1000033210 on July 18, 2011.  
7. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1020028556 on July 22, 2013.  
8. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1030014783 on May 7, 2014.  
9. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1040025089 on July 3, 2015.  
10. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1050044467 on November 15, 2016.  
11. Financial Supervisory Commission declaration takes effect on July 4, 2018.  
12. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1090300222 came into effect on January 30, 2010.  
13. Financial Supervisory Commission Official Letter Chin-Kuan-Cheng-Chi-Tzu No. 1130367295 came into effect on January 2, 2025.

(II) List of major shareholders:

Base date: March 31, 2025		
Shares	Number of shares held (share)	Ratio of shareholding (%)
Name of major shareholders:		
Capital Securities Corp.	138,619,711	55.46
Hontai Life Insurance Co., Ltd.	5,562,688	2.23
Zengmao Investment Co., Ltd.	4,362,927	1.75
Fengyang Investment Co., Ltd.	2,301,037	0.92
Chang Hwa Commercial Bank Co., Ltd. in custody for Mega Taiwan ESG Sustainable High Dividend Equal Weight ETF Securities Investment Trust Account	2,016,574	0.81
GAINS Investment Corporation	1,632,210	0.65
Hua Nan Securities Co., Ltd.	1,536,000	0.62
Standard Chartered International Commercial Bank Sales Department in custody for JP Morgan Securities Co., Ltd. Investment Account	1,075,197	0.43
Yingqun Investment Co., Ltd.	733,015	0.29
Tianshan Investment Co., Ltd.	584,300	0.23

(III) The Company's dividend policy and fact of implementation thereof.

1. The dividend policies stated in the Company's Articles of Association is to ensure long-term financial stability and business development while satisfying the needs for future growth, and thereby maximizing shareholders' interests. With regard to the Company's earnings in each fiscal year, after all taxes and dues have been paid and losses in previous years have been covered, the Company shall first set aside 10% as legal reserve, 20% as special reserve, and other reserve specified by relevant regulations. The Company should add the remaining balance to the undistributed earnings in previous years, and then distribute at least 10% of it as dividends. Earnings may be distributed in the form of cash dividend or stock dividend, but the percentage of cash dividend for the year should not be less than 10% of the total dividend for the year. Dividend may not be distributed if an annual loss occurs, and the loss should be first made up if retained earnings are used for dividend distribution.
2. Proposed dividend distribution at the 2024 Annual General Meeting of Shareholders:

The Company's net profit after tax in 2024 was NT\$1,190,927,467. After adding the accumulated undistributed earnings from the previous year of NT\$883,587, and the adjusted undistributed earnings of the current period of NT\$12,949,143, the distributable earnings are NT\$1,204,760,197. The Company's Articles of Association provide for the earnings distribution as follows:

- (1) The amount of legal reserve is NT\$119,146,480.
- (2) The amount of special reserve is NT\$238,292,961.
- (3) It was resolved for acceptance in the meeting of the board of directors that cash dividends to distribute are, rounded to the nearest integer, NT\$707,323,363 (at NT\$2.83 per share on the basis of 249,937,584 outstanding shares). The total payment of shares of odd lots shall be counted as other revenue of the Company, as for the unappropriated retained earnings in the end of term is NT\$139,997,393. The chairman is authorized to set the dividend day and related issues upon the finalization of the general meeting of shareholders.

If the number of outstanding shares is affected by the later change in the capital of the Company, simultaneously the shareholders of the dividend payout ratio needs to be revised, the chairman will be authorized by the shareholder meeting to deal with the relevant issue.

(IV) The impact of issuance of bonus shares proposed in the present shareholders' meeting upon the Company's business performance and earning per share: Not applicable.

(V) Remuneration for Employee, Director and Supervisor

1. The percentages or ranges with respect to the remuneration of employee, director, and supervisor, as set forth in the Company's Articles of Association. According to Article 27 of the Articles of Association, employees' remuneration shall be distributed at 0.6% to 2% of the profit for the year, and directors' remuneration shall be distributed at a rate not exceeding 3% of the profit for the year where accumulated loss shall be made up first. The employees' compensation can be in the form of shares or cash. And such compensation may apply to the employees of the Company's parents or subsidiaries who meet certain

specific requirements which shall be determined by the board of directors.

2. The accounting process for discrepancies between the actual distribution and the grounds to estimate the remuneration of employees, directors and supervisors in the current period and the grounds to calculate the number of shares distributed for employee compensation: The Company estimates the amounts of employee and director remuneration based on the profit before tax for the year, prior to deducting employee and director remuneration, in accordance with the allocation percentages prescribed in the Articles of Incorporation. Any differences between the estimated and actual amounts distributed will be recognized in the following year's profit or loss.
3. The Company's profit before deducting the remuneration of directors and employees in 2024 was NT\$1,496,354,454. According to the Company's Articles of Association, the Board of Directors resolved to distribute NT\$17,357,712 in employee compensation, representing 1.16% of the profit for the year and NT\$17,357,712 in directors' remuneration, representing 1.16% of the profit for the year, all paid in cash. The employee remuneration and directors' remuneration in 2024 have no difference from the amount resolved by the Board of Directors.
4. The Company's cash remuneration distribution in 2023 were NT\$ 14,748,884 to employees and NT\$ 14,748,884 to directors, based on the remuneration distribution plan approved by the Board of Directors. The employee remuneration and directors' remuneration in 2023 have no difference from the amount resolved by the Board of Directors.

(VI) Repurchase of the Company's shares during the latest financial year, up to the publication date of this annual report: None.

**II. Any issuance corporate bonds, preferred shares, global depository receipts, and employee stock warrants, and new restricted employee shares, and the status of implementation: None.**

**III. Depositary Receipts and Employee Share Subscription Warrant Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.**

**IV. Financing Plans and Execution Status: Please refer to Market Observation Post System at: Single Company → Changes in Shareholdings/Issuance of Securities → Fundraising → Fundraising Plan Execution.**  
**[https://mopsov.twse.com.tw/mops/web/bfhtml\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtml_q2)**

# Chapter IV. Operation Highlights

## I. Business activities

### (I) Scope of business operation

The main business scope of Capital Futures includes Taiwan futures clearing-settlement, Taiwan and foreign futures brokerage trading, security proprietary trading, option market maker trading, futures manager discretionary, securities introducing broker and futures advisory and project planning of derivative financial product research, etc. In addition to the brokerage trading and clearing business of Taiwan futures, Capital Futures provides brokerage trading of futures in global markets such as the United States, Singapore, Hong Kong, Europe, and Japan, and leads the industry in establishing transaction system to directly link the exchanges in various countries.

1. The main contents of the company's businesses: futures brokerage business, futures proprietary business, futures consulting business, futures management business, securities trading assistant, securities investment consulting business, securities dealers, and leveraged trader.
2. Proportion of main business income

Unit: NT\$ Thousand

Item \ Year	2023		2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Brokerage fee revenue	1,631,578	74	1,926,445	73
Futures commission revenue	301,191	14	319,734	12
Net gains (losses) on derivative instruments	311,836	14	170,406	7
Advisory fee revenue	6,418	0	11,847	1
Other	(38,446)	(2)	210,944	7
Total	2,212,577	100	2,639,376	100

Source: Consolidated financial statements audited and certified by CPA.

3. The current merchandise (services) items of the Company

Order acceptance:

Futures and options contracts in Taiwan Futures Exchange.

Futures and options for US, Singapore, Japan, Hong Kong, and European stocks.

Clearing on behalf of: Acting for proprietary clients and futures merchants to clear and deliver commodities on the TAIFEX.

Proprietary Trading:

Buy and sell domestic and foreign futures and options

Act as a market maker for futures and option commodities, creating market liquidity.

Futures advisory:

Accept mandates to analyze and advise on futures trading related matters.

Publish books on futures.

Hold various futures seminars.

Securities introducing broker business:

Soliciting securities trading business from securities investors.

Acting on a securities firm's behalf to open accounts for securities investors.

Accepting securities trading orders from securities investors and delivering the orders to a securities firm for execution.

Acting on a securities firm's behalf to notify securities investors to settle securities transactions.

Futures managed business:

Accepting mandates from specified persons to conduct discretionary futures trading business.

Other related business approved by the competent authority.

Self-operated securities: Trading securities on its own in centralized trading markets and business premises.

Leverage Transaction Merchants: Leverage contract trading business.

4. New products (services) under development

- (1) The Company will research and develop new products for leveraged transaction independently to provide differentiated services to meet customer's demands.
- (2) The Company will continue to strive to open trading companies, meet the demands of spot customer groups by virtue of professional periods and current strategies, and position itself in niche markets.
- (3) The Company's subsidiary in Hong Kong will develop global "futures + securities" integrated businesses by taking advantage of its self-built platforms.

