KGI FINANCIAL

2025 SUSTAINABILITY REPORT

S&P Global CSA 2025 · Insurance

The Highest Global Score in the Insurance Sector

Selected for inclusion in the S&P Global Sustainability Yearbook 2026, ranking among the Top 1% in the global insurance industry.

- The S&P Global CSA serves as the foundational assessment for the Dow Jones Best-in-Class Indices (DJBIC) and is widely regarded as one of the world's most authoritative sustainability evaluation frameworks.

CLIMATE CHANGE

CDP A List 2025

WATER SECURITY

CDP A List 2025

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About the Report

Since 2011, KGI Financial Holding Co., Ltd. (formerly China Development Financial Holding Co., Ltd., the "Company") has been publishing the ESG Report in June every year to report the Company and its subsidiaries' (collectively, the "Group") sustainability performance in economic, environmental, social, and governance (ESG) aspects to our stakeholders and the public. In the event of any restatements of information, such as base-year adjustments or changes in data calculation methodologies, explanatory notes will be provided in the relevant data and paragraphs. This report was published in June, 2026 and was the 16th ESG Report of the Company, which discloses the sustainability performance from January 1 to December 31, 2025.

Scope of Disclosure

This report's scope of disclosure covers 100% of the consolidated financial data with the scope defined below. The financial data are taken from the public information attested by the CPA. If not specifically explained, all financial data refer to New Taiwan Dollars as the monetary unit. All financial data are taken from the consolidated financial reports.

The financial data disclosed in this report are consistent with the consolidated financial reporting boundary of KGI Financial. Environmental and social disclosures cover the parent company and five subsidiaries, including overseas entities: KGI Life Insurance, KGI Bank, KGI Securities, KGI SITE, and CDIB Capital Group. Any inconsistencies in disclosure boundaries are specified within the relevant chapters or sections. Information regarding social philanthropy also covers activities organized by China Development Financial Holding Foundation (CDF Foundation) and KGI Charity Foundation.

Disclosure Principles

Official Issuing Authority	Guidelines
Global Sustainability Standards Board (GSSB)	Global Reporting Initiative's Sustainability Reporting Standards (GRI 2021)
Sustainability Accounting Standards Board (SASB)	Insurance Industry Standard Investment Banking and Brokerage Industry Standard
Financial Stability Board (FSB)	The Task Force on Climate-Related Financial Disclosures (TCFD)
UNDP, UNEP Finance Initiative, WWF, and Global Canopy	The Taskforce on Nature-related Financial Disclosures (TNFD)
Taiwan Stock Exchange (TWSE)	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
International Sustainability Standards Board (ISSB)	IFRS Sustainability Disclosure Standards S1 and S2

Third-Party Assurance

Procedure	Description
Internal Review and Approval	KGI Financial follows the requirements of "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" to stipulate the preparation of report and verification process. The report is prepared by the KGI Financial ESG Report team and then reviewed for the chapter content and performance by all working groups under the Sustainability Committee. After submission to the Sustainability Committee, it received approval from the Board of Directors on June 23, 2026, and was subsequently disclosed and reported externally.

Data Dimension	Standards	Assurance / Verification Provider
Sustainability	AA1000 ASv3 Type II The Moderate Level Assurance	British Standards Institution (BSI)
	TWSAE No. 3000 of "Non-Historic Financial Information Audit or Approved Assurance Case" promulgated by Accounting Research and Development Foundation of the Republic of China	Ernst & Young Global Limited (EY)
Finance	International Financial Reporting Standards (IFRS)	Deloitte & Touche (Deloitte)
Environmental	ISO 14001: 2015 EMS International Certification ISO 14068-1: 2023 Carbon Neutrality ISO 50001: 2018 Energy Management System The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard	British Standards Institution (BSI) SGS Taiwan (SGS) DNV Business Assurance (DNV) PwC Business Advisory Services Taiwan Ltd. (PwC)
Social	ISO 45001: 2018 Occupational Health and Safety Management System ISO 10002: 2018 Customer Satisfaction Management System	British Standards Institution (BSI)
Governance	ISO 27001: 2022 Information Security Management System	SGS Taiwan (SGS) British Standards Institution (BSI)

Note: The sustainability information verification certificate and assurance report are included in → Appendix 7.7 Assurance Statement and Other Certificates. Other disclosures are available on the → Company's website.

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Chairman's Message

Elevating to an International Sustainability Benchmark and Strengthening Financial Governance Resilience

Looking back on 2025, global sustainable development has formally transitioned from a phase of advocacy and commitments to a critical stage of institutional implementation and accountability. The physical risks arising from climate change continue to intensify, while industrial transformation, energy structure adjustments, and geo-economic shifts are simultaneously reshaping the risk landscape of financial markets and the logic of capital allocation. As sustainability disclosure standards become increasingly institutionalized, companies are required not only to respond to regulators' and investors' demands for transparency and verifiability, but also to integrate sustainability-related risks and opportunities into core governance and business decision-making. For financial institutions, sustainability is no longer merely a matter of policy compliance or benchmarking indicators; rather, it has become a fundamental pillar for ensuring asset quality, strengthening risk management, and supporting the stable development of the real economy.

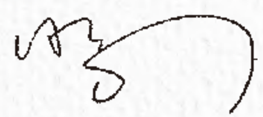
Against this backdrop, KGI Financial has continued to adopt a prudent and steady approach to operations, responding carefully to environmental and social changes while creating long-term, resilient value for stakeholders. In 2025, the Group recorded consolidated net income after tax of NT$30 billion, with earnings per share of NT$1.74. Its subsidiaries—including life insurance, banking, securities, venture capital, and asset management—maintained solid operating momentum, demonstrating the stability and resilience of its diversified business portfolio. In terms of sustainability performance, in the 2025 S&P Global ESG evaluation (Corporate Sustainability Assessment, CSA), the Group achieved the highest score globally in the insurance industry and ranked within the top 1% worldwide. It was also selected for the S&P Global Sustainability Yearbook. The S&P Global CSA serves as the basis for the Dow Jones Best-in-Class Indices (DJBIC), and the Group's continued inclusion in both global and emerging market indices underscores its international leadership in corporate sustainability. Furthermore, the Group's MSCI ESG rating was upgraded from A to AA, advancing to the "Leader" category within the industry. It also remained a constituent of the FTSE4Good Emerging Market Index and the FTSE4Good TIP Taiwan ESG Index, demonstrating that its long-term commitment to governance, environmental, and social dimensions has achieved a high level of international comparability.

Guided by its five core sustainability strategy pillars—"Corporate Governance," "Intelligent Sustainable Finance," "Co-Creation of Sustainable Society," "Talent Development," and "Low-Carbon Operations," KGI Financial continues to embed sustainability principles into its operations and management practices. In terms of Corporate Governance, Taiwan Ratings Corporation has affirmed the Company's long-term credit rating at "twAA-" and short-term rating at "twA-1+," reflecting the Group's sound capital structure and robust risk management capabilities. In the area of Intelligent Sustainable Finance, KGI Life Insurance has continued to implement diversified financial inclusion initiatives. Its Financial Accessibility Service Zone has obtained the highest-level AAA accessibility certification, enhancing the accessibility of financial services. With respect to Co-Creation of Sustainable Society, the Group has actively promoted regional revitalization and volunteer engagement, with total annual volunteer service hours exceeding 80,000. In response to major disasters, it has leveraged its financial expertise to provide support, including offering a dedicated insurance program for post-disaster reconstruction volunteers ("Shovel Supermen") in Guangfu Township, Hualien, with all premium income donated to support reconstruction efforts, thereby strengthening social resilience. In the area of Talent Development, the Company has continuously received recognition through the implementation of diversified and inclusive talent management systems and development mechanisms, earning accolades at the Taiwan Corporate Sustainability Awards, including the Talent Development Leadership Award, Gender Equality Leadership Award, and Social Inclusion Leadership Award. With respect to Low-Carbon Operations, in August 2025, the Company successfully obtained third-party verification under the ISO 14068-1:2023 Carbon Neutrality standard, becoming the first financial holding company in Taiwan to achieve certification under the latest international carbon neutrality standard at the group headquarters building level.

In response to a rapidly evolving external environment, KGI Financial continues to strengthen its governance resilience by integrating sustainability-related risks into its overall risk management framework, while proactively addressing stakeholder expectations. The Group actively supports and aligns with international sustainability disclosure frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD), and the Partnership for Carbon Accounting Financials (PCAF), thereby progressively enhancing the completeness and comparability of its sustainability information. This Sustainability Report serves as a key instrument for corporate governance and information transparency, providing regular disclosures of both financial and non-financial performance, and outlining the progress and effectiveness of the Group's sustainability strategies and management practices.

From an operational and strategic perspective, KGI Financial continues to respond to regional financial development trends and policy directions by advancing both international and domestic expansion. In 2025, KGI Bank officially inaugurated its Hong Kong Branch, further strengthening the Group's cross-border financial service capabilities. In parallel, in alignment with the government's initiative to promote Taiwan as an Asian Asset Management Center, teams from KGI Life Insurance, KGI Securities, and KGI Bank established a presence in the Kaohsiung Asset Management Zone. Through integrated Group resources, this initiative enhances the Group's asset and wealth management service capacity. Looking ahead, the Group will continue to build on its solid foundation by deepening the "ONE KGI" strategy, strengthening synergies across banking, securities, and insurance operations, and prudently addressing opportunities and risks arising from market cycles and technological advancements.

KGI Financial remains committed to sound governance as the cornerstone of its operations, pursuing long-term, stable growth while actively embracing innovation and talent development, with the aim of delivering forward-looking and sustainable financial solutions for its customers, shareholders, and society.

Chairman 

2025 ESG Performance

KGI Financial and its subsidiaries systematically participate in both domestic and international sustainability assessments and awards. Through the evaluation and application processes, the Group continuously enhances its governance, operations, and sustainability practices, achieving repeated recognition across multiple rankings and accolades. A summary of major awards and recognitions in 2025 is as follows:

Highest-Level International Recognition

- Awarded recognition by S&P Global in the 2025 S&P Global ESG Score (Corporate Sustainability Assessment, CSA), the highest global score in the insurance sector.

  The S&P Global CSA serves as the foundational assessment for the Dow Jones Best-in-Class Indices (DJBIC) and is widely regarded as one of the world's most authoritative sustainability evaluation frameworks.
- Selected for inclusion in the S&P Global Sustainability Yearbook 2026, ranking among the Top 1% in the global insurance industry.
- Awarded the highest A rating by CDP in both Climate Change and Water Security, attained a Leadership level score in Forests, and was included in the Supplier Engagement Assessment (SEA) A List for two consecutive years.

Constituents of Domestic and International ESG Indices

- Achieved an upgraded ESG rating of AA from MSCI, advancing from Average to Leader status.
- Selected as a constituent of the Dow Jones Best-in-Class Indices (DJBIC), including both the World Index and Emerging Markets Index, by S&P Dow Jones Indices for six consecutive years.
- Included for nine consecutive years in the FTSE4Good Emerging Index and the FTSE4Good TIP Taiwan ESG Index by FTSE Russell.
- Continuously selected as a constituent of the TWSE Corporate Governance 100 Index, TWSE RAFI® Taiwan High Compensation 100 Index, and TWSE RA Taiwan Employment Creation 99 Index by the Taiwan Stock Exchange.

Major Annual Awards and Recognitions

- Received a Prime rating—the highest level in the financial sector—from ISS ESG.
- Honored for three consecutive years with the "Happy Enterprise – Gold Award" by 1111 Job Bank, along with the "Family-Friendly Excellence – Happiness Guardian" distinction.
- Recognized at the 2025 Taiwan Corporate Sustainability Awards (TCSA) by the TAISE, receiving a total of five accolades:
  - Sustainability Overall Performance Award – Top 100 Taiwan Sustainable Enterprises
  - Sustainability Report Award – Platinum Award
  - Talent Development Leadership Award, Gender Equality Leadership Award, and Social Inclusion Leadership Award
- Received the "2025 ESG Corporate Sustainability Award – Excellence Award in Public Welfare Promotion" from Global Views Monthly.
- Recognized among the Top 100 Enterprises in the "2025 Talent Sustainability Awards" by CommonWealth Magazine.
- Ranked 9th in the financial industry (large enterprise category) in the "2025 CommonWealth Excellence in Corporate Social Responsibility Award" by CommonWealth Magazine.
- Awarded the "Buying Power Social Innovation Procurement Award – Excellence Leadership Award" and the "Social Innovation Special Award" by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs.
- Received the "Workplace Gender Equality Certification – Gold Award" from the Department of Labor, Taipei City Government.
- Granted the "Taiwan iSports" by the Ministry of Sports.
- Honored with the "Social Enterprise Sustainability Development Awards – Talent Development Award and Friendly Workplace Award" by the Association of Sustainable Social Enterprise of Taiwan.

ONE KGI – Cross-Group Achievements

KGI Life Insurance

- Awarded the "Happy Enterprise – Gold Award" by 1111 Job Bank, along with the "Family-Friendly Excellence – Happiness Guardian" distinction.
- Recognized at the Taiwan Corporate Sustainability Awards (TCSA) by the TAISE, receiving a total of five accolades: Sustainability Overall Performance Award – Top 100 Taiwan Sustainable Enterprises, Sustainability Report Award – Platinum Award, Innovation Growth Leadership Award, Social Inclusion Leadership Award, and Talent Development Leadership Award
- Recognized at the Taiwan Sustainability Investment Awards (Taiwan SIA) by the TAISE, receiving a total of four accolades: Influence Investment — Gold Award, Shareholder Action – Silver Award, Corporate Engagement – Silver Award, Institutional Influence – Excellence Award
- Recognized at the Taiwan Sustainability Action Awards (TSAA) by the TAISE, receiving a total of three accolades: SDG 4 – Gold Award, SDG 10 – Gold Award, SDG 12 – Bronze Award
- Awarded the "Excellence in Sustainable Finance Award" at the Finance Awards by Wealth Magazine Taiwan.
- Honored at the Digital Finance Awards by Commercial Times, receiving the "Excellence in Digital Financial Inclusion Award" and the "Excellence in Green Net-Zero Finance Award".
- Received the "Senior-Friendly Financial Service Award" at the Financial Service Evaluation Awards by Want Want China Times Media Group.
- Granted the "Taiwan iSports" by the Ministry of Sports.
- Awarded the "National Enterprise Environmental Protection Award – Bronze Level" by the Ministry of Environment Taiwan.
- Received the "Asia Sustainability Reporting Awards – Gold Award for Best Corporate Governance" from CSRWorks International.
- Honored at the Asia Responsible Enterprise Awards (AREA) by the Enterprise Asia, receiving recognition in Green Leadership and Social Empowerment.
- Awarded the "Best Financial-Friendly Service Enterprise Award" by the Taiwan Service Industry Development Association.

KGI Bank

- Awarded the "Happy Enterprise – Gold Award" by 1111 Job Bank
- Awarded the "Taiwan Corporate Sustainability Award – Climate Leadership Award" by the TAISE.
- Awarded the Digital Transformation Excellence Awards by Harvard Business Review, receiving the "HR Transformation – Benchmark Award" and the "AI Application Special Award."
- Honored with the "Best Customer Trust Award" in the Wealth Management Evaluation by Business Today Taiwan.
- Received the "Best Digital Finance Award" at the Wealth Management Awards by Wealth Magazine Taiwan.
- Awarded the "Best Digital CSR Project in Taiwan" by The Asset.
- Granted the "Buying Power Procurement Award – Excellence Leadership Award" by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs.
- Received the "National Talent Development Award – Outstanding Case Award" from the Ministry of Labor Taiwan.
- Ranked among the top 50% of banks in the Fair Customer Treatment Principles Evaluation conducted by the Financial Supervisory Commission Taiwan.
- Awarded the "National Brand Yushan Award – First Prize (National Winner)" by the National Enterprise Competitiveness Development Association.
- Received the "Anti-Fraud Collaboration Contribution Award" from Financial Information Service Co., Ltd.

KGI Securities

- Awarded the "Happy Enterprise – Gold Award" by 1111 Job Bank
- Recognized at the Taiwan Sustainability Action Awards (TSAA) by the TAISE, receiving a total of four accolades: SDG 10 – Gold Level, SDG 12 — Silver Level, SDG 13 – Bronze Level, SDG 14 — Bronze Level
- Recognized at the Taiwan Corporate Sustainability Awards (TCSA) by the TAISE, receiving a total of two accolades: Sustainability Overall Performance Award – Excellence, Sustainability Report Award – Silver Level
- Achieved the highest rating of "Outstanding Performance" in the Temperature Rising Index for Pathways by CommonWealth Magazine.
- Ranked among the top 25% of large integrated securities firms in the Fair Customer Treatment Principles Evaluation conducted by the Financial Supervisory Commission Taiwan.
- Awarded the "Golden Tripod Award – Outstanding ESG Sustainability Award" by the Securities and Futures Institute.
- Received the "Green Dining Annual Award – Local Seasonal Ingredient Utilization Award" from the Green Dining Guide Taiwan.

KGI SITE

- Awarded the "Happy Enterprise – Silver Award" by 1111 Job Bank
- Recognized by the Taiwan Stock Exchange with the "ETF Listing Incentive and Market Making Competition – Issuer Award" and the "ETF Liquidity Provider Market Making Competition and Contribution Award."

CDIB Capital Group

- Awarded the "Happy Enterprise – Silver Award" by 1111 Job Bank
- Received the "Venture Capital Star – Outstanding Investment Award" from the Taiwan Venture Capital Association.

External Authoritative Recognition and Sustained Endorsement Affirm KGI's Commitment to Innovation and Talent, Delivering Sustainable Financial Solutions for Customers, Employees, Shareholders, and Society

Corporate Overview

About KGI Financial

KGI Financial Holdings (formerly China Development Financial Holding Corporation) was established on December 28, 2001, and listed on the Taiwan Stock Exchange on the same day (Stock Code: 2883). The current Chairman is Mr. Alan Wang, and the President is Mr. Paul Yang. With over 60 years of experience in industrial investment, KGI has played a pivotal role in Taiwan's economic development and has evolved into a comprehensive financial holding group with five main business pillars: life insurance, banking, securities, asset management, and private equity. Through the steady performance of its subsidiaries, KGI has established a solid market foundation. In 2024, the Company officially changed its name from China Development Financial Holding Corporation to KGI Financial Holding Co., Ltd.. The rebranding strengthens brand identity and integrates group-wide resources under the "ONE KGI" strategy, emphasizing collaborative growth, seamless service, and customer-centricity. The Group aims to accelerate growth while delivering sustainable financial solutions to stakeholders, aligning with global ESG trends and advancing corporate sustainability.