(II) Industrial profiles

1. The status quo and development of the industry

According Taiwan TAIEX statistics, the participants in the domestic futures market in 2024 includes 14 futures brokerage businesses with a total of 29 business outlets; 11 concurrent futures brokerage business with a total of 88 business outlets; 42 futures introducing broker with a total of 714 business outlets. On the other hand, there are 11 futures proprietary merchants and 17 concurrent proprietary merchants; Lastly, there are 18 general clearing members, 8 individual clearing members, and 8 clearing banks. Among the market participants, the Company is specialized in futures brokerage business, futures proprietary merchants, general clearing members, concurrent futures advisory, concurrent futures management, concurrent securities introducing broker, concurrent securities proprietary, and concurrent leverage transaction merchant, etc.

The increase in the number of accounts opened in the futures market slowed down. There were nearly cumulative 2.05 million accounts opened in the futures market as of the end of 2024, among which new accounts in 2024 were still mainly opened by natural persons, and the male and female who opened the accounts accounted for 67.38% and 32.62% respectively. The persons who opened the new accounts were mainly aged from 31 to 40 years old, accounting for 30.57%, and the persons who opened the new accounts and were aged from 20 to 30 years old accounted for 23.54%, which indicates that the active stock market increases young people's interest in the futures market. From the perspective of the gender and age of the traders, the proportion of male and female traders were 79.92% and 20.08% respectively of overall trading volume in 2024. The major trading group was the persons aged from 41 to 50 years old,

accounting for 33.14% of all traders, which is not much different from that of previous years.

Account opening status and transaction structure of traders

Year	The cumulative number of accounts opened				The proportion of market trading volume		
	Number of accounts opened by natural persons	Ratio	Number of accounts opened by legal persons	Ratio	Natural person	Legal person	
						Foreign investment	Total
2020	1,945,726	99.44%	10,863	0.56%	48.04%	26.03%	51.96%
2021	2,010,754	99.45%	1,1087	0.55%	48.27%	31.46%	51.73%
2022	1,939,161	99.43%	11,092	0.57%	48.47%	31.21%	51.53%
2023	1,958,340	99.43%	11,172	0.57%	48.11%	29.35%	51.89%
2024	2,041,499	99.44%	11,511	0.56%	47.27%	33.51%	52.73%

Source: TAIFEX website, prepared by the Company

The trading volume of Taiwan futures market reached 395 million lots in 2024, with an average daily volume of 1.634 million lots, both reaching record highs, exceeding 300 million lots for five consecutive years. The overall participation rate of legal persons also increased to 52.73%. The four main commodities are: Taiwan Index Options, Small Taiwan Index Futures, Stock Futures and Taiwan Stock Futures. Moreover, night trading continued to be very active, with the average daily volume of night trading accounting for 65.24% of the daily trading volume, fully utilizing the price discovery and hedging functions of the futures market.

The proportion of foreign involvement increased to 33.51%, indicating that the futures market provides a favorable trading environment for foreign investors to participate in the futures market. Among the remaining participants, natural persons accounted for 47.27% and other legal persons accounted for 1.24%, with no significant change than before, but the proportion of proprietary merchants (including market makers) dropped to 17.98%.

Trading structure of the participants in the futures and options trading market of Taiwan Futures Exchange

Unit: Thousand lots

Item	2020	2021	2022	2023	2024
Securities proprietary trading account	1,774	2,172	3,392	2,846	3,594
Futures proprietary trading account	170,195	150,547	147,611	138,153	142,186
Securities investment trust account	1,446	1,166	1,153	970	1,118
Foreign and Mainland Chinese investors	177,744	246,784	240,011	190,535	265,062
Futures managers and trust funds	261	488	631	354	137
Other institutional investors	3,336	4,589	3,400	4,057	4,992
Natural person	328,031	378,659	372,739	312,375	373,854

Source: TAIFEX, prepared by the Company

A number of major international events impacted the financial markets in 2024. The artificial intelligence issue continued to be a hot topic, boosting Taiwan's stock price and strong demand for related concept stocks, and driving related futures trading. In addition, the continuation of the Russia-Ukraine war and the tense situation in the Middle East, the first interest rate cut by the U.S. Federal Reserve in four years, the uncertainty before the U.S. presidential election, and the prevalence of Trump's deals after the election led to an increase in market volatility and risk aversion. This led to increased demand for trading and hedging in the stock and futures markets.

As Taiwan Futures Exchange continues to promote market innovation and development, information security measures are continuously strengthened for domestic futures to provide a stable trading environment in the market, and international institutional participants are developed actively to develop new opportunities and increase the proportion of foreign investment, and the niches and opportunities for development in Chinese market are advertised and promoted by participating in international conferences and exhibition to promote the mutual prosperity and development in futures industry and market.

2. Association among the upper-, mid- and lower streams

The social function of the futures industry is to provide stability to various major commodities, including stocks, foreign exchange, interest rates, agricultural products, precious metals, and energy; when the price fluctuates, the price risk is fixed for the commodity supplier or demander to ensure their business operates in a stable environment where the price risk is transferred to the futures market. Thus, the futures market is a place to match hedging, speculators, and arbitrageurs. Through the system, the pricing mechanism can be smoothly operate, and it is an essential market for the stable development of the world's free economy. This is different from the close relations with industries upstream, downstream and at the same level of the manufacturing industry.

3. Product development trends

At present, the main trading products can be divided into domestic futures, domestic options, and products in US, European, Japanese, Singapore and Hong Kong markets. Domestic futures are mainly concentrated in index futures, and domestic options are mainly concentrated in index futures options; US market's main products are foreign exchange futures, stock index futures, interest rate futures, gold futures, agricultural commodity futures and energy futures; European market's main products are stock index futures and commodity futures; Japanese market's main product is stock index futures; Singapore market's main products are A50 index, India Index and FTSE Taiwan index futures; Hong Kong market's main products are Hang Seng and H-share index, and Morgan Taiwan index futures. In recent years, the futures trading volume in various domestic and foreign markets are as follows:



## Commodities of TAIFEX

Unit: Thousand lots

Year	Futures	Options	Total
2020	139,152	202,241	341,393
2021	194,453	197,749	392,202
2022	183,312	201,156	384,468
2023	148,126	176,519	324,645
2024	201,704	193,768	395,472

Source: TAIFEX, prepared by the Company

## Commodities in overseas futures exchange

Unit: Thousand lots

Year	US Stock	Singapore Stock	Hong Kong Stock	Japan Stock	Other Stock	Total
2020	23,520	12,939	1,136	963	759	39,317
2021	22,202	11,781	1,366	758	1,160	37,267
2022	32,458	11,889	1,743	890	1,785	48,765
2023	26,690	10,292	1,876	1,213	1,796	41,867
2024	26,117	11,108	2,024	3,101	1,864	44,214

Source: TAIFEX, Chinese National Futures Association, prepared by the Company.

### 4. Competition status

The Company is a specialized futures merchant, and its main competitors are Yuanta Futures, President Futures, KGI Futures and SinoPac Futures, etc. The capital, net profit, and earnings per share before tax of competitors in 2024 are as follows:

#### Profits in 2024 compared with companies of the same industry

Item No.	Name of Futures Merchant	Number of shares issued (thousand shares)	Profit and loss before tax (NT\$ thousand)	Earnings per share before tax (NT\$)
1	Optiver Taiwan Futures (Proprietary)	60,000	977,336	16.29
2	Yuanta Futures	289,976	2,720,644	9.38
3	President Futures Corp.	66,000	514,600	7.80
4	KGI Futures	179,763	1,269,167	7.06
5	Capital Futures Corp.	210,438	1,461,639	6.95
6	SinoPac Futures	167,525	921,032	5.50
7	Cathay Futures Co., Ltd.	66,700	268,494	4.03
8	Masterlink Futures Corp.	70,000	196,545	2.81
9	Hua Nan Futures	43,500	109,790	2.52
10	Fubon Futures Co., Ltd.	260,000	529,841	2.04

Source: TAIFEX, prepared by the Company

### (III) Technology & know-how and research & development in summary

#### 1. Technologies and R&D:

The Company has a Research & Development Department established, with a number of professional researchers in financial field, which regularly provides the information in financial market and special research report, and develops commodities that combine stock and futures modules as leading in the industry, and which has successfully developed a balanced products with low risks and stable returns. And it also applies more effective investment strategies and risk management methods by utilizing data analysis, AI and other technologies to improve customers' trading experience and investment returns.