KGI Financial Holding Co., Ltd. operates in the financial and insurance sector. For more information about business operations, please refer to the → 2025 Annual Report, Chapter IV: OPERATIONAL HIGHLIGHTS / 4.1 Business Activities / 4.1.1 Business Scope.

Operation Sites

Major Subsidiaries	KGI Life	KGI Bank	KGI Securities	KGI SITE	CDIB Capital Group	Total
Operation Sites	153	56	87	1	7	304

Note: The Company's key Operation sites are defined as all locations of KGI Financial and its subsidiaries in Taiwan.

Partners

Government Agencies / Suppliers / Business Partners

- Government and competent authorities
- Industry Associations
- Suppliers
- Investment Trust, Leasing, and Insurance Companies
- Strategic Partners
- Charitable Organizations / Civil Society Organizations
- Law Firms / CPA Firms
- Schools/Incubation Centers
- Consulting Firms
- Media

→ **Operational Support**
Business supervision, product and service supply, and commercial cooperation

KGI FINANCIAL
KGI Life, KGI Bank, KGI Securities, KGI SITE, CDIB

→ **Financial Transaction**
Financial Service Provision (investment, financing and insurance)

Customer / Financials Service Target

- Individual Customers
- Corporate Customers
- Investee Companies
- Shareholders and investors

Operating Performance

2025 Business Performance of Subsidiaries

Corporate	2025 Key Performance of Subsidiaries	Main services
KGI Life	· 2025 net income amounted to NT$15.8 billion. If excluding the impact of the one-time appropriation of 30% (approx. NT$5.92 billion) of pre-tax net income to FX reserve as required by law in December, the full-year net income would have exceeded NT$20 billion	Various insurances for individuals and investment activities in compliance with laws and regulations
KGI Bank	· Net income for 2025 reached NT$6.8 bn, up 22% year over year, marking a record high · Since its opening in Jul'25, the HK Branch has attracted over 350 clients with deposits totaling NT$15 bn	Deposits/loans, credit cards, wealth management, consumer banking, corporate banking, global market, and foreign exchange transactions
KGI Securities	· Net income reached NT$11.5 billion in 2025, representing a 14% year-on-year increase, with ROE of 17.3%, outperforming the industry average	Brokerage, wealth management, proprietary trading, underwriting, fixed income, and a variety of derivatives products
KGI SITE	· KGI SITE reported a net income after tax of NT$75 million and an ROE of 13.3% in 2025. · Total AUM reached NT$314.0 billion by the end of 2025, up 4.16% from 2024. Its mutual fund stood at 10th in market share. · ETF assets under management totaled NT$ 287.6 billion, ranking 7th in the market, reflecting a 7% growth compared to the end of 2024.	Business lines include: securities investment trust, discretionary investment, and securities investment consulting services.
CDIB Capital Group	· Net profit in 2025 was NT$0.5 billion, exclude the negative impact of currency fluctuations, net profits was NT$0.8 billion, while full-year recurring income hit a historical high · Launched a tailored USD product for KGI Securities WM2.0 "CDIB Private Equity Partners I, L.P. (CPEP)". Continue raising new domestic and international funds, with a focus on Healthcare and AI related industries	Venture capital, private equity and asset management, etc.

Financial Performance

KGI Financial Holdings reported consolidated net income after tax of NT$30 billion and earnings per share (EPS) of NT$1.74.

The Company's strategic priorities focused on accelerating Group growth, enhancing financial performance, and maintaining a stable dividend policy. Key strategies included driving business and investment momentum at KGI Life, leveraging group synergies to expand KGI Bank's scale, strengthening KGI Securities' wealth management and overseas business, growing KGI SITE's retail client base and AUM, and deepening CDIB Capital Group's partnerships with Taiwanese and overseas enterprises while developing private market products tailored for Taiwan's wealth management sector.

Financial Summary

Unit: NT$ thousands

		2023	2024	2025
Total Consolidated Assets		3,648,212,053	3,948,244,504	4,120,134,796
Total Consolidated Liabilities		3,385,261,417	3,640,951,342	3,792,612,298
Consolidated Shareholder Equity		262,950,636	307,293,162	327,522,498
Consolidated Net Profit		39,552,047	73,288,769	64,304,206
Consolidated Net Profit after Tax		18,948,119	33,554,983	30,056,495
Profitability	Consolidated ROA (%)	0.53	0.88	0.75
	Consolidated ROE (%)	8.03	11.77	9.47
	Consolidated Net Profit Margin (%)	47.91	45.78	46.74
	EPS after Tax (NT$)	1.13	1.95	1.74
Retained Economic Value		19,775,079	25,981,061	13,720,851

Note: Economic value retained: 'direct economic value generated' less 'economic value distributed'. Direct economic value generated: revenues; Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments.

1 Sustainability Strategy

KGI Financial has been established for more than 60 years. KGI Financial has accompanied and witnessed the development and changes of various industries in Taiwan. The five core businesses including insurance, banking, securities, asset management, and capital, serve as a solid foundation for responding to international sustainable trends and transition toward net zero. Through forward-looking thinking, we are committed to sustainable development and grasp market opportunities with innovation capabilities. KGI Financial's vision and five sustainable development strategies (Corporate Governance, Intelligent Sustainable Finance, Talent Development, Low-Carbon Operations, and Co-creation of Sustainable Society) are mutually aligned. We refer to the international initiatives and guidelines to ensure that the various sustainable promotion policies comply with international norms.

1.1 Sustainable Vision and Strategy

KGI Financial has planned five sustainable strategies: Corporate Governance, Intelligent Sustainable Finance, Talent Development, Low-Carbon Operations, and Co-Creation of Sustainable Society, actively responds to the UN SDGs, and face up to the risks and opportunities of global economic environment, and strive to integrate sustainability spirit into corporate operations, so as to create maximum value for all stakeholders.

Sustainability Visions and Strategy

KGI Financial promotes positive impacts on the economy, environment, and society, while also preventing negative impacts through its five sustainability strategies. Please refer to the respective chapters for more information on the measures and achievements related to each strategy.

Intelligent Sustainable Finance

Implication

Align with global trends in sustainable finance by integrating net-zero strategies into financial actions, advancing digital finance, and fostering cross-sector collaboration to enhance customer experience and brand value.

Action Plan

- Engagement Targets
- Sector Targets
- Portfolio Emission Targets
- Transition Targets
- IFRS S2/TCFD
- Customer Service
- Inclusive Finance
- Digital Finance

Talent Development

Implication

Talent in response to the rise of the knowledge economy, develop forward-looking sustainable talent strategies to help organizations navigate through rapid changes.

Action Plan

- Diversity, Equity, and Inclusion (DEI)
- Talent recruitment and development
- Employee compensation and benefits
- Workplace safety and health

Low-Carbon Operations

Implication

Reduce corporate greenhouse gas emissions and invest in low-carbon industries and companies with strong growth potential to drive a successful low-carbon transition.

Action Plan

- Carbon Reduction Operations Management
- Sustainable Supply Chain
- Promotion of a Sustainable Environment

Corporate Governance

Implication

Deepen the culture of corporate governance, enhance Board effectiveness, improve transparency in disclosures, and reinforce regulatory compliance.

Action Plan

- Strengthen the functions of the Board of Directors
- Enhance risk management mechanisms
- Optimize compliance systems and effectiveness
- Transparency in information disclosure
- Information Security

Co-Creation of Sustainable Society

Implication

Embrace the concept of "shared value" to simultaneously create social impact and enhance corporate value.

Action Plan

- Build local revitalization ecosystems
- Establishing a culture of volunteerism
- Invest in talent development
- Support underprivileged communities in rural areas

1.2 Sustainability Issue Management

1.2.1 Identification of Stakeholders and Material Topics

Identification of Stakeholders

KGI Financial regularly reviews the focus of stakeholders every year. In 2024, we analyzed the trend of international sustainable development according to the AA1000 Stakeholder Engagement Standard:2015 (AA1000 SES 2015), with the five principles of Responsibility, Influence, Tension, Diverse Perspectives, and Dependency, in addition to taking reference from domestic and foreign industry to review and identify KGI Financial's 8 major stakeholders (including shareholders and investors, employees, clients, community, investment targets, suppliers, government and competent authorities, and media). Through due diligence channels, the Company will gain insight into the issues that stakeholders prioritize in daily operations and will incorporate these considerations into its decision-making process.

2025 Communication with 8 Major Stakeholders

Stakeholder	Purpose of Communication and Importance	Focus Topics	Communication Channel and Frequency		Communication Performance
Shareholders and Investors	The support of shareholders and investors will enhance the corporate value of the Company	· Corporate governance and ethical management · Labor protection and workplace inclusion and equality · Employment and training for diversity of talents	· Irregular news releases / material information: timely disclosure / announcement via media in real-time / Market Observation Post System (MOPS) / announcement of important information · Annual Shareholders' Meeting · Quarterly domestic and international institutional investor conference, irregular analyst visits, conference calls, and forums	· Shareholder services and investor relations contact persons · IR Contact Tel.: +886 2 2763 8800 #1508 Email: ir@kgi.com · Shareholder Services Contact Tel.: +886 2 2389 2999	· 414 material information in Chinese and English · 1 shareholders' meeting to publish annual report · A total of 4 investor conferences were organized internally (including sessions in both Chinese and English); additionally, the Company participated in 2 externally organized investor conferences to enhance communication with investors · A total of 59 shareholder and investor meetings were held to deepen the market's understanding of the Company's operations and strategies · Regular communication is conducted by a dedicated liaison to ensure that investors receive timely and transparent information from the Company
Employees	Effective employee communication can enhance employee engagement and contribute to the goal of becoming the employer of choice for talent sustainability	· Protecting information security and privacy · Corporate governance and ethical management · Risk management	· Conduct an annual employee opinion survey through email, announcements, and meetings · Regular and irregular announcements and communications related to human resources policies/guidelines/practices/various employee activities (regular announcements have different frequencies depending on the theme and are communicated via email, internal website, or meetings)	· Quarterly and irregular labor-management meeting/labor union communication · Human Resource Department Tel.: +886 2 2763 8800 Email: hr@kgi.com	· **Employee opinion survey:** 38 times in total (via email, announcements, and meetings) · **Human resources policies/guidelines/practices/employee activities:** 1,857 regular and irregular announcements and communications · **Labor-management meeting/labor union communication:** 43 regular and irregular communication meetings were organized by the Group's related companies
Investees	The business performance of the investment targets directly affects the profitability of KGI Financial	· Protecting information security and privacy · Risk management · Corporate governance and ethical management	· Irregular participation in investee Shareholders' Meeting and Board of Directors · Irregular roadshow to share with investees · Irregular visits to investees		· CDIB Capital Group attended a total of 172 Shareholders' Meetings of investee companies in person in 2025 (including participation through electronic voting) · CDIB Capital Group held 15 one-day startup Board of Directors

(Continue)

Stakeholder	Purpose of Communication and Importance	Focus Topics	Communication Channel and Frequency		Communication Performance
Clients	Customer support and trust contribute to the Company's revenue growth	· Protecting information security and privacy · Risk management · Improving service quality and customer relationship management	· Irregular advertisement and social media · 24-hour service hotline, complaint hotline and website visitor message board · Irregular customer satisfaction survey · Irregular financial management workshops and seminars For contact details of subsidiaries, please refer to the → official website		· **Facebook engagement:** KGI Life Insurance posts reached approximately 16 million users with around 290,000 interactions; KGI Bank posts reached approximately 3.3 million users with around 110,000 interactions; KGI Securities posts reached approximately 1.8 million users with around 14,000 interactions. KGI SITE posts reached approximately 1.3 million users with around 850,000 interactions · **LINE followers:** KGI Life Insurance – 1.34 million; KGI Bank –approximately 67,000; KGI Securities – 2 million; KGI SITE –approximately 30,000 · **Customer satisfaction:** KGI Life Insurance – general service counters 100%, friendly service counters 100%, call center services 99.03%; KGI Bank – 96.7%; KGI Securities – counter services H1: 97% / H2: 99.75% · **Financial literacy and anti-fraud campaigns:** KGI Life Insurance held 66 financial education and anti-fraud awareness sessions; KGI Bank held 586 anti-fraud education sessions; KGI Securities held 64 financial education and anti-fraud campaigns across various platforms and channels; KGI SITE held 10 Inclusive financial and anti-fraud campaigns across various platforms and channels
Community	Good relations with community can help increase the number of customers and enhance brand image	· Risk management · ESG risk and opportunities in investment and financing · FinTech and digital innovation	· Irregular forums and seminars organized by private associations and academic institutions · All subsidiaries, CDF Foundation and KGI Charity Foundation serve as the contact channel to communicate with related community groups	· Corporate Strategy and Planning Department Tel.: +886 2 2763 8800 Email: service.cdfh@kgi.com	· The total volunteer hours amounted to 88,319 hours · The Financial Holding Company's "Regional Revitalization Changemakers +" Volunteer Project has empowered a total of 34 local revitalization teams over two years · Two annual Charity Days were held, inviting more than 60 social welfare organizations and local revitalization teams to participate
Suppliers	Suppliers are important partners for the Company's sustainable operations	· Protecting information security and privacy · Corporate governance and ethical management · FinTech and digital innovation	· Signing the "Letter of Undertaking regarding Sustainability for Suppliers" · Irregular pre-bidding briefing · We conduct annual supplier evaluations and self-assessments · We conduct annual on-site audits of key suppliers · We hold an annual Supplier Conference, which includes ESG education and training for suppliers as well as recognition of outstanding service suppliers	· Establish procurement mailbox and hotline · Operations and Sustainable Department Tel.: +886 2 2763 8800 Email: procurement.kgifh@kgi.com	· 100% of major suppliers signed the "Letter of Undertaking regarding Sustainability for Suppliers" and the "Statement of Use of Personal Information" · We held a bid opening briefing session, with the tender documents including a "Notice on the Collection, Processing, and Use of Personal Data" · A total of 112 supplier evaluations and 235 supplier self-assessments were conducted in 2025 · On-site audits were conducted for 3 key suppliers in 2025 · On April 22, 2025, the Group held its Annual Supplier Conference, including training sessions and recognition of distinguished suppliers · Conducted real-time two-way communication with suppliers via the procurement mailbox
Government and Competent Authorities	Government and competent authority policies have direct impact on the direction of our operation	· Protecting information security and privacy · Corporate governance and ethical management · ESG risk and opportunities in investment and financing	· Irregular participate in policy discussions and forums · Irregular visit the competent authority · We established a point of contact with the government and competent authorities	· Compliance Department Tel.: +886 2 2763 8800 Email: cdf_cpl@kgi.com	· Participated in discussions and forums from time to time · Top 6% to 20% in Corporate Governance Evaluation · Responded to unscheduled audit to provide real-time information
Media	Convey important information and performance through the media	· Protecting information security and privacy · ESG risk and opportunities in investment and financing · FinTech and digital innovation	· Irregular press release · Irregular press conference · Setting up the media service mailbox	· Corporate Strategy and Planning Department Tel.: +886 2 2763 8800 Email: service.cdfh@kgi.com	· 435 regular press releases · Held press conferences from time to time

Note: Stakeholders can make complaints on KGI Financial's website, and relevant units will actively deal with them.

Procedures for Identification of Material Topics

KGI Financial references global sustainable development trends, benchmarking against leading domestic and international companies and ESG evaluation frameworks to conduct annual materiality assessments and identifications of sustainability topics. In accordance with the Sustainability Reporting Standards (GRI 2021), the Company continued the identification results from 2024 to 2025. Through stakeholder questionnaires and due diligence, the Company gathered stakeholder opinions and conducted a comprehensive assessment of the “impact severity” and “likelihood of occurrence” for both positive and negative sustainability issues. Based on this assessment, the Company adjusted the prioritization of material topics and their associated positive and negative impacts. The results were submitted to the Sustainability and Ethical Management Committee at the board level for resolution.

Analysis Procedures	❶ Review of Sustainability Issues and Impacts	❷ Stakeholder Survey	❸ Assessing the Impacts and Adjusting the Materiality Ranking of Sustainability Topics	❹ Reporting and Disclosing Content
Description / Consideration by Stakeholder and Expert Opinions	KGI Financial Holdings (the Company) conducted a comprehensive review of its 2024 sustainability issue list, referencing the industry material topics outlined by the Sustainability Accounting Standards Board (SASB), the focus areas of international sustainability assessments such as the Dow Jones Best-in-Class Indices (DJBIC), domestic regulations and trends, key topics from leading global and local peers, and incorporating findings from penalty investigations. This process resulted in the identification of **18 sustainability issues, 11 negative impacts, and 12 positive impacts**.	KGI Financial distributed surveys to eight major stakeholders to collect their assessments of the impacts. At the same time, the likelihood of each impact occurring was considered to identify whether it constitutes a substantive or potential risk. This comprehensive evaluation serves as the basis for adjusting the overall "impact severity," including both positive and negative effects. Consideration by Stakeholder and Expert Opinions **A total of 57 stakeholder impact assessment surveys were collected**, including 18 from customers, 5 from community members, 3 from media representatives, 9 from employees, 3 from shareholders and investors, 9 from investees, 6 from suppliers, and 4 from government agencies and regulators.	Consolidating the results of stakeholder surveys and penalty investigations, the Company assessed the likelihood and impact severity of both positive and negative effects for each issue. Prioritizing negative impacts, the Company then compiled the ranking of positive impacts and ultimately adjusted the materiality hierarchy of sustainability issues accordingly. The 18 sustainability issues have been categorized into three tiers: key, secondary, and other. The ranking of material topics for 2025 has been updated, along with the assessment of positive and negative impacts for the key topics.	The results of the materiality assessment on sustainability issues were submitted to and approved by the Sustainability and Ethical Management Committee in March 2026. The Sustainability Report is prepared in accordance with the identified material topics, disclosing the strategies, goals, and implementation status of the sustainability development plan. Performance is regularly reported to the Sustainability and Ethical Management Committee and the Board of Directors for oversight.