The Company is committed to promoting the development of financial technologies and smart transition, and improving service quality and customers' experience through innovation and R&D of technologies. Such "Happy Trader" stock purchase APP with the first mobile phone "Super-light Speed Purchasing" function as developed by the Company independently makes purchase on mobile phone as fast and efficient as that operated on computer and the "Smart Purchase Function", "Price Reminder" and "Smart Broadcasting" functions allow customers to keep track of global market trends, and provide real-time and valuable information to help customers to profit in the trading market.

#### 2. Intellectual property management:

The Company started digital transformation in 2020, and its sets 2021 as the first year of "digital growth". The Company promotes financial innovation actively to meet the various demands of customers. In view of the fact that intellectual property rights are the bases for a brand and innovation, the Company's intellectual property management strategies are to make arrangement for patents and obtain trademarks, based on the needs for promotion of business and digital transformation, to help the Company create commercial value, which not only can avoid any troubles to be caused by infringement on intellectual properties, but only can strengthen its advantages in market competition and provide customers with a better user experience, so as to help shareholders to obtain profits. As of 2024, the Company has obtained 5 patents and 10 trademarks. The Company continues to apply for business-related patents, trademarks and other intellectual property rights.

The Company regularly reports the implementation status of intellectual property management plans to the Board of Directors every year, and it has reported the implementation status of 2024 at the 8th meeting of the 10th Board of Directors on January 14, 2025. The Company strengthens corporate governance through management on intellectual properties.

The Company has about 30 to 40 R&D and FinTech persons in financial field, and it is expected to continue to invest NT\$40 million to NT\$60 million of R&D expenses in the future, accounting for 1% to 3% of the consolidated revenue. The R&D expenses invested in the most recent year are as follows:

Unit: NT\$ Thousand

Year	2022	2023	2024
Research and development expenses	48,878	56,888	59,495

(IV) Long- and short-term business development programs

1. Short-term development programs
  - (1) Futures + securities integrated development strategy: As to the integrated marketing and account opening for futures + securities brokerage businesses, personnel will get securities-related qualification and accept training on securities business-related ability. Enhance the promotion of individual stock day-trading and strategic trading.
  - (2) Digital and AI development strategy: Establish an AI department to lead the financial industry in fully developing financial services, system platforms, consulting services, and precision marketing. Design thinking is introduced to root the innovation DNA and make it an inheritable core competency of the Company.
  - (3) Innovative business strategy: The Company will develop new products for leveraged transaction independently to provide differentiated services to meet the needs of various customers. Expand the scale of future brokerage asset management.
  - (4) Talent cultivation and rotation strategy: the Company will list cultivation and introduction of outstanding talents as the KPIs of various departments, and the talents should be rotated properly to develop their potential. Expand the activities of Capital Futures' new employees, and search for talents through internships and training.
  - (5) ESG Green Finance Strategy: the Company will establish ESG goals and development strategies and review their effect in accordance with the policies and guidelines of competent authorities.
2. Long-term development programs
  - (1) The Company will further improve trading platform and develop advanced functions for smart orders and algorithmic trading, which will further increase the leading edges of systems and create a market positioning of "The best smart trading system" in securities and futures industry.
  - (2) The Company's subsidiary in Hong Kong will develop new markets in Southeast Asia by taking advantage of its self-built platforms.
  - (3) The Company will carefully provide employees with training to cultivate their new concepts, new technologies, and new market-related abilities, so that the Company can continue to transform upwards.
  - (4) The Company will strengthen the implementation of corporate governance, treating-customer-fairly, green digital finance, social services and other principles, and strive to safeguard shareholders' interests and achieve corporate sustainable development goals.

## **II. Overview of the market, production, and sales - an overview of the overall economic environment and trends in the industry**

(I) Market analyses

1. Sales (distribution) regions of key products (services) and market share  
Capital Futures is based in Taiwan and with a world vision. Including the Hong Kong subsidiary, Capital Futures is currently trading or clearing members of 12 domestic and foreign futures exchanges. Capital Futures leads the industry to

build a trading system that directly connects with exchanges in various countries which can directly place orders to various futures exchanges in the form of DMA (Direct Market Access), with fast, stable, and real-time operation. Capital Futures has changed the ecological rules of brokerage trading of foreign futures commodities for futures merchants in Taiwan and has established Capital Futures as an industry pioneer. The market share of foreign futures commodities in 2023 is 18.4%, which is the second largest futures merchant trading overseas futures and options in Taiwan. In addition, the Company has established Hong Kong office as a global trading center, providing one-stop service of “Hong Kong account opening and global trading”. The Company’s market share in the brokerage business of TAIFEX in 2023 was 7.97%, ranking third in the market.

#### Commodities of TAIFEX

Unit: Thousand lots

Ranking	2022			2023			2024		
	Futures Merchant	Brokerage volume	Market share %	Futures Merchant	Brokerage volume	Market share %	Futures Merchant	Brokerage volume	Market share %
1	Yuanta Futures	157,818	20.52	Yuanta Futures	121,790	18.76	Yuanta Futures	161,555	20.43
2	KGI Futures	142,351	18.51	KGI Futures	119,400	18.39	KGI Futures	160,044	20.23
3	Capital Futures Corp.	62,088	8.07	Capital Futures Corp.	51,752	7.97	Capital Futures Corp.	69,234	8.75
4	SinoPac Futures	46,871	6.10	SinoPac Futures	40,003	6.16	SinoPac Futures	47,089	5.95
5	President Futures Corp.	30,762	4.00	Fubon Futures Co., Ltd.	26,897	4.14	Fubon Futures Co., Ltd.	32,743	4.14
6	Fubon Futures Co., Ltd.	21,243	2.76	President Futures Corp.	26,321	4.05	President Futures Corp.	30,643	3.87
7	Concord Futures	20,493	2.67	Concord Futures	17,605	2.71	Concord Futures	19,730	2.49
8	Masterlink Futures Corp.	19,433	2.53	Masterlink Futures Corp.	16,017	2.47	Masterlink Futures Corp.	18,582	2.35
9	Hua Nan Futures	17,439	2.27	Hua Nan Futures	14,273	2.20	Hua Nan Futures	16,233	2.05
10	Jih Sun Futures Co., Ltd	17,324	2.25	IBF Futures Co., Ltd.	11,139	1.72	Cathay Futures Co., Ltd.	14,767	1.87

Source: TAIFEX, prepared by the Company

## Commodities in overseas futures exchange in 2024

Unit: Thousand lots

Ranking	Futures Merchant	CME G	SGX	HKEEx	EUREX	Japan Stock	ICE + Others	Subtotal	Market share (%)
1	Yuanta Futures	5,674	4,407	443	167	765	266	11,721	26.5
2	Capital Futures Corp.	5,870	1,502	377	402	263	275	8,689	19.7
3	KGI Futures	2,997	1,665	552	35	586	631	6,466	14.6
4	SinoPac Futures	2,336	815	261	23	339	145	3,919	8.9
5	Fubon Futures Co., Ltd.	2,228	914	175	61	212	84	3,674	8.3
6	President Futures Corp.	1,536	654	70	36	204	90	2,590	5.9
7	Concord Futures	1,616	176	43	14	146	51	2,047	4.6
8	Masterlink Futures Corp.	592	398	16	9	140	21	1,176	2.7
9	Cathay Futures Co., Ltd.	648	208	31	19	26	15	946	2.1
10	IBF Futures Co., Ltd.	486	206	19	3	148	59	922	2.1

Source: TAIFEX, Chinese National Futures Association, prepared by the Company.

Note: The foreign market number are the total number of trading lots of Taiwan futures merchants.

### 2. Future market supply and demand and growth:

There are rising interest rates, inflation and geopolitical risks in the globe, which leads to increased fluctuation in international financial market, thus, there are increased demands of traders for hedging by taking advantage of futures market when financial market is in turmoil. In addition, Taiwan Futures Exchange has established a customized contract trading platform, thus traders may apply for customized contracts due on listing and release date at any time in response to special events in the market (such as release of major economic data, important company briefings or issuance of financial reports, etc.), which may increase flexibility in trading, achieve accurate management on investment portfolios, meet the demands for different trading strategies, and provide diversified strategies and trading opportunities, with a hope to attract more participants and promote the market to become more active.

### 3. Competitive niche, advantages and disadvantages of development and countermeasures:

**Advantages:** As TAIFEX continues to introduce new products and new systems to make the products types in Taiwan's futures market more complete, and the Company supplies an excellent professional advisory team and risk management capabilities, it is beneficial to the Company's diversified business development. The Company's trading platform has complete functions, strong innovation

capabilities in options, and has membership in other major exchanges around the world, showing a strong operating strength.

Disadvantages: The price-cutting competition in the market is still in trend, which affects the Company's profitability and as the financial environment continues to turn into a bear market, the profit from service fee and proprietary operations is unstable.