Integration of Materiality Assessment Results in Enterprise Risk Management (ERM)

Risk Definition and Identification Phase

In accordance with the Risk Management Policy, KGI Financial has established a comprehensive management framework that addresses various risk categories, including market risk, credit risk, operational risk, asset-liability risk, liquidity risk, insurance risk, and climate risk. In response to the topic of “Climate/Natural Opportunities and Risk Management,” and to establish a robust climate risk management system, the Board of Directors approved the “Climate Risk Management Guidelines” in 2023. These guidelines are designed to assess the physical and transition risks posed by climate change, as well as their potential impact on the Company’s operations and financial performance. In response to the rise of global emerging risks, KGI Financial has established mechanisms to identify and assess significant emerging risk factors, including climate change, regional political and economic risks, and cyber information security risks. These mechanisms also include the analysis of the interrelationships between significant emerging risks and other risk categories. This approach facilitates the development of appropriate strategies and the management of related risks, thereby ensuring the company’s stable operations and sustainable development.

Risk Measurement, Control, and Management Phase

In addition to the climate and emerging risks identified in the preceding section, for which assessment mechanisms have been established, the potential impacts associated with certain material topics have been integrated into the existing risk identification and assessment process. For example, the topic of “optimizing service quality and customer relationship management” addresses operational risk by monitoring the number of “public complaints—major customer complaint cases.” The status of risk control is reported to the KGI Financial Risk Management Committee and the Board of Directors, ensuring that the governance bodies maintain continuous oversight of these risks.

Risk Monitoring and Reporting Phase

Pursuant to its internal regulation, the "Major Risk Event Reporting Guidelines," KGI Financial has established a formal groupwide reporting mechanism for major risk events. Upon identifying a major risk event, the responsible business unit shall complete the "Major Risk Event Reporting Form" and promptly report the event to the designated supervisor and the risk management unit. Additionally, the event must be reported to the risk management unit of KGI Financial and, depending on the severity of the situation, escalated to senior executives, including the President of KGI Financial. Subsequently, KGI Financial reported to the Risk Management Committee and the Board of Directors regarding the cause of the incident, the impact of the loss, and the corresponding response plan and improvement measures.

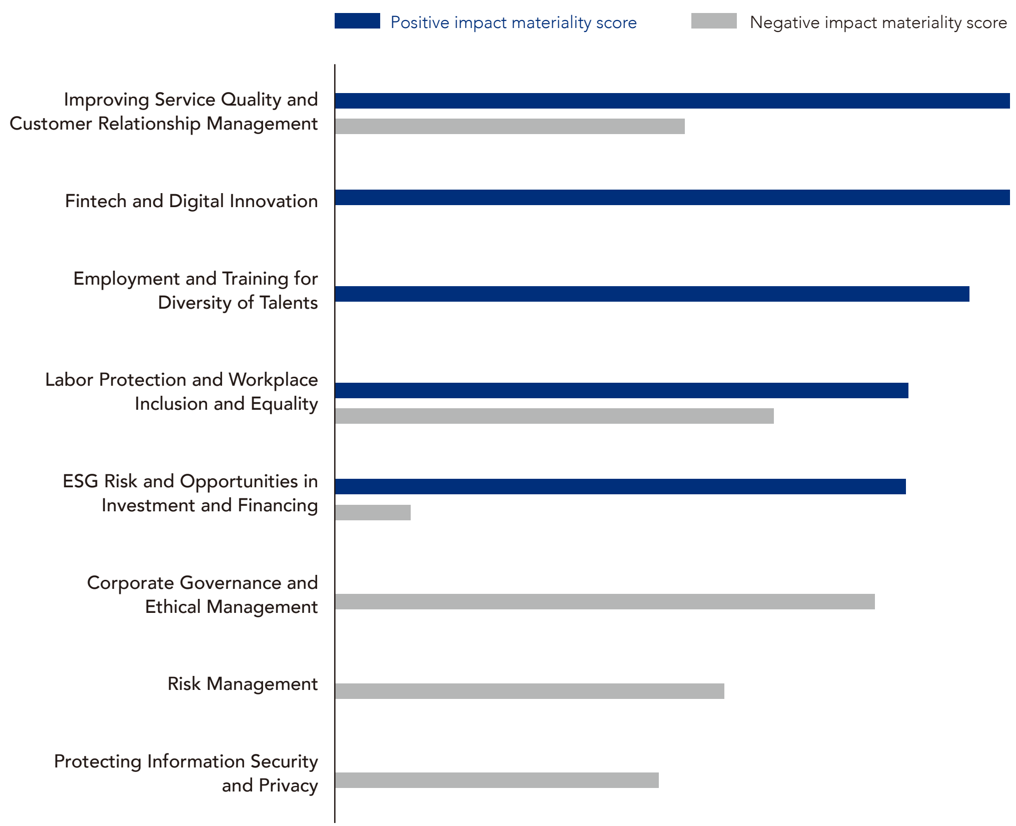
Impact Assessment of Sustainability Issues

After a comprehensive assessment of both positive and negative impacts, the analysis converged on the materiality of sustainability issues, identifying a total of 8 key topics, 6 secondary topics, and 4 other topics. In the process of analyzing material topics, KGI Financial considered the recommendations of stakeholders and external experts and resolved to disclose the management and performance of key topics in this year's report in accordance with the GRI Standards. Secondary and other topics, which have lower impact and likelihood of occurrence on the economy, environment, and people, will be disclosed with basic performance information in the report. Details of the sustainability issues are provided below:

	Material Topics
Key Topics (8 Items)	Corporate governance and ethical management
	Labor protection and workplace inclusion and equality
	Risk management
	Improving service quality and customer relationship management
	Protecting information security and privacy
	FinTech and digital innovation
	Employment and training for diversity of talents
	ESG risk and opportunities in investment and financing
Secondary Topics (6 Items)	Business continuity
	Workplace safety and health
	Management of influence caused by social changes
	Upgrade financial inclusion
	Competitive compensation and welfare
	Maintain shareholders' equity
Other Topics (4 Items)	Climate/nature-related opportunity and risk management
	Operational environmental impacts
	Social Participation and Supporting Disadvantaged Groups
	Sustainable Supply Chain

Key Topic Impact Assessment (Consolidated Positive and Negative Impacts)

Taking into comprehensive consideration the likelihood and impact severity of both positive and negative effects for each issue, the materiality score was calculated by multiplying the two-axis scores of each impact. Based on these scores, a total of eight key topics were identified.



Sustainability Issue Adjustment

Referring to domestic and international trend standards, evaluation indicators, and benchmarks from both domestic and international peers, the Company reviewed the 2024 sustainability issue list and, after comprehensive assessment, adjusted the names of three issues. Description of adjustments:

Material Topics in 2025	Material Topics in 2024
Protecting Information Security and Privacy	Customer private and personal data protection
Improving Service Quality and Customer Relationship Management	Optimize service quality and customer relation management
Fintech and Digital Innovation	Upgrade service convenience through digital finance

Based on the results of the comprehensive stakeholder survey and the analysis of penalty investigations, the Company assessed the impact and likelihood of each sustainability issue and adjusted the materiality ranking accordingly. Compared to 2024, there were four changes in the materiality of sustainability issues:

- "Diverse Talent Recruitment and Development" was upgraded from a secondary topic to a key topic;
- "Sustainable Operations," "Enhancing Financial Inclusion," and "Competitive Compensation and Benefits" were downgraded from key topics to secondary topics; and
- "Social Participation and Support for Vulnerable Groups" was reclassified from a secondary topic to other topics.

The Value Chain Management Portion Impacted by Material Topics

To address various key topics, KGI Financial has developed an assessment of the impact range. The assessment is based on international standards and guidelines, and it establishes effective management standards and objectives. It also includes measures to remedy actual impacts and mitigate potential impacts. These measures in each section are elucidated to facilitate stakeholders' understanding. Moving forward, we will continuously improve stakeholder engagement by obtaining feedback through appropriate communication channels to assess the effectiveness of its actions.

Key Topics	Influence on KGI Financial	Impact		Scope of Value Chain for Key Topic Impact		GRI Topics	Key Topic Management and Disclosure
		Physical / Potential	Description	Direct Impact	Impact Caused by Commercial Relation		
Optimize Service Quality and Customer Relation Management	KGI Financial is committed to providing high-quality services by continuously optimizing its client feedback mechanism to further improve customer satisfaction	Physical	Economic People Positive: The Company is committed to treating every customer fairly by establishing a transparent claims mechanism and simplifying application requirements. It provides support services tailored to different groups and promotes anti-fraud measures to ensure the protection of customer rights	●		Customized Material Topics	3.4.2 Customer Privacy Rights and Protection 3.4.3 Quality Services Tailored to Customer Needs 3.4.4 Customer Recognition
		Physical	Economic People Negative: Failure to implement fair treatment effectively, or the existence of complex claims and complaint procedures, poor service quality, non-transparent product information, forced sales, or discriminatory practices may lead to customer complaints and disputes, thereby infringing on consumer rights				
Fintech and Digital Innovation	Leverage the power of technology to improve the convenience and accessibility of services, expand the scope of customer service, and create more profitable business opportunities for the Company	Physical	Economic People Positive: By leveraging financial technologies such as AI applications and innovations in digital financial services, KGI Financial enhances customer convenience in accessing and using financial services. At the same time, the provision of financial technology and digital financial services and products reduces the Company's own energy and resource consumption while increasing related revenue	●	●	Customized Material Topics	2.6 Responsible AI 3.4.1 Digital Finance 3.4.3 Quality Services Tailored to Customer Needs
Employment and Training for Diversity of Talents	By recruiting and cultivating diverse talent, the Company stimulates team innovation and problem-solving capabilities, thereby enhancing its competitiveness and resilience	Physical	People Positive: The Company offers diverse recruitment and training programs to promote opportunities for employees of different backgrounds and talents to join, develop, and remain within this inclusive work environment	●		GRI 401: Employment GRI 404: Training and Education	4.3.1 Talent Attraction 4.3.2 Talent Development 4.3.3 Performance and Individual Development 4.4.4 Employee Turnover
Labor Protection and Workplace Inclusion and Equality	Employees are a valuable asset to KGI Financial Holdings. The Company is committed to providing a safe and supportive work environment and labor protection, and requires suppliers to uphold the same standards of labor protection and workplace inclusion and equality	Physical	People Positive: By optimizing the workplace environment and ensuring occupational health and safety, KGI provides employees with a healthy and supportive work environment to improve work quality. The Company also fosters a friendly and inclusive environment for women, vulnerable groups, and diverse communities, thereby creating employment opportunities	●		GRI 405: Diversity and Equal Opportunity	4.1.1 Diversity and Inclusion 4.2.1 Human Rights 4.4.1 Competitive Compensation
		Physical	People Negative: Issues such as excessive overtime or forced labor, and inadequate promotion of gender equity in the workplace, may lead to incidents of sexual harassment, gender or identity-based discrimination, or workplace bullying. These result in unequal treatment and violation of employee rights				

(Continue)

Key Topics	Influence on KGI Financial	Impact		Scope of Value Chain for Key Topic Impact		GRI Topics	Key Topic Management and Disclosure
		Physical / Potential	Description	Direct Impact	Impact Caused by Commercial Relation		
ESG Risk and Opportunities in Investment and Financing	By engaging in investment and financing activities, funds are directed towards sustainable economic activities and companies, thereby enhancing overall economic resilience	Physical	Economic Environment People Positive: Through financing and investment activities, we can support economic activities that promote human rights, green initiatives, low carbon emissions, and climate adaptation by redirecting funds. This approach helps to reduce environmental issues and minimize resource consumption, ultimately enhancing overall economic resilience	•	•	203: Indirect Economic Impacts	3.1.2 Management Process for Responsible Investment 3.1.3 Responsible Investment Performance 3.2.2 Implementation and Promotion of Responsible Bank 3.3.1 Sustainable Products
		Potential	Economic Environment People Negative: Insufficient consideration of ESG factors in investment and financing activities, leading to the provision of funds to support companies with poor ESG performance. This can result in potential economic, environmental, and social risks				
Corporate Governance and Ethical Management	Corporate governance and ethical business practices are the foundation for sound management and long-term sustainability. A robust compliance, financial, and management system enhances operational efficiency and reduces the risk of regulatory penalties, thereby lowering operating costs	Physical	Economic People Poor corporate governance performance and failure by employees to adhere to the code of conduct may lead to unethical behavior, including corruption, fraud, or misconduct, thereby exposing the Company to operational risks and infringing on the rights and interests of customers and other stakeholders	•	•	205: Anti-corruption 415: Public Policy	2.4 Ethical Management
Risk Management	Establishing rigorous risk control mechanisms to improve the efficiency of resource allocation and help avoid significant losses while enabling the Company to seize new opportunities	Potential	Economic People Inadequate management of emerging external risks, market risks, or internal risks such as credit, operational, and liquidity risks may result in exposures beyond the Company's risk appetite or idle capital, leading to major regulatory violations or financial losses that impact the interests of customers, shareholders, and other stakeholders	•		201: Economic Performance	2.2 Risk Management
Protecting Information Security and Privacy	Assure information security and customer data privacy to win customer trust	Physical	Economic People The financial sector involves massive business transactions and information retention. The negligence of digital application, information security, or human error leads to the leaks of customer data or enterprise-sensitive data could infringe on the rights and interests of related stakeholders	•	•	418: Customer Privacy	2.3 Information Security 3.4.2 Customer privacy and rights protection

ESG Double Materiality Analysis

In addition to considering the significant impacts of key issues on the external economy, environment, and communities, we further analyze the potential financial effects of these issues on the Company to enhance the efficiency of future operational strategy formulation and resource integration. In accordance with the principle of double materiality, the Company, through its relevant responsible units, comprehensively evaluates the nature, likelihood, and financial impact of sustainability risks and opportunities. Considering both quantitative and qualitative factors to prioritize financial materiality, the Company consolidates and compares the results of the material topics assessment to determine topics of double materiality that have significant impacts both internally and externally.

The top three double materiality topics for 2025 are: "Corporate Governance and Ethical Management," "FinTech and digital innovation," and "ESG Risks and Opportunities in Investment and Financing."

Rank	Key Topics	Impact Materiality		Financial Materiality	
		Positive / Negative	Potential Impact	Risk / Opportunity	Potential Impact
1	ESG Risk and Opportunities in Investment and Financing	Negative	■	Risk	●
				Risk	■
		Positive	●	Opportunity	●
				Opportunity	●
2	Fintech and Digital Innovation	Positive	●	Opportunity	●
3	Corporate Governance and Ethical Management	Negative	●	Risk	●
4	Labor Protection and Workplace Inclusion and Equality	Negative	●	Risk	■
		Positive	●		
5	Protecting Information Security and Privacy	Negative	●	Risk	■
6	Employment and Training For Diversity of Talents	Positive	●	Risk	■
				Opportunity	■
7	Risk Management	Negative	●	-	-
8	Improving Service Quality and Customer Relationship Management	Negative	●	-	-
		Positive	●	-	-

Note: ● Material; ■ Not Material

Top Three Material Topics' Management Strategies, Evaluation Mechanisms, and Long-Term Targets

Material Topics	Strategy	Evaluation Mechanism	Long-term Goals 2029	Associated with Executive Compensation	Implementation Status in 2025
ESG Risks and Opportunities in Investment and Financing	· Strengthen risk management mechanisms · Build a sound risk culture · Strengthen TCFD's climate risk management mechanisms · Incorporate emerging risks into risk management and combine them with traditional risks · Monitor climate-related exposures, increase the proportion of green products, and reduce exposure to high climate risk sectors · Deepen portfolio decarbonization management · Promote investment and financing for low-carbon transition	· The Risk Management Committee meets quarterly to review reports on market, credit, operational, liquidity, and climate risks, address risk-related issues, and oversee the effectiveness of risk controls · A quarterly report is submitted to the Sustainability Committee, detailing the progress and execution of the development of green products and related goods and services · Filter key emerging risks from those identified in the World Economic Forum's "Global Risks Report" every year and have related units assess the impacts on the business operations or assets and propose countermeasures and potential opportunities	· Establish a continuous backtesting and monitoring mechanism to ensure the effectiveness of risk analysis models · Enhancing the mechanism for digital climate risk management · Continuously optimize the industry watchlist and dynamic management mechanisms · Reviewing the midterm milestones for achieving Net-Zero Carbon Emission as part of business strategy adjustment	The proportion of the Chief Risk Officer's performance metrics is 55%	2.2 Risk Management 3.1 Responsible Investment 3.2 Responsible Credit
Fintech and Digital Innovation	· Optimize customer self-service channels · Promote innovation in digital finance	· KGI tracks Net Promoter Score (NPS) to monitor customer recommendation score with its digital service transformation. System functions are continuously optimized based on customer feedback · Achieve established targets for optimizing online platforms or adding new service items. · Annual performance reviews and planning of customer protection initiatives are conducted by the Sustainability and Ethical Management Committee's Client Relations WG	· Continuously providing innovative financial services and delivering a more personalized digital platform experience · Integrate various financial technology advancements to enhance digital services with personalization and professionalization · In alignment with the regulatory authorities' financial policy liberalization, the Company implements AI to optimize personalized and customized specialist services	The proportion of the Chief Information Officer's performance metrics is 40%	3.4.1 Digital Finance
Corporate Governance and Ethical Management	· Promote a culture of ethical business conduct through regular training · Establish clear whistleblowing mechanisms to ensure ethical business practices · Continue implementation of the Taiwan Intellectual Property Management System (TIPS)	· The Compliance Department acts as a part-time unit in charge of the integrity management and regularly reports to the Board of Directors · The auditors regularly check the status of legal compliance, and reports the main flaws to the Board of directors and tracks the improvement status · Once again pass TIPS external verification	· Rank in the top 5% of ESG ratings and selected as a component stock of the DJBIC Dow Jones Best-in-Class Indices · Enhance the quality of regulatory compliance operations and service effectiveness · Annually adjust IP management policies and goals to ensure alignment with operational objectives and continuously maintain the effectiveness of external certifications	The proportion of the Chief Compliance Officer's performance metrics is 55%	2.4 Ethical Corporate Management

1.2.2 Membership of Associations and External Initiatives

To foster social inclusion and support national economic development, the Company and its subsidiaries participate in a total of 90 domestic and international associations and industry organizations. These engagements help KGI stay informed on industry trends, regulatory developments, and policy directions to ensure that its strategic decisions align with evolving standards and drive corporate sustainability. The Group made no financial contributions to political parties, think tanks, political initiative organizations or initiatives in 2025.

KGI Financial Participates in International Initiatives with Enthusiasm in Response to Net-zero Emissions

To support the Paris Agreement target of limiting global warming to 1.5°C above pre-industrial levels, KGI Financial signed the Carbon Disclosure Project (CDP) in 2016 and officially adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework in December 2018. The TCFD framework includes governance, strategy, risk management, metrics, and targets. In 2021, the Company committed to achieving net-zero emissions across its total portfolio by 2045. KGI Financial joined the Partnership for Carbon Accounting Financials (PCAF) in 2023 to implement international standards for financed emissions. In 2023, KGI Securities signed on to Greenpeace's "RE10x10 Climate Declaration." In August 2024, KGI Financial officially joined the Taskforce on Nature-related Financial Disclosures (TNFD) as a TNFD Adopter. Additionally, in March 2025, KGI Financial's carbon reduction targets were approved by the Science Based Targets initiative (SBTi). The Company will continue to leverage its financial influence to support clients in advancing toward net-zero emissions.

Annual Amount Invested for Participation in Trade Associations and Organizations

Unit: NT$

	2023	2024	2025
Lobbying or Interest Representation	0	0	0
Local, Regional or National Political Campaigns, Organizations, Candidates	0	0	0
Chamber of Commerce or Tax-Exempt Organization	18,717,526	14,092,067	18,037,844
Elections and Referendums or Similar	0	0	0
Total	18,717,526	14,092,067	18,037,844
Data Coverage	100%	100%	100%

KGI Financial Holding should not engage in any direct climate-related lobbying activities, nor should it authorize, fund, or mandate any third-party organizations, associations, or representatives to lobby on climate-related policies on its behalf.

Participation in Trade Associations and Organizations' Initiatives

Unit: NT$

Initiative	Engagement	Amount Invested
Advancing Sustainable Finance through Industry Collaboration and Policy Engagement	· The Company actively participates in various associations and organizations, regularly advising the government agencies and collaborating with international organizations extensively to assist the government in implementing financial policies and to promote business development and the common interests of financial institutions. Consider, for example, the Bankers Association of Taipei. It assists members in financing renewable energy-based power-generation projects in line with the government's green-finance policy · In 2025, KGI Financial participated in 14 associations "promoting government financial policy and regulatory development." The Company held leadership roles including: Director of the Taiwan M&A and Private Equity Council; Supervisor of the Bankers Association of Taipei; Supervisor of the Bankers Association of the Republic of China; Director of the Securities Investment Trust & Consulting Association of the R.O.C.; Managing Supervisor and Director of the Life Insurance Association of the Republic of China; and Managing Director of the Taiwan Venture Capital Association	4,010,171
Advancing Investor Protection through Industry Collaboration	· The Company also participated in associations advocating for "investor protection," contributing to the prevention and mitigation of fraud and reducing broader societal costs. For example, the Chinese National Futures Association aims to protect investors, promote economic development, coordinate industry relations, and enhance collective interests · In 2025, the Company participated in five associations focused on "investor protection" and served as Managing Director of the Taiwan Securities Association and as Managing Director of the Chinese National Futures Association	1,132,900

Note: In 2025, the Company participated in the following sustainability-related industry associations: Taiwan Net Zero Emissions Association and the Partnership for Carbon Accounting Financials (PCAF).

Expenditure Amount of the Top Three Participating Trade Associations in 2025

Unit: NT$

Organization	Types	Amount Invested
The Bankers Association of the Republic of China	Industry/trade association	1,722,171
International Swaps and Derivatives Association (ISDA)	Industry/trade association	1,519,863
The Life Insurance Association of the Republic of China	Industry/trade association	1,140,000

In 2025, no significant inconsistency was identified between the climate positions of participating organizations and KGI Financial's climate commitments.

1.3 Sustainability Impact Valuation

1 : 1.8
Impact Return on Investment

NT$ 56 billion
Green Investment and Financing Environmental Benefits

As the EU's Corporate Sustainability Reporting Directive (CSRD) and Sustainable Finance Disclosure Regulation (SFDR) increasingly emphasize the concept of double materiality, corporate value is no longer assessed solely based on financial returns reflected in the balance sheet. Instead, companies are expected to adopt an outside-in perspective to proactively evaluate the actual impacts of their operations on the environment and society. Only by internalizing implicit external factors can a company more accurately assess the potential risks and market opportunities associated with long-term operations, while also serving as a critical component in maintaining operational resilience and competitiveness.

As a catalyst for industrial development, the financial industry's most significant impact stems from asset allocation. KGI Financial, through its diversified financial services, has driven value creation across the industry chain, generated employment opportunities, and contributed positively to societal welfare. We have also transparently addressed the environmental impact associated with our investment portfolio. Through the implementation of an Impact Measurement & Valuation (IMV) management mechanism, environmental and social externalities that were previously not fully reflected in market prices have been quantified and translated into consistent monetary indicators. This approach enables us to scientifically assess the positive and negative impacts associated with our operations and identify the optimal balance, allowing the company to achieve long-term financial stability and growth while promoting shared prosperity and human well-being.

In 2025, KGI Financial first applied the impact valuation to its two core businesses: industrial investment and financing, and green investment and financing. The analysis results indicate that, within KGI Financial's investment and financing portfolio, a total investment of approximately NT$2.1 trillion generated a net positive impact of approximately NT$3.75 trillion, meaning that every NT$1 invested generates approximately 1.8 times net positive impact on human well-being. To support the industrial energy transition, our green financing business contributed to a reduction of 740,000 metric tons of carbon emissions and generated external environmental benefits valued at NT$5.6 billion.

Sustainable development is not a fixed goal but a continuous journey requiring dynamic adjustments and long-term commitment. KGI Financial, in addition to continuing to expand the scope and application of the impact valuation methodology, will also promote a cultural transformation toward "impact thinking." The company aims to ensure that in every material decision—from risk management to resource allocation—it not only considers short-term financial performance and cost-effectiveness but also concurrently evaluates the long-term impact on the environment and society. KGI is committed to achieving net positive benefits through sustainable operations.

Material Topic: ESG Risks and Opportunities in Investment and Financing

Impact Description

Support the industrial energy transition through green investment and financing, thereby mitigating the social costs associated with carbon emissions from greenhouse gases (positive).

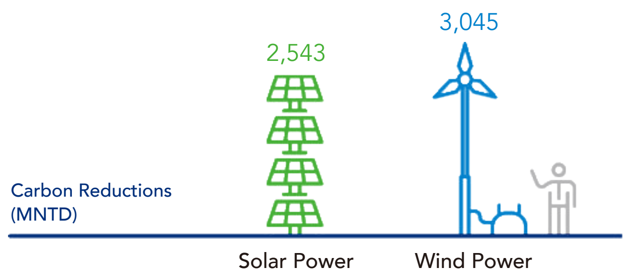
Impact Path

Inputs and Outputs in the Operating Process (Input & Output)	Result: A change in environmental or societal conditions (Outcome)	Affected Parties	Result: A change in human welfare (Impact)	Monetary Value Note 3 (NT$ million)
Green Financing and Investment (II8480) Note1	Investing in renewable energy to reduce greenhouse gas emissions	Environmental	Environmental benefits of low-carbon investments Note 2	+ 5,588

Impact Evaluation

Promoting renewable energy development is the core driving force behind Taiwan's transition to Net Zero. Leveraging its financial influence, KGI Financial supports industrial energy transition through equity investments and lending, promoting renewable energy development such as solar and wind power. By the end of 2025, cumulative investments exceeded NT$28.1 billion, avoiding 740,000 metric tons of greenhouse gas emissions and generating NT$5.6 billion in carbon reduction benefits. Contributions from wind and solar power accounted for 54% and 46%, respectively.

Renewable Energy Type	Annual Power Generation per Unit Investment (kWh/MNTD)	Eliminated Carbon Emissions per Unit Investment (kg CO_2e/MNTD)	Carbon Reduction Benefits per Unit Investment (NTD/MNTD)	Total Eliminated Carbon Emissions (ton-CO_2e)	Percentage
Solar Power	42,361	20,587	156,223	335,131	46%
Wind Power	63,535	33,979	257,839	401,295	54%



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Note 1: IRIS (Impact Reporting & Investment Standards) is a standardized metric framework developed by the Global Impact Investing Network (GIIN) to measure enterprise social, environmental, and economic responsibility performance, thereby enhancing the comparability of impact investing.
Note 2: Industrial investment employed an input-output model to calculate the resulting social and environmental externalities. Reference sources included the OECD input-output tables (2025) and the EXIOBASE 2 database, among others.
Note 3: In consideration of inflation and exchange rate factors, the temporal boundary was adjusted to reflect monetary values based on the year 2023.

Impact Description	Industrial investment and financing have driven the output value of the industry chain and created employment opportunities (positive), while also contributing to the environmental footprint associated with the industry's supply and demand processes (negative).

Impact Path

Inputs and Outputs in the Operating Process (Input & Output)

Industrial Investment and Financing (II8480) Note 1

→

Result A change in environmental or societal conditions (Outcome) — **Affected Parties**

- Industrial investment and financing stimulate industry supply and demand dynamics ········· Society
- Investment and financing generate employment opportunities across the industry chain ······ External employees
- Greenhouse gas emissions resulting from the supply and demand processes within the industry value chain ········ Environmental
- Air pollution emissions caused by the supply-and-demand process in the industry chain ······ Environmental

→

Result A change in human welfare (Impact) — **Monetary Value** Note 2,3 (NT$ million)

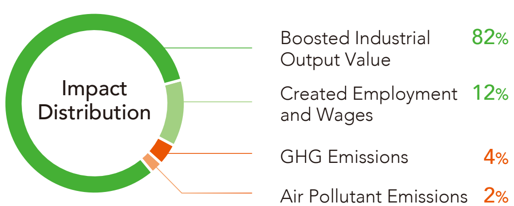
- (+) Elevating the output value of the industry chain ········ (+) 3,550,339
- (+) Wage income of industry chain workers ········ (+) 503,736
- (−) Carbon social cost derived from greenhouse gas emissions ········ (−) 194,568
- (−) Air pollutant emissions causing harm to human health and ecosystems ········ (−) 107,593

Note 1: IRIS (Impact Reporting & Investment Standards) is a standardized metric framework developed by the Global Impact Investing Network (GIIN) to measure enterprise social, environmental, and economic responsibility performance, thereby enhancing the comparability of impact investing.

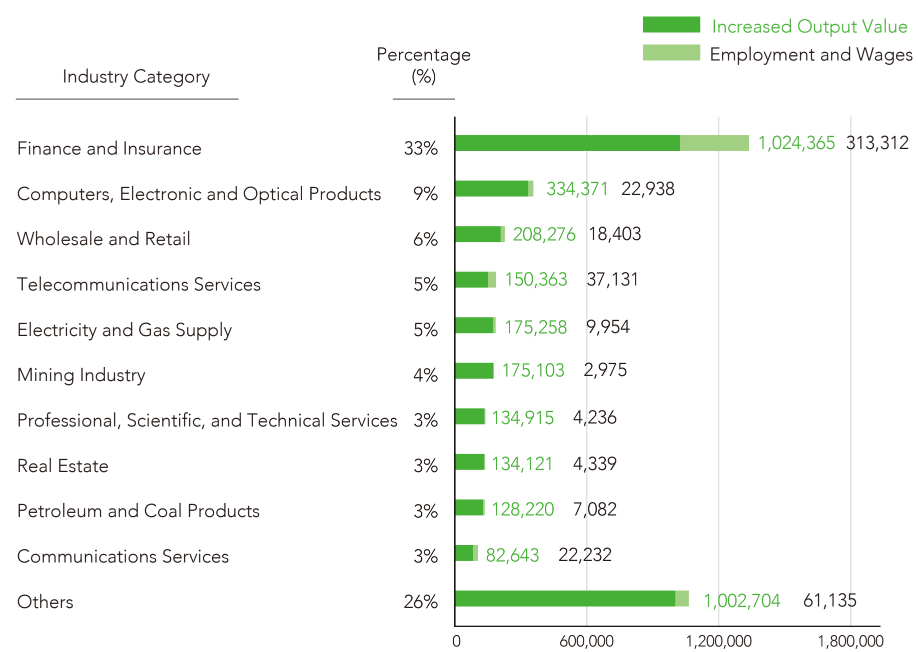
Note 2: Low-carbon investment carbon reduction benefits refer to the allocation of funds toward renewable energy power generation and the evaluation of the carbon social cost that renewable energy can avoid over its life cycle compared to conventional grid electricity. Only hardware installation costs were considered; consumable expenses related to maintenance and upkeep were not included. The social cost of carbon references a 2023 study report by the U.S. Environmental Protection Agency. An emission of 1 metric ton of greenhouse gas in 2025 would result in a social cost of US$244.

Note 3: In consideration of inflation and exchange rate factors, the temporal boundary was adjusted to reflect monetary values based on the year 2023.

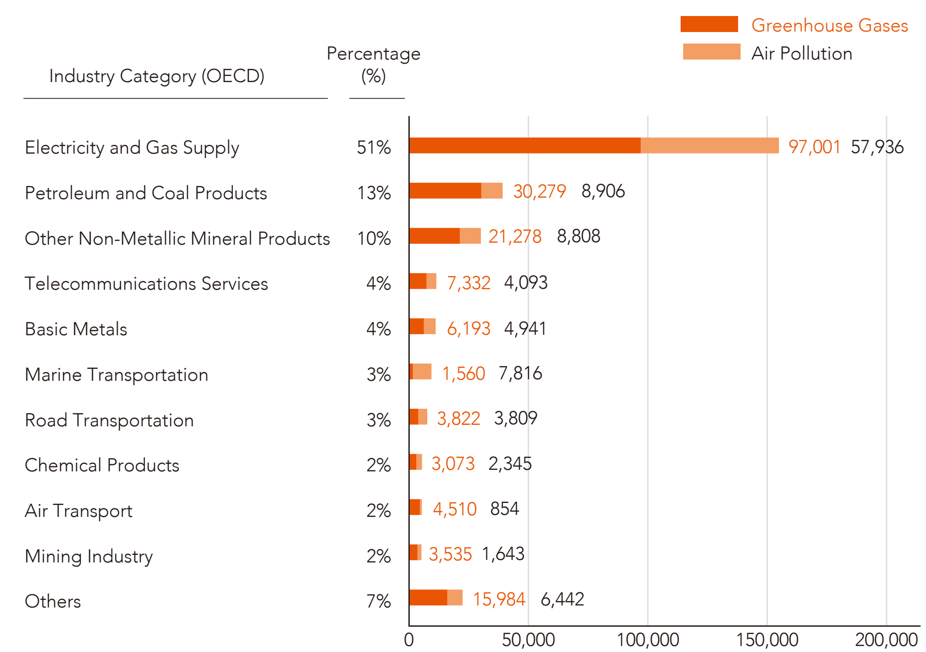
In 2025, KGI Financial's industry investment and financing activities exceeding NT$2 trillion propelled economic momentum equivalent to 1.7 times the output value of the global industry chain. These activities also created 1.11 million jobs, generating a total of NT$503.7 billion in wage income for workers. While generating economic benefits, we also proactively addressed the associated external environmental costs, which totaled approximately NT$302.2 billion. As providers of capital, we must not overlook the environmental impact of our investment and financing decisions. KGI Financial actively integrates environmental impacts into the evaluation of investment and financing targets, thereby promoting the industry's transition toward low-carbon and sustainable development.



Positive Impact (NT$ million)



Negative Impact (NT$ million)



2

Corporate Governance

Steady corporate governance is the cornerstone of the sustainable operation. The Company conducts corporate governance with an honest attitude, establishes a sound mechanism, and draws a blueprint for sustainable governance.

Key Achievements in 2025

- **Board Enhances Female Participation:** In 2025, the Company completed the 9th board election, adding one female director. At the same time, the Company fully reappointed directors to its directly held subsidiaries in life insurance, banking, securities, investment trust, and venture capital/private equity. Each subsidiary's board includes two to five female directors, and each subsidiary is headed by a female general manager.
- **Optimization of Functional Committees:** The Remuneration Committee is composed entirely of independent directors. More than half of the members of the Nomination and Performance Evaluation Committee are independent directors, with an independent director serving as the convener. The Risk Management Committee is composed of directors, with more than half of the members being independent directors and at least one director possessing a background in information security.
- **Establishment of AI Governance Framework:** The Board of Directors approved the "Artificial Intelligence (AI) Governance Policy" as the Group's highest guiding principle for promoting AI governance. The Company formally established the "AI Governance Committee" within the financial holding company as the highest decision-making body for AI development and management, progressively building the AI governance framework.
- **Integration of Climate Risk into the Risk Management Process:** The Company has completed this year's climate risk identification process and assessment of impacts on the value chain and financial performance for the Group and its subsidiaries. The Company has overseen and convened special sessions with subsidiaries to explain how to integrate climate-related risks into the overall risk management process.
- **Optimization of Compliance Frameworks and Effectiveness:** The Company and its major subsidiaries (including all operating units) have completed the 2025 risk assessment of unethical conduct. Group-wide integrity training for 2025 was completed in the fourth quarter, with approximately 26,000 total attendances and a 100% completion rate.