Countermeasures:

- (1) Strengthen the promotion of foreign futures and create diversified sources of income; the Company has a relative market advantage, it can maintain its profitability.
- (2) Improvement on service quality, including IT trading platform, customized services, market analysis and suggestions, can differentiated customers experience and services from other competitors to combat price competition.
- (3) Through continuous marketing: various marketing activities on trading platforms such as Strategy King, Wangfa, and Palm Fortune can improve investors' brand awareness of the Company, expand the market size, and effectively ease the pressure of price competition.

(II) Manufacturing process and key purposes of our principal products: Not applicable.

(III) Supply status of major raw materials: Not applicable.

(IV) List of major purchase and sale customers in the last two years: Not applicable.

### III. Human resources

Item		2023	2024	As of March 31, 2025
Number of employees employed		291	308	315
Average age		38.9	38.7	38.8
Average years of service		7.14	7.36	7.39
Education levels	Doctoral Degree	1.0%	1.0%	1.0%
	Master's Degree	20.6%	20.1%	20.6%
	Bachelor's Degree	74.6%	75.0%	74.6%
	Below high school	3.8%	3.9%	3.8%

Note: does not include work-study student

### IV. Information on environmental protection expenditures: The Company is engaged in financial services business, and there is no environmental pollution issue.

### V. Labor relations

The Company upholds the spirit that employees are the most important asset of the Company, and adopts fair and good HR policies, optimizes the welfare system, takes care of employees, and recruits outstanding talents through multiple channels and allows Capital employees to create value at work and achieve a balance between life and work. The formulation of the rules and regulations based on and abides by related labor laws and regulations to protect rights and interests of all employees. The Company employs, dismisses and transfers employees, pays them salaries and deals with other personnel-related matters in compliance with Article 5 of the Employment Service Act, and it does not discriminate anyone due to race, class, language, thought, religion, political party, place of origin, place of birth, gender,

sexual orientation, age, marital status, appearance, facial features, or disability.

In order to evaluate and review the performance of all employees on a regular basis to facilitate future career planning, the Company has established the “Guideline for Employee Performance Evaluation”. All employees in service will be evaluated on a regular basis every year, regardless of gender and employee category (except for employees on probationary period), which is used as a mechanism to promote and reward outstanding employees, as well as to counsel and strengthen the training of under-performing employees, in order to facilitate the career development of all employees.

In addition, employee-employer meetings are held regularly in accordance with the regulations. The discussion includes employee engagement, operation plans and business overview, employee-employer relation coordination, employee-employer cooperation promotion, labor conditions, as well as planning on employee benefit, improving work efficiency, and employee-employer suggestions. The Company has set up an Employee Opinion Mailbox for all employees to provide opinions, strengthen the work rights, improve the operation process, improve on welfare, and discourage unethical conducts. All supervisors and colleagues who handle proposals from Employee Opinion Mailbox shall be obliged to keep the contents of the proposal and the colleagues who make the proposal confidential.

- (I) List the Company’s fringe benefits for employees for higher education, training programs, retirement system and the enforcement the condition, accords reached by and between the labor and management sides, facts regarding the efforts and measures to safeguard employees’ interests:

1. Remuneration system: The Company has established a reasonable reward system and has set up a remuneration committee to evaluate the fairness and reasonableness of employee rewards. The Company’s current operation status, price index, industry standard, and employee performance are linked to serve as the basis for annual salary adjustments and festival and year-end bonuses. The salaries of new employees are determined based on market situation, their academic qualifications and experience, as well as their positions and responsibilities, regardless of the gender. The salaries of general employees are approved by the President, while the salaries of senior managers are determined based on a comprehensive consideration of their academic qualifications and experience, the market situation in the same industry, their positions and responsibilities, the Company’s internal remuneration policy, and the risks of future operations, which shall be approved by the Board of Directors after the review and approval of the Remuneration Committee.  
The Company has established “Guideline for Employee Performance Evaluation”, “Guideline for Employee Year-End Bonus Distribution”, “Guideline for Festival Bonuses Distribution” and “Guideline for Sales Bonus” for each business unit, which serve as the basis for the performance evaluation and remuneration system of company executives and employees. In addition, it is specified in its Articles of Association that 0.6% to 2% of its profits in the current year shall be distributed as employees’ remuneration, the Company’s operating performance shall be reflected in employees’ remuneration to encourage employees to work together and share the Company’s operating results. In 2024, the Company’s earnings per share was 5.66 (NT\$/share), the average employee welfare expense was 2,001 (NT\$ thousand/person), and the average employee salary was 1,807 (NT\$ thousand/person).

Number of full-time employees not in supervisory positions, average and median salaries of full-time employees not in supervisory positions, and the differences with the previous year:

Item	2024	2023	Difference
Head count (person)	252	235	17
Average salary (NT\$ thousand)	1,577	1,333	244
Median salary (NT\$ thousand)	1,207	1,022	185

2. Employee's benefit measures: Capital Financial Group has established an Employee Benefit Committee to provide employees with a number of benefits, such as wedding and funeral subsidies, hospitalization and surgery consolation payments, maternity subsidies, travel subsidies, natural disaster consolation payments, and emergency relief, etc. The sources of the funds are welfare fund and interests thereon, and the amount withdrawn proportionally based on the paid-in capital upon its foundation, employees' salaries, revenue, etc. General speaking, the funds are still sufficient, and the benefit policies can be implemented according to plan.

Engaging physicians and nursing personnel to the Company to provide health consulting services and the correct concept of the precaution against diseases and the advice on treatment for employees. For the protection of personal privacy, the consultations were conducted one on one.

The Company attaches importance to the physical and mental health of its employees, and it allocates funds to establish basketball, badminton and other sports clubs to improve employees' enthusiasm for sports. And, in order to encourage employees to actively participate in voluntary public service activities, the Company provides employees with volunteer leave to promote public interests.

3. Employee continuous education and training: To develop talents and improve business management performance, the Company provides various education and training, and builds a complete education and training system that creates an environment conducive to learning, including: new personnel training, professional training, managerial and supervisor training, and inviting experts and scholars to the Company to hold finance seminars. The Company has produced several E-learning training courses such as legal compliance, ethical corporate management, information security management, financial consumer protection where employees and supervisors at all levels can learn and develop anytime, anywhere by utilizing various e-systems. Employees can receive appropriate training through classroom training, digital learning, on-the-job training, external training, job rotation, and project assignment, etc. The contents and methods of training are diverse and abundant.

In 2024, the total amount of employee education and training expenses was NT\$2,466 thousand, with 628 attendees participating in various professional external training, 74 internal training sessions, and 21,450 hours of employee participation in both internal and external training.

To cultivate the succession of various management levels to pass down the "CAPITAL" business belief, the Company conducts education and training courses for senior executives every year to cultivate decision-making, judgment, and management capabilities. Capital Financial University has been established



since 2007 to cultivate key talents and managerial supervisors for the Company. Employees are evaluated to identify their potential. Each department submits a list of employee promotion suggestions based on performance evaluation and job succession planning. The Board of Directors then approves the promotion list of managers above the manager level. It organizes business management, financial product planning and marketing, legal compliance, money laundering prevention and anti-terrorism courses or seminars on data analysis, financial technology application for an “on hand learning” experience such as job substitute, participation in important meeting, project promotion or work rotation, to ensure the succession training system is complete. Furthermore, “learning” is listed as an important evaluation indicator in performance evaluation. Only through lifelong learning of the management, the Company can stay on the trend of future development. The Company also combines its development with the career development of the management.

4. In order to take care of the life of our employees after retirement, the Company has established the retirement regulations for our employees. In order to establish long-term harmonious labor-management relations, all formal employees who have served for more than 10 years and have reached the age of 55, or have served for more than 20 years, can apply for early retirement in accordance with the provisions better than the Labor Standards Act. Employees who meet the legal requirements for voluntary retirement or mandatory retirement may apply for retirement at any time, and the criteria for pension payments are in accordance with the Labor Standards Act and the Labor Pension Act. The net obligation under the defined benefit pension plan is calculated based on the present value of the future benefits earned by the employees in the current period or in the past under various welfare plans. The net obligation is actuarially determined annually by a qualified actuary using the projected unit credit method, and a contribution is made annually to the employees' pension reserve under the defined benefit plan and the defined contribution plan.

For employees who choose the pension system under the Labor Standards Act, the Company contributes 2% to 15% of the employees' total monthly wages to the Labor Pension Reserve Fund account at the Bank of Taiwan.

For employees who choose the pension system under the Labor Pension Act, the Company contributes 6% of employees' monthly wages to the individual pension accounts established by the Bureau of Labor Insurance. For employees who voluntarily contribute to the pension fund, the Company deducts the amount from the employees' monthly wages and deposits it into the individual pension accounts established by the Bureau of Labor Insurance according to the voluntary contribution rate.

5. Employee insurance: In addition to providing labor insurance and national health insurance for employees in accordance with the law, the Company purchases group insurance such as life insurance, accident insurance, accidental medical treatment and occupational insurance for employees. Moreover, the Company strives for low-rate self-payment group insurance for employees and their families, including term life insurance, accident insurance, medical insurance and cancer prevention insurance for the insurance benefits of

- employees and their families.
6. The Company attaches importance to each employee's rights at work, and it is committed to maintaining the dignity of all employees. In order to safeguard staff's work-related rights and interests, the Company has formulated Work Rules to clearly define employees' positions and working locations. However, the Company may second or temporarily dispatch employees due to business needs in accordance with the related provisions of the Labor Standards Act, and make full communication and coordination with employees before the secondment. As for employees' relevant rights and interests, the Company advocates human rights in the pre-employment training conducted for new employees. All employees must sign the "Code of Conduct for Capital Financial Group Employees" on the first day and follow the ethical principle to execute various businesses.
  7. Employee rights protection measures: In addition to protecting the rights and interests of employees in accordance with the law, the Company has announced on the internal website for matters related to the rights and interests of all employees where it actively reminds employees to fight for rights and interests of individual employees.
- (II) Any losses arising from labor disputes in the most recent year and as of the publication date of the Annual Report: There is a harmonious relation between the Company and its staff, and there is no loss arising from labor disputes, except for dealing with labor affairs in accordance with labor-related laws and regulations.
- (III) Work environment and protection for the physical safety of workers: The Company attaches great importance to the physical safety and mental health of employees, and is committed to providing safety and protective equipment necessary for employee safety and health, conducting regular inspections of the working environment, organizing employee health examinations and health consultation services, and implementing general labor health education and training to protect employees' health and workplace safety. Please refer to pages 60-63 of this annual report.

## **VI. ICT security management**

(I) ICT security management and implementation

The Company's "Information Security Policy Statement" commits to the information security concept of maintaining the Company's operating environment, and to fully protect and prevent the information stored or transmitted by the Company from damage, theft, leakage, tampering, abuse and infringement. The information security policy will be regularly revised and implemented to continuously improve the confidentiality, integrity and availability of each information service system.

The Company established an Information Security Management Committee in 2023 to ensure the continued and effective operation of information security management system. Chief Information Security Officer makes coordination for information security-related matters. The Company established a Dedicated Information Security Unit, composed of 1 Dedicated Information Security Supervisor and 2 Information Security Persons, which is responsible for implementing information security policies and related systems on a dedicated basis, and regularly holds information meeting every month to discuss and track various information security-related matters,

evaluates core operating systems and equipment every year to ensure continued operation and operational resilience, and summarizes the overall implementation status of information security, and reports review and improvement status to the Board of Directors within three months after the end of a fiscal year, and issues an internal control system statement jointly with the chairman, president and audit supervisor.

The Company participates in the business continuity, information service, information security management and other management systems of Capital Financial Group, and continues to pass ISO/IEC 22301 business continuity system, ISO 27001 information security and BS 10012 personal information management system certification. The Company formulates information security, business continuity, information service management and personal data protection policies, makes remote backup, promotes awareness of information security, conducts intrusion penetration test, vulnerability scanning, etc., and makes risk evaluation for various information assets, and analyzes possible information security risks.

The Company regularly conducts daily, monthly and annual inspection on information security, including protection against distributed denial-of-service (DDoS) attack, protection against data disclosure, review on user's permission in the system, and remote backup drills, personnel evacuation drills, scanning of system vulnerability, penetration testing, information security, personal data security education and training, email-based social engineering drills, regular inspection and evaluation on key information systems, etc. Also, the Company shares information according to the Information Security Information Sharing and Analysis Center (FISAC) to strengthen information security protection. The Company conducts internal audits and regularly commissioned external ISO and BSI external audits to strengthen the integrity of the overall information security. The Company implements risk assessment and management, classification of and control over assets, personnel security, physical and environmental security, network security management, management on computer system and operation security, and it evaluates information security upon its annual self-assessment on internal control system.

In 2024, the expenditures on core operating equipment and systems (including capital expenditure, maintenance costs and hardware and software equipment) reached NT\$210 million.

In 2024, the Company provided its employees with the education and training on the protection against social engineering attack, information security, protection of personal data and continued management on operation through its on-line teaching system, E-learning, for 2,079 person-times.

- (II) List the losses, possible impacts, and countermeasures from major ICT security incidents in the most recent year and up to the date of publication of the annual report. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

There was no loss to the Company caused by significant information security events in 2024.

## VII. Important contracts

Contract nature	Participants	Contract start and end dates	Main contents	Restrictive clauses
Succession contract	President Futures Co., Ltd.	1998.06.23~Now	Appointed the company to act on behalf of the other party which cannot perform its transaction-related obligations.	None
Retainer agreement of Futures Introducing Broker business	Capital Securities Corp. Land Bank of Taiwan Primasia Securities Union Bank of Taiwan	2003.10.08~Now 2007.10.12~Now 2018.09.03~Now 2022.03.21~Now	Appointed those companies to be substitutes of the Company for futures introducing broker business.	None
Re-consigned contract	ADM Investor Services, Inc CSC Futures (HK) Ltd. Nissan Securities Co., Ltd. SG Securities AUS Pty Ltd. NH Futures Ltd. Phillip Nova Pte. Ltd. StoneX Financial Pte. Ltd. Marex Financial Vision Financial markets LLC	1997.04.16~Now 2004.06.15~Now 2011.05.04~Now 2014.01.22~Now 2016.12.21~Now 2019.07.01~Now 2023.06.12~Now 2023.07.31~Now 2024.04.19~Now	Re-consigned brokerage business	None
Settlement Contract for Foreign Futures Products	Phillip Nova Pte. Ltd. LMAX Global CMC UK Markets Plc SOCIETE GENERALE SA IG Markets Limited	2013.12.06~Now 2020.03.10~Now 2021.08.31~Now 2023.10.12~Now 2024.12.24~Now	Settlement service for foreign futures products and leveraged transaction	None
Securities Introducing Broker commissioned contract	Capital Securities Corp.	2010.04.30~Now	Appointed the Company for Securities Introducing Broker service	None
Agreement of Appointment of Foreign Securities Trading Introducing Broker	Capital Securities Corp.	2024.04.30~Now	Appointed the Company for Foreign Securities Introducing Broker Service	None

# Chapter V. Review of Financial Conditions, Operating Results, and Risk Management

## I. Five-year financial analysis

Financial analysis - IFRS (consolidated)

Analysis item (Note 4)		Year (Note 1)	Five-year financial analysis				
			2020	2021	2022	2023	2024
Financial structure (%)	Debt to assets ratio		86.24	86.54	86.44	85.46	87.51
	Ratio of long-term capital to property, plant and equipment		10,178.74	13,327.36	16,004.78	5,388.99	5,675.98
Solvency (%)	Current ratio		114.64	114.39	114.65	115.05	112.68
	Quick ratio		114.62	114.37	114.56	115.00	112.65
Profitability	Return on assets (%)		1.42	1.05	1.62	2.03	2.14
	Return on equity (%)		10.89	7.73	11.97	14.49	15.98
	Ratio of net profit before tax to the paid-in capital (%) (Note 8)		37.28	28.51	45.49	60.68	69.53
	Net profit margin (%)		25.65	20.06	28.10	45.70	45.17
	Earnings per share (\$)		3.07	2.33	3.72	4.80	5.66
Cash flow	Cash flow ratio (%)		1.49	1.10	0.72	3.39	0.00
	Cash flow adequacy ratio (%)		134.44	135.04	123.85	130.14	94.47
	Cash re-investment ratio (%)		2.98	0.00	0.00	10.74	0.00
Special regulation rate	Shareholders' equity to adjusted total liabilities (%)		732	627	316	444	382
	Shareholders' equity to minimum paid-up capital (%)		570.37	560.39	608.20	643.36	694.23
	Adjusted net capital to guaranty margins on futures traders outstanding position (%)		66.09	54.88	44.35	53.77	36.93
Reasons for fluctuation over 20% in the financial ratios over the last two years							
1. The cash flow ratio, cash flow adequacy ratio and cash re-investment ratio of the current period decreased compared with the previous period, which was mainly due to the decrease of net cash flow from operating activities in the current period.							
2. The ratio of current adjusted net capital to guaranty margins on futures traders outstanding position decreased compared with the previous period, which was mainly due to the increase in the total margin on futures trader's outstanding positions.							

\* The Company has prepared individual financial reports, so it also prepares the Company's individual financial ratio analysis.