Key Strategies and Goals

Strategy	Relevant Material Topics	2025		2026 Short-Term Goals	2027-2028 Mid-Term Goals	2029–2031 Long-Term Goals
		Goals	Progress			
Strengthen the Functions of the Board of Directors	Corporate Governance and Ethical Management	· Enhance the board members' talent pool and establish a qualification verification checklist to improve the nomination and selection process for board members. · Elect at least one female director in the 9th Board of Directors. · Ensure that the Board of Directors operates at a scoring standard, and relevant information is disclosed in accordance with those standards.	· Completed the development of a self-assessment checklist for the qualifications and conditions of directors of the Company and its first-tier subsidiaries. · The 9th Board of Directors added one female director, enhancing the diversity of the board members. · In accordance with sustainability evaluation scoring standards, the Company optimized the composition of functional committees—including increasing the proportion of independent directors and strengthening the professional backgrounds of committee members—and facilitated various board operations, such as directors' attendance rates, continuing education hours, and the execution of board performance evaluations, all meeting the required scoring criteria. Relevant information is consolidated and disclosed on the official website, the annual report, and the sustainability report.	· Include all functional committees within the scope of the Board of Directors' internal performance evaluation. · Integrate the functions and collaboration mechanisms of the functional committees. · Enhance the transparency of information related to shareholder engagement. · Optimize the shareholders' meeting process to enhance convenience and attendance.	· Achieves the established target for board diversity by increasing the proportion of female directors. · Continuously optimize diverse channels for shareholder meeting participation. · Enhance the digitalization and operational effectiveness of the Board of Directors and Functional Committees. · Introduce director continuing education courses on emerging topics such as AI governance, sustainable finance, and information security. · Establish consistent governance standards for the Group's Board of Directors.	· Align with international trends to increase the proportion of independent directors and enhanced their functions. · Actively participate in ESG assessments and international sustainability rankings. · Establish a comprehensive and resilient shareholder engagement framework.
Optimization of Compliance Frameworks and Effectiveness		· Optimize the data maintenance of the stakeholder system (managers) to a semi-automated process. · Continue implementation of the TIPS management system, successfully passing re-certification. · Establish stakeholder data and registered board of directors and supervisors automated matching system	· Optimized the Stakeholder System (for Managers): - Completed verification of the manager self-maintenance function (for financial holdings and capital). - Completed verification of the system's automatic notification mechanism for managers to update their data (for financial holdings and capital) · Continued operating and implementing the Taiwan Intellectual Property Management System (TIPS), and passed re-certification in 2025 · Stakeholder data and registered board of directors and supervisors automated matching system: Confirmed the system's required specifications, selected suitable vendors, and began the initial system setup and UAT testing	· After revalidation through TIPS in 2025, the Company will continue its operation and implementation. · Review the IRA* methodologies and frameworks of each subsidiary. · Regulatory Change and Financial Supervisory Commission Penalty Automatic Notification Mechanism · Stakeholder Data and Business Registration Board of Directors and Supervisors Matching System	· Send personnel to participate in external TIPS training and disclose the annual implementation status on the Company's website and in the annual report. · In response to the 2030 APG evaluation, the Company has initiated preparatory planning for AML/CFT compliance across the financial holding company and its subsidiaries. · Establish the correlation between the internal regulations of the financial holding company and external standards.	· Dynamically adjust IP management policies and goals to ensure alignment with operational objectives and continuously maintain the effectiveness of external certifications · In response to the 2030 fourth-round APG evaluation, the Company undertakes AML/CFT enhancement initiatives across the financial holding company and its subsidiaries. · Planning to implement AI intelligence to provide alerts on regulatory changes and recommendations for internal policy revisions.
				Training and Education Programs - The Group achieves a 100% completion rate for integrity management training. - The annual training hours for personnel in the Compliance Unit and the Compliance Unit supervisors total 15 hours.		

Note: IRA: Institutional Risk Assessment.

(Continue)

Strategy	Relevant Material Topics	2025 Goals	2025 Progress	2026 Short-Term Goals	2027-2028 Mid-Term Goals	2029–2031 Long-Term Goals
Enhance Risk Management Mechanisms	Risk Management Business continuity	· Supervise the integration of subsidiary climate risk identification, measurement, assessment, and management mechanisms into existing risk management and internal control processes or operations. · Establish a risk management data marketplace and develop automation tools to enhance supervisory effectiveness in subsidiary risk management. · Implement cloud-based outsourcing risk management and an artificial intelligence governance framework.	· The Company has completed the climate risk identification process and assessed the value chain and the financial impacts on the Group and its subsidiaries for this year. · The Company has supervised and convened subsidiaries to provide the special reports on how to integrate climate-related risks into the overall risk management process. · Development of Data Marketplace and Automated Data Verification Tools for KGI Life Risk Summary Report: 100% · Automation of Market Risk Management Report Generation for the Financial Holding Company: 100% · The cloud risk management framework implementation consulting project was completed on December 25, 2024. · The AI Governance Advisory Service Project—Phase 1 regulations have been approved by the Board of Directors ("Artificial Intelligence (AI) Governance Policy" on April 11, 2025). The Phase 2 regulations, "Key Points on the Authority and Responsibilities of the AI Management Organization," were announced on December 18, 2025.	· Enhance the VaR system's risk analysis and refine position breakdowns to achieve more precise risk attribution. · Integrate leading macroeconomic indicators to establish a foreign exchange risk warning and monitoring mechanism. · Integrate database resources and consultant insights to optimize the identification process for high-risk industry lists.	· Complete the upgrade of the VaR system and the configuration of the core model, fully verifying the consistency and accuracy of risk indicator calculations. · Supervise the implementation of foreign exchange risk identification and response process operations. · Establish an industry watchlist and a dynamic management mechanism.	· Establish a continuous backtesting and monitoring mechanism to ensure the effectiveness of risk analysis models. · Continuously monitor and optimize the foreign exchange risk early warning mechanism. · Continuously optimize the industry watchlist and dynamic management mechanisms.
Transparency in Information Disclosure	Maintain Shareholders' Equity	· Implement IFRS S1/S2 disclosures in accordance with regulations and provide regular reports to the Board of Directors. · Assess the need to optimize the internal control system and procedures for sustainable information management	In accordance with the Company's "IFRS Sustainability Disclosure Standards Implementation Plan", the 2025 work items (including the evaluation of the internal control system and processes for sustainability information management) were completed on schedule, with progress reported quarterly to the Board of Directors.	Implement the Company's "IFRS Sustainability Disclosure Standards Implementation Plan" and submit reports to the Board of Directors on schedule.	Complete the "IFRS Sustainability Disclosure Standards Implementation Plan" and will disclose the "Annual Report Sustainability Information Chapter" starting in 2027.	Continuously monitor the latest IFRS sustainability disclosure standards and enhance the "Sustainability Information Section" of the Annual Report.
Information Security	Information Security and Privacy Protection	Achieve a PR95 ranking in the Corporate Governance Evaluation and DJSI cybersecurity-related categories.	In 2025, the Company ranked PR99 in the DJSI (DJBIC) information security category.	Achieve a PR95 ranking in the Corporate Governance Evaluation and DJSI cybersecurity-related categories.	Achieve a PR97 ranking in the Corporate Governance Evaluation and DJSI cybersecurity-related categories.	Achieve a PR99 ranking in the Corporate Governance Evaluation and DJSI cybersecurity-related categories.
		Maintain the validity of the ISO 27001: 2022 certification.	On October 17, 2025, the Company received confirmation from the British Standards Institution (BSI) that the ISO 27001 certificate remains valid.	Maintain the validity of the ISO 27001: 2022 certification.		
				100% of full-time employees and contracted personnel complete information security training.		
Established Group-Wide AI Management Framework	FinTech and Digital Innovation	Complete the formulation and implementation of regulations related to artificial intelligence governance.	· The Board of Directors has approved the "Artificial Intelligence (AI) Governance Policy" as the Group's highest guiding principle for advancing AI governance. · KGI formally established the AI Governance Committee as the highest decision-making body for the development and management of artificial intelligence, gradually building an AI governance framework.	· Enhance overall governance consistency by establishing a risk classification mechanism for AI governance within the Company. · Assist and supervise subsidiaries in establishing and implementing an AI governance framework. · Establish and convene the AI Governance Committee · Complete the first artificial intelligence asset inventory for the Company.	· The Company regularly initiates an annual inventory of AI assets. · Hold the annual AI Governance Committee meeting to report on the implementation status of the Financial Holdings Company and its subsidiaries. · Assist and supervise subsidiaries in implementing artificial intelligence governance.	In response to external regulations and to align with industry practices, the Company continuously strengthens its artificial intelligence governance mechanisms.

2.1 Governance Framework

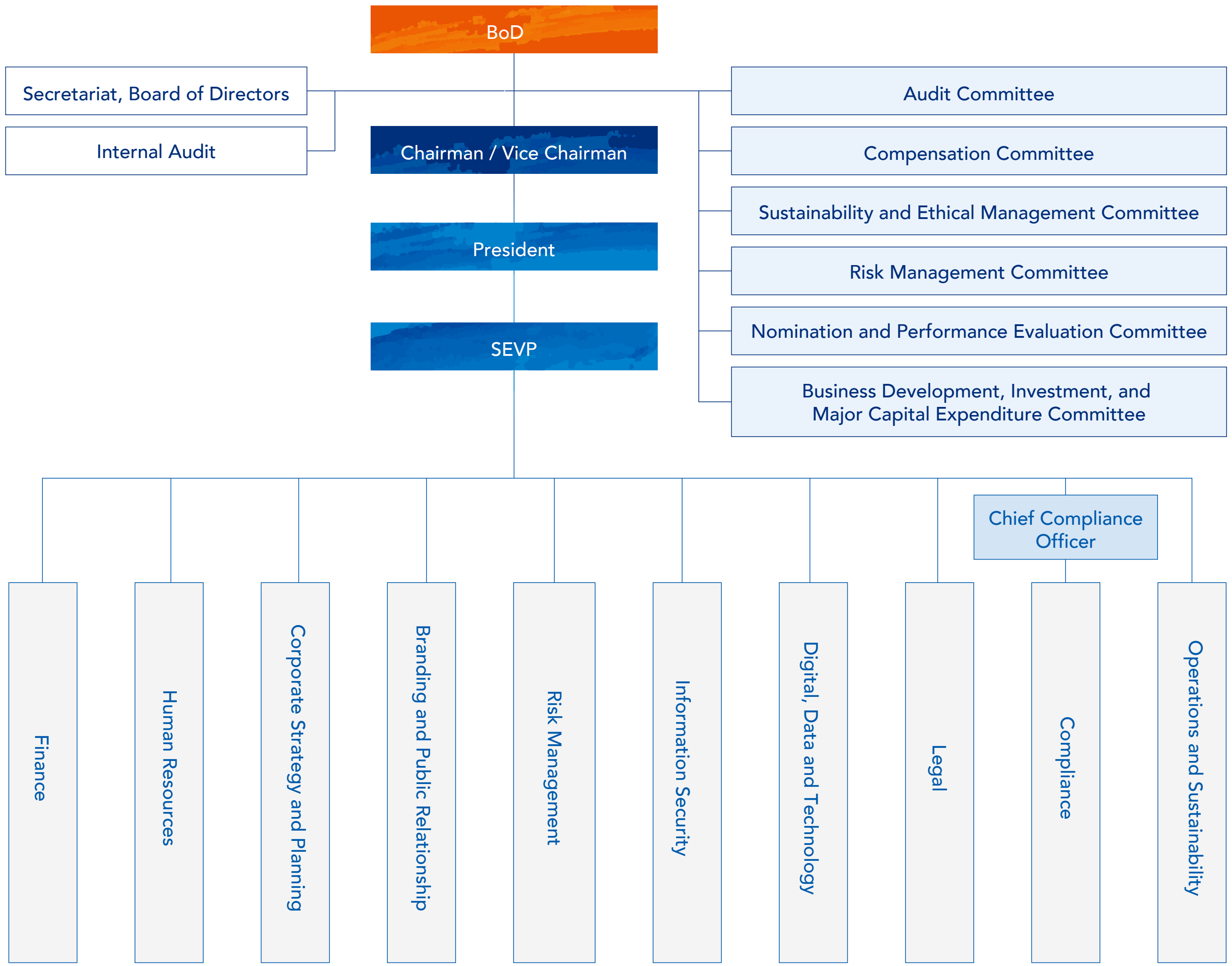
A sound governance structure and an effective Board of Directors (BOD) are the cornerstones of corporate governance, enabling the management to grasp the Company's business strategy and performance, formulate coping strategies, and respond to the business environment to create sustainable value.

The highest governance body of the Company is the Board of Directors, which is responsible for leading and overseeing the Company's operations and sustainable development. To strengthen the Board's functions and enhance the quality and efficiency of decision-making, the Company has established six functional committees under the Board. These committees supervise and review important proposals within their respective authorities; please refer to →2.1.2 Board OperationS for details. Additionally, the Company has appointed a Corporate Governance Officer to oversee corporate governance-related matters and has staffed qualified and appropriate corporate governance personnel within the Board Secretariat to assist in handling corporate governance affairs. In addition, to enable directors to promptly understand their duties and related rights and obligations upon appointment, and to fully comprehend the operational mechanisms of the Board of Directors and functional committees, the Company provides a Director Onboard Handbook. The handbook includes the directors' duties of loyalty and care and legal responsibilities, regulations on equity transactions and disclosures, directors and supervisors liability insurance, communication mechanisms between directors and the Company, rules for meeting convening and procedures, director training programs and related regulations, as well as key corporate governance policies, thereby assisting directors in their appointment and legal compliance. To enhance the support provided to directors in performing their duties, the Company has established the "Standard Operating Procedures for Handling Directors' Requests," which stipulate that the Company shall timely provide the information and assistance necessary for directors to fulfill their responsibilities, thereby improving the effectiveness of the Board of Directors.

All directors of the company fulfill their fiduciary duties and duty of care in accordance with the provisions of Article 23 of the Company Act, executing their responsibilities honestly and diligently. They are held accountable under the Company Act, the Securities and Exchange Act, and other relevant laws and regulations to ensure transparency and sound corporate governance. Furthermore, the company has established a Codes of Ethical Conduct to guide directors' behavior in compliance with ethical standards. The company's articles of incorporation do not contain any clauses to exempt or limit directors' liabilities, and all directors are fully responsible for their actions in accordance with the law to safeguard the rights and interests of the Company and all stakeholders. Additionally, the Company has taken out directors and officers liability insurance for all directors to mitigate potential legal risks arising from their duties, thereby strengthening corporate governance and risk management mechanisms.

KGIF Corporate Governance Framework

Effective date: May 26, 2026



2.1.1 Board of Directors Structure

Election Process, Diversity, and Independence

The term of office for directors is 3 years, and the Company adopts a "Candidates Nomination System." Candidates are nominated for directors in accordance with the → "Articles of Incorporation" and "Procedures for Election of Directors," which shall be approved by the Board of Directors and elected at the General Shareholders' Meeting.

To promote the sound development of the structure and functions of the Board of Directors, the "Corporate Governance Best Practice Principles" stipulates that the members of the Board of Directors should consider diversity and the independence of directors. The election and appointment of directors shall take into consideration the Company's operations, operation patterns, development needs, and response capacity for coping with impacts. Apart from prudently examining the directors with popular and necessary knowledge, skills, and qualities (including operation judgment capacity, accounting and financial analysis capacity, operation management capacity, crisis handling capacity, industry knowledge, international market insight, leadership, decision-making capacity, and risk management knowledge and capacity) for executing the duties, the seats of directors taking concurrent position as the Company's managers, basic criteria of director members (such as gender, age, nationality, culture, and race), professional knowledge and skills, and experience in economic, environmental and social topics, and shareholders' opinions, are also taken into considerations. At the same time, in order to ensure that independent directors can exercise their powers objectively, the term of independent directors should not exceed three consecutive terms.

The Company completed the election of the 9th Board of Directors at the General Shareholders' Meeting on June 13, 2025. The term of office is from June 13, 2025, to June 12, 2028. The Board consists of 9 members, including 3 independent directors and 1 female natural person director. Independent directors account for 33% of the Board, and female directors account for 11%. The Chairman serves as the Chair of the Board and does not concurrently hold the positions of General Manager or other senior management roles. Board members possess extensive experience and expertise in finance, venture capital, asset management, corporate mergers and acquisitions, financial accounting, information technology and information security, digital transformation, e-commerce, international legal affairs, and multinational operations. The average age of the Board is 66 years, with an average tenure of 4.6 years. Independent directors serve no more than three consecutive terms (the three independent directors have an average tenure of 2.8 years). Two directors concurrently serve as managers, accounting for 22% of the Board. There are no spousal or second-degree kinship relationships among the directors. In addition, the Company's Board of Directors places great emphasis on the diversity of industry experience among its members. The goal is for each Board term to include at least one director with work experience in each of the banking, insurance, and securities sectors. The 9th Board of Directors comprises members from the financial industry, various industries, and academia, with 2 directors aligning with the diversity objectives in banking, 2 in insurance, and 3 in securities.

Regarding gender diversity in governance, the Company's 9th Board of Directors added one female director. Moving forward, the Company will continue to recruit qualified and outstanding female professionals to join the Board, gradually increasing the number of female directors. On June 23, 2025, the Company completed the full reappointment of directors and supervisors at its directly held subsidiaries in banking, life insurance, securities, investment trust, and venture capital/private equity. Each subsidiary's board includes 2 to 5 female directors, and each subsidiary is headed by a female general manager. This enhances the participation of female professionals in the Group's corporate governance and operational decision-making, concretely demonstrating that gender equity is deeply embedded in the corporate culture and governance framework. For details on the implementation of Board diversity for the 9th term, please refer to → the Company's official website under ESG > Corporate Governance > Board of Directors > Professional Qualifications and Independence > Diversity and Independence (Board of Directors).