\* The Company has adopted the IFRS for more than 5 years, so the financial information using the Taiwanese Enterprise Accounting Standard will not be prepared separately.

Note 1: The financial data of the last 5 years having been duly testified and audited by the Certified Public Accountants.

Note 2: Earnings per share are calculated based on the weighted average number of shares outstanding. Due to the capital increase from earnings and capital reserves, it is calculated retrospectively based on the capital increase ratio.

Note 3: The following matters shall be considered when calculation the earnings per share:

- (1) It is calculated based on the weighted average number of shares of common stock, not the number of shares outstanding at the end of the year.
- (2) Where there is a capital increase by cash or treasury stock trading, the weighted average number of shares shall be calculated in consideration of its circulation period.
- (3) Where there is a capital increase from conversion of earnings or capital surplus, retrospective adjustment shall be made according to the capital increase ratio when calculating the earnings per share for the previous year or half year regardless of the issuance period of the capital increase.

Note 4: The calculation of financial analysis is as follows:

1. Financial structure
  - (1) Debt to assets ratio = total liabilities / total assets
  - (2) Ratio of long-term capital to property, plant and equipment = (Total equities + non-current liabilities) / property, plant and equipment.
2. Solvency
  - (1) Current ratio = current assets / current liabilities.
  - (2) Quick ratio = (current assets - inventories - prepaid expense) / current liabilities.
3. Profitability
  - (1) Return on assets = (after tax net profit + interest expenses x (1- tax rate)) / average asset balance.
  - (2) Return on equity = after tax net profit / total average equity.
  - (3) Ratio of net profit before tax to paid-in capital = net profit before tax / paid-in capital.
  - (4) Net profit ratio = net income / net sales
  - (5) Earnings per share = (profits or loss attributable to owners of the parent company - preferred stock dividend) / weighted average stock shares issued
4. Cash flow
  - (1) Cash flow ratio = net cash flow from operating activities / current liabilities.
  - (2) Cash flow adequacy ratio = net cash flow from operating activities within five years / (capital expenditure + inventory increase + cash dividend) within five years
  - (3) Cash re-investment ratio = (net cash flow from operating activity-cash dividend) / (gross property , plant, and equipment + long-term investment + other non-current assets + working capital)
5. Rates of special requirements
  - (1) Shareholders' Equity to Adjusted Total Liabilities = Shareholders' Equity / (total liabilities - futures traders' equity - reserve for trading losses - reserve for default losses).
  - (2) Shareholders' Equity to Minimum Paid-Up Capital = Shareholders' Equity / minimum paid-up capital.
  - (3) Adjusted Net Capital to Guaranty Margins on Futures Traders Outstanding Position = adjusted net capital / total guaranty margin on futures trader's outstanding positions.

Note 5: The calculation formula of earnings per share should by paid special attention to the following matters:

1. Based on the weighted average number of shares of common stock, not the number of issued shares at the end of the year.
2. Where there is a capital increase by cash or treasury stock trading, the weighted average number of shares shall be calculated in consideration of its circulation period.
3. Where there is a capital increase through capitalization of retained earnings or capital reserve, the calculation of the earnings per share for previous years and half-years, retrospective adjustments should be made according to the capital increase ratio, regardless of the issuance period of the capital increase.

4. If the preferred shares are non-convertible cumulative perpetual preferred stock, the dividends for the year (whether paid or not) shall be deducted from the net profit after tax or added to the net loss after tax. If the preferred stock is non-cumulative, under a net profit after tax, the preferred stock dividend shall be deducted from the net profit after tax; if it is a loss, there is no need to adjust it.

Note 6: Special attention shall be paid for cash flow analysis with the following matters:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditure refers to the annual cash outflow for capital investment.
3. The increase in inventory is only included when the closing balance is greater than the opening balance. If the inventory decreases at the end of the year, it is calculated as zero.
4. Cash dividends include cash dividends on common shares and preferred shares.
5. Net value of property, plant and equipment is the total value of property, plant and equipment before accumulated depreciation.

Note 7: The issuer should classify various operating costs and operating expenses into fixed and variable costs according to their nature. If there are estimates or subjective judgments involved, special attention shall be paid to the rationality and maintain consistency.

Note 8: In the case of shares issued by a company with no par value or a par value other than NT\$10 per share, the calculation of the paid-in capital shall be replaced by the equity attributable to owners of the parent.

## Financial analysis - IFRS (Individual)

Analysis item (Note 4)		Year (Note 1)	Five-year financial analysis				
			2020	2021	2022	2023	2024
Financial structure (%)	Debt to assets ratio		86.00	86.11	85.70	84.58	86.91
	Ratio of long-term capital to property, plant and equipment		12,605.87	17,170.79	18,964.60	5,583.26	6,069.44
Solvency (%)	Current ratio		112.71	112.87	113.30	113.97	111.60
	Quick ratio		112.71	112.86	113.22	113.96	111.58
Profitability	Return on assets (%)		1.45	1.08	1.69	2.15	2.25
	Return on equity (%)		10.94	7.77	12.00	14.48	15.97
	Ratio of net profit before tax to the paid-in capital (%) (Note 8)		37.28	28.54	45.51	60.62	69.46
	Net profit (%)		29.17	22.26	30.22	50.43	49.35
	Earnings per share (NT\$)		3.07	2.33	3.72	4.80	5.66
Cash flow	Cash flow ratio (%)		1.77	1.86	0.36	3.51	0.00
	Cash flow adequacy ratio (%)		126.63	139.81	123.56	131.27	100.73
	Cash re-investment ratio (%)		4.46	1.83	0.00	10.19	0.00
Special Regulation Rate	Shareholders' Equity to Adjusted Total Liabilities (%)		732	627	316	444	382
	Shareholders' Equity to Minimum Paid-Up Capital (%)		570.37	560.39	608.20	643.36	694.23
	Adjusted Net Capital to Guaranty Margins on Futures Traders Outstanding Position (%)		66.09	54.88	44.35	53.77	36.93
Reasons for fluctuation over 20% in the financial ratios over the last two years							
<ol style="list-style-type: none"> <li>The cash flow ratio, cash flow adequacy ratio and cash re-investment ratio of the current period decreased compared with the previous period, which was mainly due to the decrease of net cash flow from operating activities in the current period.</li> <li>The ratio of current adjusted net capital to guaranty margins on futures traders outstanding position decreased compared with the previous period, which was mainly due to the increase in the total margin on futures trader's outstanding positions.</li> </ol>							

Note 1: The financial data of the last 5 years having been duly testified and audited by the Certified Public Accountants.

Note 2: Earnings per share are calculated based on the weighted average number of shares outstanding. Due to the capital increase from earnings and capital reserves, it is calculated retrospectively based on the capital increase ratio.

Note 3: The following matters shall be considered when calculation the earnings per share:

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- (2) Where there is a capital increase by cash or treasury stock trading, the weighted average number of shares shall be calculated in consideration of its circulation period.
- (3) Where there is a capital increase from conversion of earnings or capital surplus, retrospective adjustment shall be made according to the capital increase ratio when calculating the earnings per share for the previous year or half year regardless of the issuance period of the capital increase.

Note 4: The calculation of financial analysis is as follows:

1. Financial structure

- (1) Debt to assets ratio = total liabilities / total assets



- (2) Ratio of long-term capital to property, plant and equipment = (Total equities + non-current liabilities) / property, plant and equipment.
2. Solvency
  - (1) Current ratio = current assets / current liabilities.
  - (2) Quick ratio = (current assets - inventories - prepaid expense) / current liabilities.
3. Profitability
  - (1) Return on assets = (after tax net profit + interest expenses x (1 - tax rate)) / average asset balance.
  - (2) Return on equity = after tax net profit / total average equity.
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  - (4) Net profit ratio = net income / net sales
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4. Cash flow
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  - (3) Cash re-investment ratio = (net cash flow from operating activity-cash dividend) / (gross property, plant, and equipment + long-term investment + other non-current assets + working capital)
5. Rates of special requirements
  - (1) Shareholders' Equity to Adjusted Total Liabilities = Shareholders' Equity / (total liabilities - futures traders' equity - reserve for trading losses - reserve for default losses).
  - (2) Shareholders' Equity to Minimum Paid-Up Capital = Shareholders' Equity / minimum paid-up capital.
  - (3) Adjusted Net Capital to Guaranty Margins on Futures Traders Outstanding Position = adjusted net capital / total guaranty margin on futures trader's outstanding positions.

Note 5: The calculation formula of earnings per share should by paid special attention to the following matters:

1. Based on the weighted average number of shares of common stock, not the number of issued shares at the end of the year.
2. Where there is a capital increase by cash or treasury stock trading, the weighted average number of shares shall be calculated in consideration of its circulation period.
3. Where there is a capital increase through capitalization of retained earnings or capital reserve, the calculation of the earnings per share for previous years and half-years, retrospective adjustments should be made according to the capital increase ratio, regardless of the issuance period of the capital increase.
4. If the preferred shares are non-convertible cumulative perpetual preferred stock, the dividends for the year (whether paid or not) shall be deducted from the net profit after tax or added to the net loss after tax. If the preferred stock is non-cumulative, under a net profit after tax, the preferred stock dividend shall be deducted from the net profit after tax; if it is a loss, there is no need to adjust it.

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4. Cash dividends include cash dividends on common shares and preferred shares.
5. Net value of property, plant and equipment is the total value of property, plant and equipment before accumulated depreciation.

Note 7: The issuer should classify various operating costs and operating expenses into fixed and variable costs according to their nature. If there are estimates or subjective judgments involved, special attention shall be paid to the rationality and maintain consistency.

Note 8: In the case of shares issued by a company with no par value or a par value other than NT\$10 per share, the calculation of the paid-in capital shall be replaced by the equity attributable to owners of the parent.

## II. Analysis of financial status

Comparative analysis of financial status in the last two years (individual)

Unit: NT\$ Thousand

Item \ Year		2024	2023	Difference	
		Total	Total	Amount	%
Current assets		57,276,491	44,754,505	12,521,986	27.98
Property and equipment		128,442	129,958	(1,516)	(1.17)
Other non-current assets		1,714,414	1,640,554	73,860	4.50
Current liabilities	Before dividend distribution	51,323,632	39,269,119	12,054,513	30.70
	After dividend distribution	52,030,955	39,993,024	12,037,931	30.10
Non-Current liabilities		55,074	82,449	(27,375)	(33.20)
Share Capital		2,104,376	2,104,376	-	-
Retained earnings	Before dividend distribution	3,885,793	3,418,234	467,559	13.68
	After dividend distribution	3,178,470	2,694,329	484,141	17.97
Total assets		59,119,347	46,525,017	12,594,330	27.07
Total liabilities	Before dividend distribution	51,378,706	39,351,568	12,027,138	30.56
	After dividend distribution	52,086,029	40,075,473	12,010,556	29.97
Total equity	Before dividend distribution	7,740,641	7,173,449	567,192	7.91
	After dividend distribution	7,033,318	6,449,544	583,774	9.05

Analysis of the change in the increase or decrease ratio over 20%:

1. Current assets: The current increase was mainly due to the increase in customer margin accounts.
2. Current liabilities: The current increase was mainly due to the increase in futures traders' equity.
3. Non-current liabilities: The current decrease was mainly due to the decrease in lease liabilities - non-current.
4. Total assets: The current decrease was mainly due to the increase in customer margin accounts.
5. Total liabilities: The current decrease was mainly due to the increase in futures traders' equity.

## III. Analysis of operation results

Comparative analysis of financial performance in the last two years (individual)

Unit: NT\$ Thousand

Item \ Year		2024	2023	Change amount	Change percentage
		Total	Total		(%)
Income		2,412,994	2,003,026	409,968	20.47
Operating expenses		2,308,219	1,901,960	406,259	21.36
Net operating income		104,775	101,066	3,709	3.67
Non-operating income and expenses		1,356,864	1,174,648	182,216	15.51

Item \ Year	2024	2023	Change amount	Change percentage
	Total	Total		(%)
Net income before tax	1,461,639	1,275,714	185,925	14.57
Income tax	270,712	265,518	5,194	1.96
Net income	1,190,927	1,010,196	180,731	17.89

Analysis of the change in the increase or decrease ratio over 20%:

1. Income: There was an increase in current period as compared with the previous period, which was mainly due to the increase in brokerage fee income and net gain on sales of operating securities.
2. Operating expenses: There was an increase in current period as compared with the previous period, which was mainly due to the increase in employee benefit expenses.

## IV. Cash flow

### (I) Liquidity analyses for the past 2 years

Item	2024	2023	Increase (decrease) ratio
Cash flow ratio (%)	0	3.51	(100)
Cash flow adequacy ratio (%)	100.73	131.27	(23.27)
Cash re-investment ratio (%)	0	10.19	(100)

Analysis of the change in the increase or decrease ratio over 20%:

1. Cash flow ratio, cash flow adequacy ratio and cash re-investment ratio: these ratios of the current period decreased compared with the previous period, which was mainly due to the decrease of net cash flow from operating activities in the current period.

### (II) Analyses on the cash liquidity in one year ahead

Unit: NT\$ Thousand

Opening cash balance (1)	Net cash flow anticipated from operating activities in year round (2)	Anticipated year-round cash outflow (3)	Expected cash surplus (deficit) (1)+(2)-(3)	Financing of cash deficits	
				Investment plans	Financing plans
3,734,560	1,851,743	805,096	4,781,207	-	-

## V. The impact of the significant capital expenditure over the past year upon the financial performance: None.

## VI. The outward investment policies over the past year. The key reasons leading to the profit or loss, the corrective plans and the investment plan in one year ahead

1. Reinvestment policy: The Company's re-investment plan is handled in accordance with the internal control system and the "Procedures for the Acquisition or Disposal of Asset". The management of reinvestment businesses is to regularly obtain the management and financial statements of each reinvestment business and understand the operation status of the reinvestment businesses.
2. The reasons leading to the reinvestment profit or loss and the improvement plan: The current loss of CSC Futures (HK) Ltd. was due to the significant increase in the

operating costs. It will develop customers and new products in the future.

There was a decrease in the investment losses suffered by Capital International Technology Corp. in current period due to mitigation of the losses suffered by its investee. In addition to strengthening the development of investee's new system, it will continue to implement management on its operating costs.

3. Investment plans in the coming fiscal year: None.

## **VII. Risk analysis and assessment in the most recent year and up to the date of publication of the annual report**

The Company formulates risk management policies against the various risks faced by it in operating (such as market, credit, liquidity, operation, legal, model, reputation, climate and other risks related to the operating of futures merchants, etc.) under the condition of ensuring the effectiveness of risk management to effectively manage its business risks. The contents of the risk management policies duly reflect the company's business strategies and objectives, risk appetite and the characteristics of the risks it faces. And the Company establishes management procedures that are followed at all levels as the stipulations and basis for the company's daily implementation of risk management. And the Board of Directors, supervisors and employees at all levels participate and promote to justify the Company's risky asset allocation and maximize shareholder returns within the risk scope tolerance. The appropriateness of the risk management policy is regularly reviewed and adjusted in a timely manner to meet the changes in the subjective and objective environment.

The Board of Directors of the Company regularly listens to reports from the Risk Management Department, Internal Auditing Department, and Finance Department, and it will weigh various financial and business-related regulations that affect capital allocation to allocate the Company's assets within a reasonable scope of risks tolerance. The Company considers the effect of various risks aggregated and determines the countermeasures in accordance with the changes in the subjective and objective environment.

The management personnel and employees of each business unit of the Company jointly execute various business and trading activities. The unit supervisors are responsible for all risk management of the subordinate units, and are responsible for analyzing, managing and reporting risk matters. The supervisors are also responsible for front-end and back-end risk management to comply with laws and regulations and the Company's risk management policies and formulate contingency plans and take countermeasures when necessary. They shall pass relevant information to managerial officers to ensure that risk management mechanisms and procedures are effectively implemented.

Senior management is responsible for implementing risk monitoring, management and emergency response measures. A functional risk-based audit method is adopted to conduct a comprehensive overall risk assessment on the overall business and operation levels to ensure all risks of the Company are under effective control. The risk management information system can conduct real-time intraday monitoring and after-hour summary and analysis, detect, and inspect the use of risk limits of each business unit, evaluate risk exposure and concentration, and submit relevant risk management reports in a timely and complete manner.

The Internal Auditing Department is responsible for the compliance of the Company's regulations and internal control systems and operational risk management, and is responsible for supervising and ensuring the effective implementation of the Company's operational risk management procedures. The Company follows the internal control system established by the

competent authority, employs experienced personnel to audit for various business activities, and cooperates with the competent authority, TAIFEX and the Chinese National Futures Association to amend relevant regulations or adjust based on business requirement and adjust various operational risk management procedures.

The Compliance & Legal Department is responsible for the review of the Company's legal compliance and transaction contract documents, and providing professional advice on legal matters involved in various businesses, including the legality of product contracts and transaction activities, and implement the legal compliance work with the business units and Internal Auditing Department.