Gender Ratio of Directors in the Company and Its Subsidiaries

Effective date: March 31, 2026

	KGI Financial	KGI Life	KGI Bank	KGI Securities	KGI SITE	CDIB Capital Group
Board M:F Ratio	8 : 1	7 : 2	4 : 5	4 : 5	3 : 4	3 : 2

Avoidance of Conflict of Interest

The Company's "Rules of Procedure for Board of Directors Meeting" stipulate the directors having conflict of interests in relation to the meeting agenda, the directors or the legal entity represented, shall explain the material content of conflict of interest at the Board of Directors meeting. In case the conflict of interest jeopardizes the company's interests, the directors may not join the discussion and voting and shall avoid presence during discussion and voting. Such directors may not act as proxy for other directors in the exercise of voting rights. To prevent conflicts of interest, the proposing unit shall review each proposal submitted to the Board of Directors and the Board Secretariat's Office to determine whether any directors have a vested interest in the matters at hand. During discussions of proposals involving directors with a vested interest, the Chairperson or secretariat staff will remind the relevant directors to recuse themselves from the meeting. Directors are expected to comply with this requirement. Additionally, certain proposals, in accordance with legal regulations, will also be reported to or discussed at the shareholders' meeting to ensure maximum benefit for stakeholders. For details regarding the directors' recusal from matters involving conflicts of interest, please refer to → 2025 Annual Report. (2. Corporate Governance Report/3. Corporate Governance Operation/(1) Board of Directors Operation).

Furthermore, to implement the management of part-time directors, the Company's "Corporate Governance Best Practice Principles" and "Guidelines for Concurrent Serving of Chairman, President, and Directors" require that Directors' part-time jobs should be handled in accordance with relevant regulations. Independent directors should not serve as directors or supervisors concurrently in more than four listed companies at the same time, and no more than three independent directors at other public companies. For information regarding the concurrent positions of directors and shareholding status, please refer to → 2025 Annual Report (Section 2: Corporate Governance Report / Item 1: Directors, President, Vice President, Assistant Managers, Heads of Departments, Branches, and Consultants Information / [1] Director Information [1]).

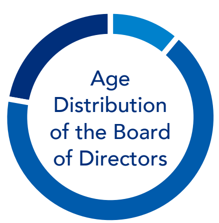
Board Diversity

Effective date: March 31, 2026

Title	Name	Tenure (Year)	Basic		Director Competence Note 1													Concurrently Holds Positions in Other Companies Note 2 No More than 4 Companies	Independence of External Director Note 3
					Industry Experience						Professional Knowledge/Skills								
			Gender	Age	A	B	C	D	E	F	G	H	I	J	K	L	M		
Chairman	Alan Wang	7.4	M	61~70	•	•	•	•			•	•	•	•	•	•	•	•	•
Vice Chairman	Jong-Chin Shen	1.8	M	≥71	•	•	•	•		•	•	•	•	•	•	•	•	•	•
Director / President	Paul Yang	16.9	M	51~60	•	•	•	•			•	•	•	•	•		•	•	Not applicable Note 4
Director	Sherie Chiu	5.3	F	61~70	•	•	•	•	•		•	•	•	•	•		•	•	•
Director	John Li	0.8	M	61~70		•		•	•		•	•	•	•	•	•	•	•	•
Director	Julian Yen	0.8	M	61~70	•	•	•	•			•	•	•	•			•	•	Not applicable Note 4
Independent Director	Shih-Chieh Chang Note 1	3.8	M	61~70	•	•	•			•	•	•	•	•	•		•	•	•
Independent Director	Wei Chung Note 1	3.8	M	61~70	•	•	•	•			•	•	•	•			•	•	•
Independent Director	James Hsieh	0.8	M	≥71					•		•	•		•	•	•	•	•	•

Distribution of Board Members (Unit: person)

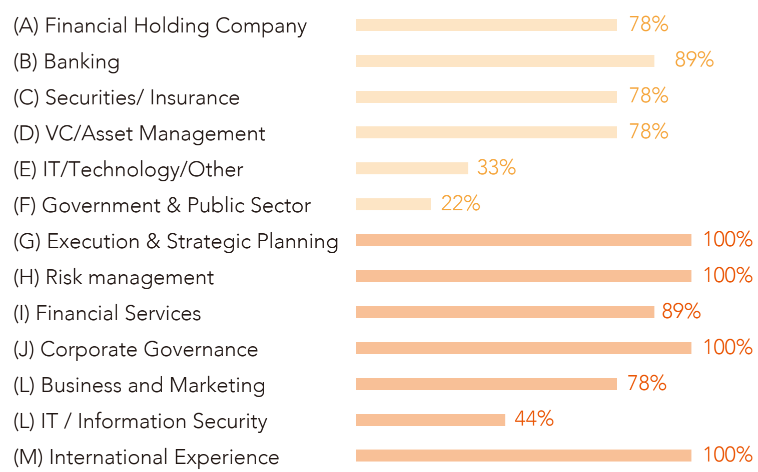
Male 8
Female 1



51~60 1
61~70 6
≥71 2

Applicable 7
Not Applicable Note 4 2

Proportion of Directors with Relevant Competences



Note: 1. Industry Experience see the left image for details.. Independent Director Shih-Chieh Chang holds the professional qualification of Associate Actuary from the Actuarial Institute of Chinese Taipei, while Independent Director Wei Chung is a CPA. For further details regarding the professional qualifications, primary expertise, and experience of the directors, please refer to → 2025 Annual Report: Section 2: Corporate Governance Report / Item 1: Directors, President, Vice President, Assistant Managers, Heads of Departments, Branches, and Consultants Information / [2] Director Information [2] / 1. Disclosure of Directors' Professional Qualifications and Independence of Independent Directors.

2. Concurrently serving in other company positions means serving as a director (including independent director) or supervisor of a TWSE/TPEx listed company; are in compliance with relevant laws and regulations

3. The independence of external directors is determined based on the definition of independent directors in the S&P DJBIC. Directors must meet at least 4 out of the following 9 criteria, with at least 2 out of the first 3 criteria. According to this definition, the Company has 7 independent directors.
   (1) The director must not have been employed by the company in an executive capacity within the last year.
   (2) The director must not accept or have a family member who accepts any payments from the Company or any subsidiary of the Company in excess of US$60,000 during the past fiscal year, other than those permitted by SEC Rule 4200 Definitions.
   (3) The director must not be a family member of an individual who is employed by the Company or any subsidiary of the Company as an executive officer.
   (4) The director must not be an adviser or consultant to the Company or a member of the Company's senior management, and must not be affiliated with the company.
   (5) The director must not be affiliated with a significant customer or supplier of the Company.
   (6) The director does not have a service contract relationship with the company and its management, nor is he a member of the senior management team.
   (7) The director must not be affiliated with a not-for-profit entity that receives significant contributions from the Company.
   (8) The director must not have been a partner or employee of the Company's outside auditor during the past year.
   (9) The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.

4. Director Paul Yang (President) and Julian Yen (Senior Executive Vice President) are internal directors; therefore, the criteria for the independence of external directors mentioned above do not apply.

2.1.2 Board Operation

Board of Directors Operation Performance

The Company's Board of Directors holds meetings at least once per quarter. In 2025, a total of 12 board meetings were held, with an average actual attendance rate of 100% by all directors, demonstrating a high level of active participation in the Company's operations.

The Company's "Questionnaire of the Evaluation of Performance of the Board" and "Questionnaire of the Self-Evaluation of Performance of Individual Directors" include the level of directors' attendance at board meetings as an evaluation criterion (below 70%, needs improvement (1); 70%, fair (2); 80%, good (3); 85%, very good (4); 90%, excellent (5)). According to the Company's "Guidelines for Remuneration of Directors and Functional Committee Members," if a director's actual attendance rate falls below the standard of 80%, it will affect their remuneration, thereby encouraging directors to maintain an attendance rate of over 80%. The operation and functioning of the Board of Directors are carried out in accordance with legal requirements and are disclosed in the → 2025 Annual Report (Section 2: Corporate Governance Report / Section 3: Corporate Governance Operations / (1) Board of Directors Operations).

Functional Committee Operations

To enhance the quality of board decision-making, strengthen corporate governance, and improve board functions, the Company has established six functional committees under the Board of Directors according to their respective roles: the Audit Committee, Remuneration Committee, Sustainability and Ethical Management Committee, Risk Management Committee, Nomination and Performance Evaluation Committee, and the Business Development, Investment, and Major Capital Expenditure Committee. Through professional division of labor and comprehensive functional committees, these bodies assist the Board in supervising and reviewing important matters related to economic, environmental, social, risk, and integrity governance, business development strategies, as well as significant equity investments, capital expenditures, and expense projects. Each functional committee is composed of or includes independent directors to ensure that the committee's decisions are objective and comprehensive. This effectively implements an independent supervision and checks-and-balances mechanism, guaranteeing that all resolutions and actions of the Board of Directors are forward-looking, thorough, appropriate, and compliant. In addition, to enhance the comprehensiveness and decision-making efficiency of sustainability and integrity management matters, the Company merged the Sustainability Committee and the Ethical Management Committee on June 13, 2025, renaming it the Sustainability and Ethical Management Committee. This integration strengthens the coordination of related issues and facilitates more comprehensive discussion and oversight by the Board of Directors on sustainability and integrity governance. For details regarding the composition of each functional committee, please refer to → the Company's official website: ESG > Corporate Governance > Board of Directors > Functional Committees .

Committee	Committee Composition	Independent Director Ratio (%)	Primary Responsibilities	Operational Status in 2025	
				No. of Meetings Held	Average Actual Attendance Rate
Audit Committee	Composed entirely of independent directors.	100	· Establish or amend internal control systems and assess their effectiveness. · Review capital raising, issuance, or private placement of equity-type securities, and significant asset or derivatives transactions. · Appoint or dismiss, and determine the remuneration of, certified public accountants as well as heads of finance, accounting, or internal audit. · Review of financial reports, business reports, distribution of earnings, or allocation of losses. · Review matters involving the interests of the directors. · Review merger and acquisition proposals.	10	100
Remuneration Committee	Composed entirely of independent directors.	100	· Establish and periodically review the policy, system, standards, and structure of the performance evaluation and remuneration of Board Directors and the managers. · Periodically assess and set the remuneration contents and structure of directors and managers.	8	100
Sustainability and Ethical Management Committee	The committee is composed of two directors (including the Vice Chairman) and three independent directors, with the Vice Chairman serving as the Chairman.	60	· Formulate and execute the annual sustainability development plan, strategies, projects, and activity plans, as well as tracking and reviewing their effectiveness. · Supervise sustainability information disclosure and review the ESG report. · Formulate and supervise the implementation of the Ethical Management Policy and the Prevention of Unethical Behavior Program.	6	100
Risk Management Committee	The committee is composed of two directors (including the Vice Chairman) and three independent directors, with an independent director serving as the Chairman.	60	· Supervise the establishment of the Company's risk management system framework and oversee the execution of overall risk management. · Regularly review risk management reports for the Company and its subsidiaries. · Provide regular reports to the Board of Directors on the risk management execution status of the Company and its subsidiaries, along with improvement recommendations.	4	100
Nomination and Performance Evaluation Committee	The committee is composed of two directors and three independent directors, with an independent director serving as the Convener.	60	· Nominate directors of the Company. · Review and nominate candidates for directors and supervisors of subsidiaries, and review and recommend candidates for Chairman, Vice Chairman, and President of subsidiaries. · Review the nominated candidates for the Company's President and senior executives. · Re-audit the annual performance of the Chairman, Vice Chairman, and President of the Company and subsidiaries, as well as the Company's senior executives. · Audit the succession plan for President and departmental heads	6	100
Business Development, Investment and Major Capital Expenditure Committee	The committee is composed of two directors and three independent directors, with an independent director serving as the Convener.	40	· Review and periodically assess business objectives and medium- to long-term development strategies. · Review matters with significant impact on shareholders' rights and interests. · Review major equity investments, capital expenditures, and expense-related projects.	9	97

Board of Directors Performance Evaluation

To implement corporate governance and enhance the functionality of the Board of Directors, as well as to establish performance targets to improve the Board's operational efficiency, the Company has adopted the "Principles for the Performance Evaluation of the Board of Directors," approved by the Board. These criteria require an annual internal performance evaluation of the Board, including the Board itself, individual directors, and functional committees. Additionally, an external performance evaluation of the Board must be conducted once every three years by an independent professional external institution or external experts and scholars. To continuously enhance the overall governance operations of the Board of Directors, the Company's Board approved amendments to the "Principles for the Performance Evaluation of the Board of Directors" on November 17, 2025. These amendments aim to improve the performance evaluation mechanisms for the Board, its members, and the functional committees. The full text of the guidelines is available on → the Company's official website: ESG > Corporate Governance > Board of Directors > Board Performance Evaluation > Principles for the Performance Evaluation of the Board of Directors. In addition, the Company annually reviews and assesses whether the evaluation criteria align with and are applicable to the Company's performance assessment, referencing both domestic and international standards and practical operations. The performance evaluation of the Board of Directors also includes ESG participation aspects. The results of these evaluations are used as references for individual directors' compensation and nomination for reappointment.

The results of the 2025 internal board performance evaluation were reported to the Board of Directors on February 6, 2026. Evaluation scores across all dimensions ranged from 4.88 to 5, falling into the categories of "Very Good (4)" or "Excellent (5)," indicating that the board operates effectively and fulfills its duties in corporate governance, business operations, and corporate sustainability.

In addition, the Company commissioned EY Business Advisory Services Inc. in August 2023 to conduct an external board performance evaluation. The assessment focused on three key dimensions: Board and Functional Committee Structure, People, and Process and Information. The evaluation was conducted through director/committee member interviews, self-assessment questionnaires, and document reviews. According to the comprehensive evaluation by the external experts, the Company's performance in the three dimensions was rated as follows: "Benchmark" for Structure, "Advanced" for People, and "Benchmark" for Process and Information. The evaluation results were reported to the Board of Directors on November 20, 2023. The next external performance evaluation of the Board of Directors is planned to be conducted in the second half of 2026.

The results of the internal and external performance evaluations of the Board of Directors have been disclosed on → the Company's official website: ESG>Corporate Governance>Board of Directors>Board Performance Evaluation and in the → 2025 Annual Report (Section 2, Corporate Governance Report > 3. Corporate Governance Practices > (1) Board Operations). Based on the evaluation results and optimization recommendations from external independent organizations, the Company has not only maintained sound corporate governance practices but also implemented relevant improvement measures. The Company will continue to enhance the effectiveness of the Board of Directors and strengthen the corporate governance framework to achieve sustainable operations.

Training for Board of Directors

To improve the professional roles of the Board, the Company considers external corporate governance practice trends, company business development needs and Board professional functions, offering continuing education courses for the Board. The topics may cover corporate governance related to finance, risk management (including information security), sales, commerce, accounting, legal & compliance, anti-money laundering, counter-cyber terrorism, ESG, internal control system or financial reporting accountability. The Company invites experts and scholars in related fields to serve as lecturers. Furthermore, we develop individualized training plans for directors and periodically provide information on diverse training courses or seminars offered by external professional organizations, assisting directors with registration. Over time, we have successfully increased total board training hours beyond regulatory requirements.

In 2025, the total continuing education hours for all directors in the 9th session exceeded the requirements set forth in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies." The total continuing education hours amounted to 114.3 hours, with an average of 12.7 hours per director. Each director completed at least 5 hours of courses related to ESG and corporate sustainability, surpassing the recommended continuing education hours specified in the aforementioned guidelines. The Group also organizes a sustainable education course for its directors on "Fair Customer Treatment and the Convention on the Rights of Persons with Disabilities." In collaboration with the accessibility service pioneer, Duofu Care & Service, the program includes instructor-led sessions and experiential activities where directors simulate multiple disabilities such as wheelchair mobility, visual impairment, and hearing impairment. This hands-on experience enables directors to gain a deeper understanding of the challenges and needs faced by different groups in financial services, thereby enhancing financial equality and inclusiveness. For details on training topics and hours, please refer to → 2025 Annual Report (Section 2: Corporate Governance Report / Section 3: Status of Corporate Governance Operations / [4] Corporate Governance Operations and its Differences and Reasons Compared to the Code of Practice for Corporate Governance of Financial Holding Companies / Schedule: "Training in 2025").

2.1.3 Sustainability Governance Structure

Amid the rising global sustainability movement, the Financial Supervisory Commission (FSC) has successively introduced the "Green Finance 3.0 Action Plan," "Corporate Governance 3.0 – Sustainable Development Roadmap," "Sustainable Development Roadmap for TWSE/TPEx Listed Companies," and the "Blueprint for Taiwan's Adoption of IFRS Sustainability Disclosure Standards." In active response to these government regulations, the Company's Board of Directors serves as the highest governance and supervisory body for sustainable development. With the goal of "actively participating in public affairs and promoting a balance among economic, social, and environmental ecosystems to fulfill corporate social responsibility," the Company has established a Board-level Sustainability and Ethical Management Committee and adopted the "Sustainability and Ethical Management Committee Organizational Charter." The Committee is composed of Company directors, including three independent directors, and oversees six working groups focused on corporate governance, social philanthropy, environmental sustainability, responsible finance, client relations, and employee wellbeing. Senior management under the General Manager serve as working group leaders, with the Chief Sustainability Officer leading the working group leaders in proposing and executing annual concrete action plans on ESG issues.

When formulating ESG-related plans, each working group incorporates feedback from internal and external stakeholders and bases the annual implementation plans on the results of materiality assessments. At the same time, the Company's corporate shareholders, through their board representatives, communicate and discuss their concerns regarding economic, environmental, and social (ESG) issues with the Company via the Board of Directors or the Sustainability and Ethical Management Committee. The Sustainability and Ethical Management Committee submits an annual report to the Board of Directors on the work plans and their implementation status of each working group.

To ensure proper management of the Company's sustainability information and enhance disclosure quality, the Company newly established the "Sustainability Information Management Guidelines" in 2024. The Sustainability Report is prepared in accordance with regulations, with the Operations and Sustainability Development Department responsible for collecting and consolidating data from all sustainability information units. After confirmation by the leaders of each working group and verification by a third-party certification body, the report is submitted for approval to the Sustainability and Ethical Management Committee and the Board of Directors.