(I) The impact incurred by change in interest rate, exchange rate, inflation upon the Company's profit and/or loss and the future countermeasures:

1. The impact incurred by change in interest rate upon the Company and the future countermeasures
  - (1) The Company has a sound financial structure and stable cash flow, and it does not borrow funds to the external, so there is no risk of changes in the interest rates for borrowing. In 2024, as impacted by interest rate hike, there was an increase in the Company's interest income, and its net interest income increased from NT\$1,100,337 thousand to NT\$1,277,919 thousand, with an increase of 16.14%.
  - (2) In addition to continuously monitoring the interest rates and fiscal policies of central banks, the Company keeps close contact with banking institutions to keep abreast of financial market trends.
2. The impact incurred by change in exchange rate upon the Company and the future countermeasures

The Company's main source of income is the transaction service fee for accepting orders from trading customers, among which the service fee income denominated in foreign currency is recognized as income at a fixed time in accordance with customer margin management regulations. In 2024, the Company earned NT\$20,584 thousand of exchange profits due to depreciation of the New Taiwan dollar as affected by a strong US dollar in current year.
3. The impact incurred by inflation upon the Company and the future countermeasures

In 2024, due to the strong economic growth in the U.S., and inflation and core inflation decreased slowly, the market estimated that the Federal Reserve would cut interest rates by 0.5% by the end of 2025, and interest rates would remain high for a longer period of time until the core inflation was further eased; due to the stable economy, trade, and labor participation in Taiwan, inflation has not yet had an adverse impact on the Company.

(II) High-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future: The Company has set relevant standards and guidelines for engaging in high-risk investments, highly leveraged investments and derivatives transactions, and all transactions are handled in accordance with the above-mentioned standards and guidelines; regarding loans to other parties, endorsements, guarantees, the Company complies with the laws and regulations and there is no need to formulate rules and measures, and no related incidents have occurred.

- (III) Future R&D plans and estimated R&D expenses: The Company has 30 to 40 professional R&D and fintech persons in financial field, and it is expected to continue to invest about NT\$40 million to NT\$60 million of R&D expenses in the future, accounting for 1% to 3% of the consolidated revenue. The Company actively and continuously develops high profit financial products and solutions in domestic and foreign futures and options with high added value, and will launch them in accordance with the laws and regulations of the competent authorities. Future R&D plans include foreign futures market analysis and establishment of trading strategies, risk management and strategy establishment of derivatives, and the construction of a complete research integration platform and cloud strategy platform.
- (IV) The impact upon the company's financial operations of important policy and legal developments at home and abroad, and the measures the company plans to adopt in response: There are a R&D Department and a Compliance & Legal Department, which are responsible for researching information and legal changes in important domestic and foreign markets, and providing measures to respond to important domestic and foreign policy and legal changes.
- (V) The impact on the Company's financial operations of developments in science and technology (including cyber security risk) and industry, and the measures the Company plans to adopt in response: the securities and futures market is developing rapidly, and the financial market has been moving in line with the international market, so each business must possess international perspectives. In addition, financial products are becoming more and more diversified, and information technology is also changing with each passing day. With the ever-changing international financial market, the Company's primary focus is to build international information technology capabilities and a global transaction electronic platform. The Company is committed to pursue excellence, innovation, and leadership, provide financial services with high added value that exceed customer expectations, and serve as a long-term growth partner with the customers, please refer to pages 110-111 of this annual report.
- (VI) The impact of changes in the Company's image upon its crisis management, and the measures the Company plans to adopt in response: The Company is a leader in financial expertise and profitability in the futures industry where its professional and competitive image has been well recognized by the market. In the future, it will continue to give priority to "the public interests" and continue to serve the everyone. If corporate crisis is caused by any change in corporate image, the Company also has Compliance & Legal Department and Internal Auditing Department to provide professional consultation on possible threats.
- (VII) The expected benefits and potential risks of any merger or acquisition, and measures to be adopted in response: The Company has not planned mergers and acquisitions in recent years, but if there is a plan in the future, it must commit to a prudent evaluation and consider whether the merger can bring benefits and synergistic effect to the Company to ensure the shareholders' rights and interests.
- (VIII) The expected benefits and potential risks of any plant expansion, and measures to be adopted in response: The Company has no plans to expand plants or branches in the recent year.
- (IX) The risks associated with any consolidation of sales or purchasing operations, and measures to be adopted in response: The Company actively expands various domestic and foreign brokerage businesses, and continues to strengthen the integration with its subsidiaries to diversify the risks that may be caused by business/profit concentration

- (X) Effect upon and risk to the Company if a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and measures to be adopted in response: The Company's directors, supervisors or major shareholders holding more than 10% of the shares commit to the sustainable and long-term operation since the establishment of the Company, and the Company regularly reports changes to the shareholding of the directors, supervisors, and shareholders with more than 10% shares in accordance with the Securities and Exchange Act. There were no changes in shareholdings among the major shareholders holding more than 10% of the shares, and there was no substantial transfer or replacement. The largest shareholder of the Company is Capital Securities, which holds about 55.46% of the shares. Since its establishment, there has not been a large amount of equity transfer, and it has participated in every cash capital increase where the equity shares are stable.
- (XI) Effect upon and risk to the Company associated with any change in governance personnel or top management, and measures to be adopted in response: The Company commits to the business philosophy of sustainable development. While planning the business strategy, the Company commits to the vision and beliefs, and considers the possible impact on society and the natural environment. "Public interests" are our priority, and we hope to work together to contribute to the capital market.
- (XII) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) involve the Company and/or its director, supervisor, the president, any person with actual responsibility for the Company, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the Company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

The significant litigious and non-litigious matters involving the Company and its corporate director and major shareholder with over 10% shareholding, Capital Securities Corp. (hereinafter referred to as "CSC"), as of March 31, 2025:

Action	Party to an action	Dispute	Current situation	Litigation start date	Litigation amount (Unit: NT\$)
Criminal	Plaintiff: Capital Securities Corp. Defendant: Mr./Ms/Mrs. Chiang	When Yu ○-Ping, the customer of CSC Xisong Branch, checked trading documents, CSC found that, Chiang ○-Ping, the salesperson of the branch, forged documents for the Company's PGN structured products that did not exist, and got properties from Yu ○-Ping and other 15 customers of CSC Xisong Branch by cheat.	This case involves prosecution for forging and fraud and is now investigated by the Taiwan Taipei District Prosecutors' Office. There is no new progress in the case as the defendant is on the wanted list.	2018.12.18	

Action	Party to an action	Dispute	Current situation	Litigation start date	Litigation amount (Unit: NT\$)
Civil	Plaintiff: Mr./Ms/Mrs. Fan Defendant: Capital Securities Corp. Mr./Ms/Mrs. Chan	Chan ○-Ling, the salesperson of CSC Wanhua Branch, privately solicited investment for the purpose of fraud, causing damage to the customer Fan ○-Yen, therefore she filed a lawsuit, requesting the Company and the resigned employee Chan ○-Ling to assume the joint and several liability for making compensation to her in the amount of NT\$2,798,313.	This case is pending in the Taiwan Taipei District Court due to a criminal and civil lawsuit filed by the customer, and there is no new progress.	2019.4.8	2,798,313 (NT)

(XIII) Other important risks and countermeasures: adjusted net capital of futures merchants

The annual risk-adjusted average daily net capital was 42.83% in 2024, with the highest of 60.16% and the lowest of 29.26%. ANC refers to the adjusted net capital of a futures merchant, which is a concept of dynamic capital and the main indicator for measuring the overall operating risks of the futures merchant in a real time. The main purpose of ANC is to reflect the risk-bearing ability of a futures merchant and promote its sound operating system, and pay attention to maintenance of capital, while pursuing profits, to maintain investor's confidence and protect their rights and interests. Generally speaking, the higher the ANC ratio of a futures merchant is, the greater the amount of business it can undertake and the higher the risks it can tolerate.

The current regulations on ANC are as follows:

1. If ANC ratio is less than 30%, no new transaction may be added by leveraged traders, except for hedging of transactions.
2. If ANC ratio is less than 20%, it shall be immediately reported to FSC and its designated institutions.
3. If ANC ratio is less than 15%, orders from futures traders shall stop to be accepted, except for the original transaction, and an improvement plan shall be submitted to FSC and its designated institutions.

**VIII. Other Important Matters: None.**



## Chapter VI. Special Disclosures

- I. Summary of affiliated companies: For the consolidated business report, consolidated financial statements and affiliation report of affiliated companies in the most recent year, please refer to Market Observation Post System at: Single Company →Electronic Files Download→Three Forms of Affiliated Companies section.  
[https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)**
- II. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.**
- III. Other necessary supplement: None.**
- IV. Disclosures of events which may have a significant influence on stockholders' equity or share price, in compliance with subparagraph 2, paragraph 2 in Article 36 of the Securities and Exchange Act of the R.O.C.: None.**

**Capital Futures Corp.**  
**Chairman Chia, Chung-Tao**