In 2025, the Sustainability and Ethical Management Committee convened six times. In accordance with the Company's "Sustainability and Ethical Management Committee Organizational Charter," the Committee reviewed or reported on key annual sustainability development matters and submitted them to the Board of Directors, including:

1. Report on the implementation status of the Company's sustainable development work plans for 2024 and the first half of 2025; the progress schedule for the adoption of IFRS Sustainability Disclosure Standards from the first to the third quarter of 2025; the 2025 project execution progress of the Climate and Nature Management Task Force; the implementation status of integrity management in 2024; and the results of major topic identification in 2024;
2. Approved the 2026 Sustainable Development Work Plan and the 2024 Sustainability Report;
3. Amendments to regulations related to sustainability and integrity management.

Operation Mode

Organizational Structure of the Sustainability and Ethical Management Committee

Data dated: December 31, 2025

2.1.4 Remuneration Policy

The Company has established the Remuneration Committee, which is primarily in charge of formulating and periodically reviewing the policy, system, standards, and framework of the performance evaluation and remuneration of directors (including the Chairman and Vice Chairman) and managers. The committee also periodically assesses and sets the individual remuneration contents and structure for the Board of Directors (including the Chairman and Vice Chairman) and the managers.

Director Remuneration Policy

The Company's Articles of Incorporation and the "Regulations Governing the Remuneration of Directors and Members of Functional Committees" stipulate that directors' remuneration consists of directors' compensation, monthly remuneration, and attendance fees, and does not include signing bonuses, severance payments, or retirement benefits.

Pursuant to the "Articles of Incorporation, the Company shall set aside no more than 1% of its annual profit, if any, for directors' compensation. The appropriation ratio and amount shall be reviewed by the Remuneration Committee and approved by the Board of Directors, and distributed after being reported to the annual shareholders' meeting. The allocation of directors' remuneration is determined with reference to the director's duties, degree of involvement in and contribution to the operations of the Company, and whether there is a violation of legal obligations or laws is taken into consideration, as well as the results of a comprehensive assessment of the directors' individual performance. The independent directors of the Company are remunerated on a fixed-rate basis and do not participate in the annual distribution of directors' compensation as provided in the Articles of Incorporation.

The Company's directors receive fixed monthly remuneration. Directors who concurrently serve as members of functional committees are entitled to additional monthly remuneration for each committee service. However, directors who concurrently servce as an executive or employee of the Company or its subsidiaries are not entitled to seperate director's monthly remuneration or functional committee remuneration.

In addition, directors are entitled to attendance fees for personally attending meetings of the board of directors and functional committees. However, attendance fees are not paid to members of functional committees who concurrently serve as executives or employees of the Company or its subsidiaries.

Directors who hold positions as managers in the Company or its subsidiaries are compensated by their respective companies in accordance with their regulations. Remuneration includes a monthly salary, as well as other cash rewards, stocks, retirement benefits or severance pay, various allowances, and other significant incentive measures. Additionally, there are long-term incentives, such as restricted stock units for employees, which are subject to vesting based on the achievement of certain performance criteria and are tied to future stock prices, thereby aligning interests and sharing business risks with the Company. The Chairman, the CEO, and managers have established long-term financial key performance indicators that are closely tied to long-term incentives.

1. **The Chairman and the CEO have set long-term financial key performance indicators linked to long-term incentives for 2027:** these indicators include earnings per share, total assets, wealth management asset scale, total shareholder return compared to peers, and dividend payout ratio.

2. CEO and Executives Performance Indicators

Type of Indicator	Percentage	Indicator(s)
Financial Aspect	30%~75%	Including net income target, earnings per share, dividend payout ratio, assets under management, other comprehensive income, and relevant financial indicators for respective departments.
Non-Financial Aspect	10%~55%	Including business operations and management of respective departments, digitization and process innovation, employee satisfaction, talent development, relevant customer indicators, and corporate sustainability (such as reducing carbon emissions in operations, investment and financing, and green investments), as well as optimizing service quality, enhancing the convenience of digital finance services, and cultivating diverse talent, all of which are connected to the ESG material topics.
Control and Governance Aspect	15%~25%	Including internal control, compliance, information security, connected to major ESG material topics such as privacy and personal data protection, corporate governance and ethical management, risk management, and sustainable operation.

Note: For information on economic, environmental, and social impacts, as well as the linkage to senior executive compensation, please refer to → 1.2 Sustainable Issue Management, specifically the subsections "The Value Chain Management Portion Impacted by Material Topics" and "Top Three Material Topics' Management Strategies, Evaluation Mechanisms, and Long-Term Targets"

CEO and Executive Compensation Structure

- When recruiting or retaining exceptional managers both domestically and internationally, the Company takes into consideration several important factors, including job responsibilities, individual experience, compensation, and prevailing market conditions.
- Variable compensation not only considers overall company performance and individual performance, but also references industry remuneration benchmarks and emphasizes alignment with the Company's long-term business performance and shareholder interests. This long-term incentive policy is closely linked to both individual performance and the Company's stock price, and is subject to review and approval by the Remuneration Committee and the Board of Directors. The program encourages employees to hold company shares over the long term and aligns managers with the Company's future business risks. Accordingly, the incentive plan includes deferred stock and restricted stock awards with clawback [Note] mechanisms, ensuring that the value of these awards is closely tied to future stock performance. This structure is designed to create a win-win situation for the Company, employees, and shareholders, allowing all parties to share in the Company's profit outcomes. The objective is to ensure that managers comply with regulations and do not pursue excessive returns by taking risks beyond the Company's risk appetite, thereby upholding corporate governance and sustainable management responsibilities.
- The performance evaluation of managers is based on a comprehensive set of indicators, including financial and non-financial aspects, as well as governance controls such as internal control, compliance, and information security. These indicators are also linked to key ESG issues to ensure that managers collectively contribute to the promotion of sustainable business operations.

Note: In the event of significant violations of laws and regulations, breaches of contracts, or major internal disciplinary actions, the issuance of bonuses may be affected, resulting in potential reductions, withholding, or clawback.

CEO's Variable Compensation

Stock trusts, employee stock options, and long-term incentive stock awards These are all 100% equity-based rewards, fully linked to the Company's operational performance, and entirely subject to deferral mechanisms.

	Cash Rewards	Stock Incentives
Proportion of Variable Remuneration: Cash vs. Stock (%)	-	100

Variable Compensation of Executives

1. The long-term incentive plan allocated in 2021 with a total period of six years is based on the restricted stock awards for employees issued by the Company in 2021 (with a three-year performance measurement period, followed by a three-year vesting schedule). As of December 31, 2023, the performance achievement rate for the measurement period was 76.8%, and the shares meeting the vesting conditions were distributed on July 1, 2024.
2. For the deferred cash and deferred stock plan with a deferral period of 3 years, the Company has implemented an annual performance bonus policy, which stipulates that any portion of the bonus exceeding a certain threshold must be deferred. The deferred amount is held as managerial self-benefit trust in the form of shares, and the deferral ratio is tiered, ranging from 20% to 65%
3. CEO's Remuneration [Note 1]

Comparison of the CEO's Total Remuneration to Other Employees' Annual Total Compensation	2025
The CEO's Total Annual Compensation to the Median Total Annual Compensation of Other Employees [Note 2]	111
The CEO's Total Annual Compensation to the Mean Total Annual Compensation of Other Employees [Note 3]	78

Note 1: Employee stock option certificates and long-term incentive stock rewards are not included as their achievement rates or execution prices cannot be predicted.
Note 2: CEO's annual total compensation / Median annual total compensation of all employees (excluding the CEO)
Note 3: CEO's annual total compensation / Mean annual total compensation of all employees (excluding the CEO)

Type	Stock-based Compensation Value to Annual Base Salary (Multiple)	Stock Holdings Value to Annual Base Salary (Multiple)
CEO	14	29
Other Executives Excluding CEO	1.5	6.0

Note: 1. The above reward items are effectively linked to both employee and company performance as well as individual rewards, while also serving as mechanisms for talent retention and risk control.
2. The Company stock held by the executives includes the number of personally-owned shares (according to the agreement, purchase a certain amount of the Company's stock with their own funds and continue to own it, without pledge creation), employee stock ownership trust, and new shares with restricted stock unit (RSU) for employees that have been allocated but not yet obtained. In addition, the shares held do not link to derivative financial instruments. The number of shares and the reference date for the stock price are based on the closing price on 2026/2/26.

2.2 Risk Management

2.2.1 Risk-Management Framework and Policy

Risk Management Framework

The Company has established comprehensive risk management framework and policies, including risk governance, risk identification and measurement, risk supervision and control, and risk reporting and monitoring, to manage various risks. The risk appetite indicators and tolerance levels are set in accordance with the strategic objectives. The Company is committed to creating value via prudent management, taking into account the interests of shareholders, customers, supervisory authorities, and social responsibilities, and the Company will continue to increase the value of the Company through promoting a systematic risk culture.

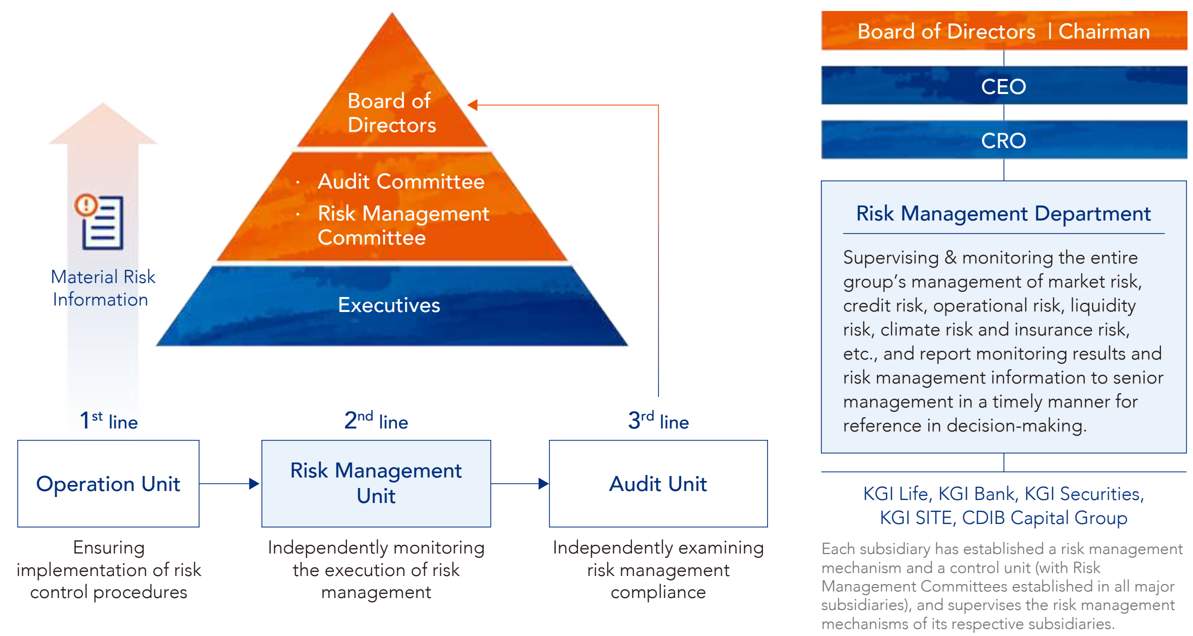
Risk Governance Organization

The Board of Directors is responsible for supervising the Company to establish an appropriate risk management structure and culture, ensuring the efficacy of risk management practices, and reviewing key risk control information. The Board also takes the ultimate responsibility of risk management.

The Risk Management Committee reviews risk management reports and risk-related issues quarterly and oversees the implementation of overall risk management, and reports to the Board of Directors on a regular basis.

To achieve an integrated function that allows for independent and effective management of risk levels, the Company and its subsidiaries have established independent risk management units. These units are responsible for developing and implementing the overall risk management framework for the Group, as well as formulating risk management policies and related regulations. The Company's Department of Risk Management is responsible for overseeing subsidiaries in establishing and adhering to risk management systems, monitoring the appropriateness of risk exposure, and the effectiveness of risk control mechanisms. Additionally, it provides overall risk management information to the Company's senior executives, Risk Management Committee, and Board of Directors. The Company's Chief Risk Officer (CRO) is a senior executive at the vice president level or above, responsible for overseeing risk management affairs. As the highest-ranking person in charge of comprehensive risk management affairs, the head of the risk management department reports to the Company's Risk Management Committee and Board of Directors in the event of major accidents or sudden major risk events.

The Company's risk management follows a three lines model framework. The first line are the business/operating units responsible for identifying, managing, and responding to business/operational risks within their jurisdiction. They also ensure the effective implementation of relevant risk management and control procedures in accordance with the Company's risk management policies and regulations. The second line is an independent risk management department responsible for the planning and management of the Company's risk management system, supervising subsidiary companies to establish and adhere to risk management, monitoring the adequacy of risk exposure, and the effectiveness of risk control mechanisms, and providing senior executives, the Risk Management Committee and the Board of Directors with the comprehensive risk management information they need. The third line is the internal audit unit, which annually audits the establishment of various risk mechanisms and verifies compliance and execution of these mechanisms.



Scope of Risk Management

The Company's risk management scope encompasses life insurance, banking, securities, venture capital, asset management, and investment trust businesses. The Company establishes corresponding risk management standards in accordance with regulatory requirements, domestic and international financial industry risk management practices, and the Company's risk management policies, while considering operational needs and the business environment. Based on business strategies and risk appetite, the Company formulates key risk limits, monitoring indicators, and early warning mechanisms, which are submitted for approval to the Company's Board of Directors or its authorized Risk Management Committee. These measures are regularly reviewed and appropriately adjusted to serve as the basis for risk management. Additionally, the Company employs suitable techniques to measure and control various risks, assessing potential losses and their correlations. In response to climate change risks, the Company has also established identification and assessment mechanisms and regularly conducts scenario analyses to evaluate the financial impact on the Company's overall operations and business. The major risk types are as follows:

Based on the Company's risk appetite, the Risk Management Department annually formulates various credit concentration risk limits for different counterparties, countries, and high risk industries, as well as market risk warning indicators for overall trading positions. The Risk Management Department submits these limits to the Board of Directors or its authorized Risk Management Committee for approval before implementation. The Company's independent risk management department is responsible for regular monitoring , reviewing risk management reports and risk-related matters at least quarterly and reporting on the overall implementation results of risk management to the Company's Risk Management Committee and Board of Directors on a quarterly basis.

Enterprise Risk Management (ERM)

Risk Type	Risk Measurement	Risk Appetite Decision-making Process / Limit Setting	Monitoring	Reporting
Credit Risk	· Credit risk is assessed using indicators such as probability of default, loss given default, exposure amount, and credit rating to determine expected loss and risk capital. · In terms of risk management, in addition to implementing credit limits for each type of exposure on a household basis, the Company also strengthens early warning mechanisms to identify indications of worsening financial and credit conditions of counterparties.	· The credit risk limits are reviewed by the Company's Risk Management Committee and implemented upon approval by the Board of Directors. The appropriateness of these limits is assessed annually. · The limit is determined based on a specific ratio of net asset value. · In response to changes in the financial environment and business development direction, KGI Financial regularly reviewed its risk tolerance levels and, following comprehensive communication with its subsidiaries, implemented a three-stage risk signal system (red, yellow, green) to disclose the level of risk tolerance. · The early warning mechanism will encompass individuals classified as high or medium risk, as well as those whose exposure amount has reached or exceeded a specified threshold, placing them on the notification list for continuous tracking and observation. In accordance with the high, medium, and low risk levels defined by KGI Financial, corresponding monitoring action plans will be implemented for each risk category.	· Concentration risk management: Regular assessment of single entities/ single groups, high-risk groups, high-risk industries, and country risks. · National risk: Tracking macroeconomic and national exposure trends, monitoring concentration limits, sovereign ratings, changes in CDS spread, and the impact of regional risks. It also includes establishing preventive control measures for national risk. · High-risk industries: Conduct qualitative and quantitative analyses of industry trends to ensure the comprehensiveness and applicability of the high-risk industry list through discussions in industry meetings, while establishing monitoring standards. · Asset quality: Supervise the subsidiaries in establishing regulations of evaluate assets classification and allowance for bad debts management, and ensure sufficient provision for losses or reserves. · Early warning mechanism: Regular monitoring of early warning indicators for fixed income investments and financial business to detect potential increases in credit risk as early as possible.	· Quarterly monitoring results are reported to the Risk Management Committee and the Board of Directors. · The risk management unit periodically (at least once a year) conducts credit risk stress testing scenarios and reports the results to the Risk Management Committee. · Immediate reporting of significant business risk events

(Continue)

Risk Type	Risk Measurement	Risk Appetite Decision-making Process / Limit Setting	Monitoring	Reporting
Market Risk	Market risk is measured using methods such as holding position costs, nominal principal, sensitivity analysis of position value changes to individual risk factors (such as interest rates, exchange rates, equity securities, credit spreads, and volatility) , or statistical estimates of potential loss amounts (such as Value-at-Risk). This assesses the current or potential market risk exposure of trading positions. Additionally, stress testing is used to evaluate the impact on position profits and losses under extreme market conditions.	· The Risk Management Committee of the company can consider risk appetite and establish the market risk warning indicators for the overall trading positions of the group. · Ratio of market risk economic capital to Company's net worth. · Establishing market risk economic capital as a warning indicator as a proportion of the Company's net worth.	· The Value-at-Risk and market risk economic capital of financial instrument positions held for short-term trading purposes are monitored. · The MSCI Risk Metrics® Risk Manager market risk management system takes into account the correlation and risk offset effects to calculate the VaR of KGI Financial and its subsidiaries' trading positions or overall investment portfolios. This system implements a consistent quantitative management model. · Regular monitoring and utilization of alert indicators. · Conduct stress tests and sensitivity analysis on a regular basis.	The monitoring and calculation results will be reported to the Risk Management Committee and the Board of Directors on a quarterly basis.
Operational Risk	The operational risk management unit utilizes various tools, such as operational risk event reporting (LE), RCSA, and KRI (implemented in applicable subsidiaries).	· Set an operational risk loss rate to monitor and ensure that the cumulative annual operational risk losses remain within the tolerable ratio of the annual net income. · Monitor and track abnormal situations of operational risk.	Monitor the frequency and loss impact of operational risk events.	· The monitoring and risk management results will be reported to the Risk Management Committee and the Board of Directors on a quarterly basis · Immediate reporting of material operational risk events
Business Risk	Regularly review and monitor 10 aspects of business risk detection indicators, including capital adequacy, asset quality, management capability, profitability, liquidity, sources of profit, foreign exposure, investment positions, off-balance sheet items, and public petitions.	· Monitoring the degree of risk tolerance using a three-level risk signal system (red, yellow, green). · Establish the risk appetite for each aspect as follows: 1. Capital adequacy - The capital adequacy of the Company and its significant subsidiaries in the banking, insurance, and securities sectors. 2. Asset quality - The overdue loan ratio of the bank subsidiary. 3. Management capability - This refers to the Company's Corporate Governance Evaluation ranking, as well as any fines or significant penalties imposed on the Group by competent authorities. 4. Profitability - The Company's profitability is measured by the budget achievement rate and the degree of change compared to the same period of the previous year. 5. Profit sources - The accumulated profit growth rate of significant subsidiaries such as banking, insurance, securities, and venture capital compared to the same period of the previous year; focusing on business segments with rapid profit growth, understanding their business models, and assessing potential impacts on business risk and consumer protection. 6. Liquidity - Debt-to-equity ratio and unused credit line-to-total credit line ratio. 7. Foreign exposure - The ratio of non-investment grade country risk exposure to net worth, as well as the ratio of business exposures with single entities/single groups of Mainland China to net worth. 8. Investment positions - The ratio of investments in high-risk industries, and venture capital investments exposure to the net asset value, as well as whether the Company's use of funds has resulted in any investment defaults or exposure to high-risk assets. 9. Off-balance sheet items - The number of cases in which the Company has engaged in asset acquisitions, assumption of liabilities, reinvestment transactions, and non-traditional reinsurance through trusts, investments in private equity funds, and SPVs. 10. Public petitions - Number of significant customer complaint cases.	Each detection indicator is regularly reviewed and monitored by the respective units within the Company, in accordance with their designated responsibilities and authority	· The results of the quantitative business detections by the Company and its banking, insurance, and securities subsidiaries are reported to the Risk Management Committee and the Board of Directors on a quarterly basis. · The qualitative assessments or quantitative detection results for other subsidiaries (non-banking, insurance, or securities) are reported yearly to the Risk Management Committee and the Board of Directors.

(Continue)

Risk Type	Risk Measurement	Risk Appetite Decision-making Process / Limit Setting	Monitoring	Reporting
Assets and Liabilities Management Risk	Asset and liability risk refers to the risk that arises from the mismatches in the value changes of assets and liabilities. This risk is primarily assessed and monitored through methods such as gap analysis. The Company also oversees its subsidiaries to ensure they establish suitable management mechanisms tailored to their business characteristics, operating scale, risk attributes, and management needs in order to identify, measure, monitor, and control of asset and liability risk.	Effectively identify and manage the various risks faced by the Company in conducting overall assets and liabilities management, including but not limited to the adverse impact caused by factors such as the allocation of assets and liabilities, the duration of assets and liabilities, and changes in the value of assets and liabilities.	Monitor the liquidity risk and interest rate risk management of the Company	The monitoring and calculation results will be reported to the Risk Management Committee and the Board of Directors on a quarterly basis
Insurance Risk	Insurance risk refers to the risk that an insurance company assumes after collecting insurance premiums and transferring the risk from the insured. It is the risk of incurring losses due to unforeseen changes when paying claims and related expenses according to the contract. In addition to establishing insurance risk management frameworks and systems, the Company and KGI Life evaluate the risk profile of KGI Life and the effectiveness of risk mitigation measures. The Company also regularly tracks post-sales experience to minimize insurance risk losses caused by unforeseen changes.	· Including KGI Life's risk-based capital ratio and loss ratio · The Company monitors risk tolerance levels using risk indicators at levels 2 and 3, respectively.	Monitoring the risk management situation of KGI Life.	· Quarterly monitoring of the overview of insurance risk indicators, reporting to the Risk Management Committee and the Board of Directors. · KGI Life performs annual actuarial valuation operations and ORSA. It also conducts scenario testing on insurance risks and reports the results to its Risk Management Committee and Board of Directors.
Climate Risk	Climate risk refers to the physical and transition risks that may arise from climate change, potentially impacting the Company's operations and finances. The Company conducts assessments and discloses related information in accordance with the TCFD framework and integrates climate risk issues into its existing risk management mechanisms.	· Including the ratio of the exposure limit for high-carbon-emission industries and the emission reduction targets for relevant own operation as well as investment and financing portfolios.	Monitoring the implementation of climate risk indicators for the Company and its main subsidiaries.	· The main subsidiaries conduct annual scenario analysis of climate risks (physical risks and transition risks), and report the results to the Risk Management Committee and the Board of Directors. · Monitoring the implementation of climate risk indicators on a quarterly basis and submitting a climate risk assessment report to the Risk Management Committee and the Board of Directors at least once per year.

The Company also addresses material risk events, which include significant occurrences affecting the risk assets held or counterparties (such as bounced checks, financial difficulties, business suspension, major disasters, or litigation) that may jeopardize its normal operations and potentially result in losses exceeding a certain threshold for subsidiaries or events that may cause losses to subsidiaries due to internal operational, personnel, and system errors or malfunctions, as well as external events, are subject to immediate reporting to the Company's Risk Management Department, and in severe cases, it should be escalated to senior management, including the CEO. A summary is reported quarterly to the Risk Management Committee and the Board of Directors. In 2025, a total of 12 material risk events were reported by the Company and its subsidiaries, including 4 business/credit risk-related events and 8 operational risk-related events. In response, the Company implemented short-, medium-, and long-term control measures, enhanced staff awareness and training, and took actions to safeguard corporate interests. These efforts aim to mitigate loss impact and prevent recurrence of similar risks.

Contingency Plan

In the event of significant changes in the financial market or the occurrence of major risk events that have a significant negative impact on the risk-taking unit, the risk-taking unit should imediately report to the relevant departments such as risk management units, its business supervisor, and the CEO. An ad hoc meeting may be convened as needed to review the contingency plans submitted by the risk-taking unit or to approve emergency response measures, and, if necessary, report to the board of directors.

The Company will perform stress tests on trading positions in light of material changes in the financial market to assess potential losses under extremely adverse circumstances and may assess capital and operational contingency measures to manage potential risks based on the stress test results. The results of the stress tests should be reported regularly to the Risk Management Committee and the Board of Directors.

In order to mitigate potential liquidity risk arising from emergency situations, the Company adhere to the “Liquidity Risk Management Policy” to ensure appropriate financial operations, properly plan cash flows, and a balance between funding gaps and debt repayment sources are in place. The liquidity risk metrics of the Company are also regularly reviewed and reported to the Risk Management Committee in order to facilitate early planning for funding requirements in the event of abnormal circumstances.

Regarding significant changes in the macro environment and financial markets over the past year to date, the Company has identified, assessed, and reviewed key risk issues—including but not limited to the causes of events, likelihood of occurrence, and extent or scale of impact—such as the impact of Typhoon Danas on the Company’s photovoltaic projects; and the U.S. reciprocal tariffs alongside the substantial appreciation of the New Taiwan dollar exchange rate. The Company has implemented appropriate control and mitigation measures and continues to monitor the effects of financial market changes to enhance the effectiveness of its risk management.

Risk Events		Risk Control Processes and Mitigation Measures
1 Impact of Typhoon Danas on the Company’s Photovoltaic Sites	In July 2025, Typhoon Danas made a rare landfall in Chiayi. Because its path was not blocked by the Central Mountain Range, it severely impacted the central and southern regions, resulting in 2 fatalities, over 300 injuries, and widespread power outages. In the field of renewable energy, some photovoltaic sites were also damaged, including the offshore photovoltaic test platform in Pingtung, which was dismantled by strong winds, and the floating photovoltaic panels at the Xinwen detention basin in Chiayi, which were overturned. These incidents highlight the challenges that extreme weather poses to related facilities.	· The Company promptly and actively monitored the impact of the disaster on the credit exposures of its subsidiaries immediately after the event occurred. · The Company supervises KGI Bank to conduct on-site inspections each quarter at locations with significant disaster damage, continuously monitoring the progress of repairs and insurance claims to strengthen oversight of borrowers’ operational and financial conditions. · For sites with relatively minor disaster damage, the Company continues to monitor the restoration progress and insurance claims during the review process to ensure risk management of credit exposures. · Regarding delays in project completion and sites pending confirmation, the Company also supervises KGI Bank to continuously track and assess the progress of grid connection and response status during reviews, in order to enhance the effectiveness of credit portfolio management.
2 U.S. Reciprocal Tariffs and the Significant Appreciation of the New Taiwan Dollar	In April 2025, the United States, under the Trump administration, implemented reciprocal tariff policies aimed at addressing trade deficits and protecting domestic manufacturing, which disrupted global stock markets. The Taiwan Stock Exchange Index fell approximately 18.3% from April 1 to April 9, 2025. Meanwhile, the US dollar appreciated nearly 8.2% against the New Taiwan dollar from April 9 to May 9, 2025, due to the combined pressures of tariff threats and expectations of US interest rate cuts. During this period, Taiwan’s life insurance industry faced severe challenges from the simultaneous impact of stock and foreign exchange markets, rapidly depleting foreign exchange reserve funds. Market concerns arose that if tariff issues continued to deteriorate, it would lead to market imbalances, with the stock, foreign exchange, and bond markets all at risk of further decline, necessitating a reassessment of risk tolerance levels.	· The Company annually formulates varying scenarios for stress testing. For 2025, the stress test scenarios for the stock price index and the USD to TWD exchange rate are set at declines of 20% and 10%, respectively, sufficiently covering market fluctuations comparable to those during the tariff crisis. At the same time, in May, when the New Taiwan Dollar appreciated significantly, the Company immediately conducted a profit and loss/position impact assessment for each subsidiary and required them to provide subsequent follow-up reports. · The Company, in collaboration with the Chung-Hua Institution for Economic Research, regularly provides its affected subsidiaries with potential scenarios regarding the evolution of U.S. reciprocal tariffs to assess the impact on their net worth and risk appetite indicators. At the same time, the Company established a foreign exchange alert monitoring mechanism to track the weekly trend of the US dollar to New Taiwan dollar exchange rate. · KGI Life Insurance has established a foreign exchange price reserve warning indicator, which is monitored monthly to ensure compliance with risk tolerance standards. If the indicator shows abnormalities, a foreign exchange risk assessment and response measures report must be submitted. Additionally, a review and reporting mechanism is in place should the situation further deteriorate. · KGI Life Insurance, in accordance with the Financial Supervisory Commission’s directive announced at the end of June 2025, has adjusted the basis for the provision of reserves for certain past policies. This adjustment increased the balance of foreign exchange price reserves to enhance its foreign exchange risk capacity. Additionally, KGI Life Insurance has proposed a “Resilience Enhancement Adjustment Plan” to strengthen its operational robustness and sound asset-liability management. Regarding exchange rate risk, KGI Life Insurance has introduced a new foreign exchange hedging ratio warning mechanism and revised the foreign exchange risk limit indicators to better reflect the Company’s solvency correlation.

Risk Management Culture

Risk management culture is a key foundation for KGIF to maintain its core competitiveness and promote sustainable development. The Company continues to enhance monitoring risk indicators, risk self-assessment, risk event reporting, and internal control self-assessment mechanism, and regularly report the execution status to the Risk Management Committee and the Board of Directors. KGIF also instills risk awareness among employees through training to shape a sound risk culture and carries out risk management in daily operations.

Mechanism for Enhancing Risk Management Culture

1. Financial Incentives

KGIF links risk management performance with compensation through performance management and key performance indicators (KPIs). KGIF places strong emphasis on the implementation of risk management mechanisms. The performance evaluation of relevant managers and employees includes indicators related to risk management, such as internal control, regulatory compliance, information security, customer privacy and personal data protection, and business continuity. Performance is thereby connected with compensation, integrated into daily risk management operations, and aligned with key ESG material topics.

In evaluating the performance and compensation of senior executives, financial indicators—such as net income targets, earnings per share, and assets under management—are considered, along with non-financial indicators related to risk management and ESG. For department heads, performance assessments cover financial and business aspects, as well as risk management–related indicators, including internal control and regulatory compliance. Employee performance indicators include execution of individual duties and cost efficiency; for relevant personnel, risk management and ESG dimensions are also incorporated. The results of performance evaluations serve as a reference basis for promotions and performance bonuses.

2. Measures Encouraging Employees to Voluntarily Identify and Report with Feedback

The operational mechanisms and regulations allow employees to voluntarily identify and report material risk events and operational risk events with proposal of mitigation and improvement measures, to prevent potential risks from occurring or recurring. To further strengthen risk management, not only the goals associated with ESG criteria, risk management process optimization and innovation also have been added to performance evaluation, encouraging employees to suggest solutions to potential risks (including emerging risks) and motivating them to participate in the risk management enhancement.

The Company and its subsidiaries have implemented an early warning indicator mechanism , utilizing both publicly available external and internal information to detect potential increases in credit risk as early as possible. This includes real-time market information alerts to enhance the effectiveness of timely notifications. In addition, the Company leverages visual BI tools to enhance its business operations data motoring and strives to reduce redundant work and increase transparency to ensure timely and effective resolution of business risk events and vulnerabilities.

The risk management personnel of the Company and its subsidiaries discuss and communicate the assessment and tracking of risk appetite indicators through regular (monthly) business risk management meetings, compile and summarize key risk issues and feedback suggestions, and report to the senior managements of the Company. Furthermore, employees responsible for managing various types of risks are encouraged to proactively identify potential risks and develop corresponding response strategies based on their work experience and observations. Additionally, the Company regularly reviews risk management regulations or systems, with participation from both the parent company and subsidiaries, as well as across departments. This provides employees with communication channels for exchanging opinions and establishes a feedback mechanism for risk management.

3. Implementation of Risk Management Mechanism

The Company's "Regulations for Operational Risk Management"stipulates that before new products, activities, processes, and systems officially take effect, it must be confirmed that their operational risks have undergone appropriate identification and assessment procedures.

When planning risk mechanisms, the Company and its subsidiaries adhere to the principles of division of labor among the front, middle, and back offices. This ensures the independence and accountability of responsibilities and authorities, as well as the independence of evaluation operations.

4. Education and Training Courses

To instill risk awareness and enhance risk perspectives, the Company's Corporate Governance Best Practice Principles stipulate that directors shall undertake continuing risk management education about corporate governance topics, either upon appointment or throughout their tenure. Accordingly, the Company arranges annual risk management education courses for all directors including executive directors and non-executive directors/independent directors [Note]. All directors have completed the education program titled "Establishing a Risk Management Culture and Control Mechanisms," achieving a 100% completion rate. This enables directors to gain an in-depth understanding of risk management control mechanisms, effectively enhance the Board's supervisory functions, and ensure the Company's sound operations and sustainable development.

Note: All directors include executive directors and non-executive/independent directors. Independent directors are defined in accordance with the definition of independent directors under the S&P DJBIC (Dow Jones Best-in-Class) Indices.

To embed a strong risk management culture, continuously implement risk management practices, and enhance risk management awareness and core concepts across the entire KGI group, KGI Financial Holding regularly (annually) conducts risk management education and training programs. The Company has also conducted training programs on risk management principles and awareness for all full time employees of KGIF and its subsidiaries, with a total of 8,884 training attendances completed, achieving a 98% completion rate. The course content covers topics such as risk management mechanisms in the financial industry, major risk categories, risk management processes, and risk appetite, thereby fostering the awareness and belief among employees that "risk management is everyone's responsibility."

(1) To implement the competent authorities' requirements regarding climate risk management measures, the Company continued to conduct advanced educational training courses on physical flood risk scenario analysis this year. Additionally, to keep step with international trends and respond to the net-zero emissions target, the Company organized awareness-enhanceing and capacity-building sessions on climate management for the Group. These sessions, led by external consultants, covered topics including the SBTi FINZ standards, Taiwan Sustainable Taxonomy for transition finance, and the latest trends in TNFD from climate to nature management. Approximately 407 participants from the Company and its subsidiaries attended these sessions.

(2) To continuously maintain the quality of statutory reports to the competent authority and ensure compliance with regulatory requirements, the Company conducted seven training and communication sessions, inviting relevant personnel from its subsidiaries to participate, with approximately 461 attendees in total.

(3) To enhance information security awareness across the entire Group, the Company held a series of activities for Information Security Month in 2025. The theme for the year was "Building a Security Culture: Everyone Is a Line of Defense," which was divided into three segments: "Sensitive Data Protection," "Artificial Intelligence Challenges," and "DeepFake Defense." A total of nine in-person events were conducted, including "Information Security Expert Lectures" and interactive "Information Security Challenge Booth Games." Across all Group companies, a total of 3,871 participants attended both in-person and online sessions, with an employee satisfaction rate of 99.7% reported for the activities. This event received significant attention from the Company's senior management. The Chairman of KGI Securities personally attended and delivered a speech emphasizing the importance of information security. The event was simultaneously announced through a press release, demonstrating the Company's proactive efforts and commitment in the field of information security.

(4) To establish the Group's awareness of cloud outsourcing risk management and regulatory compliance, the Company conducted an educational training course on "Cloud Outsourcing Risk Management and Regulatory Compliance," with a total of 256 participants from the Company and its subsidiaries.

Business Continuity and Material Disaster Response Mechanism

The Company, in fulfillment of its responsibility to protect the rights and interests of stakeholders—including shareholders, employees, subsidiaries, and partners—and to ensure service quality, has established a business continuity management system . This system is designed to provide timely and effective notification and response mechanisms in the event of material disasters that may threaten the Company's normal operations, thereby safeguarding the Company's business continuity. The system appropriately protects assets, mitigates operational disruption risks, strengthens disaster prevention capabilities, prevents escalation of damage, ensures effective execution of response and recovery operations, and enhances the overall level of business continuity. To provide clear guidance to relevant personnel across all units, the Company has stipulated business continuity management and material disaster response procedures, and also conducts annual Business Impact Analysis (BIA), Risk Assessment (RA), and practical drills related to business operations to maintain the effectiveness of these mechanisms.

The Company has established a Business Continuity Management and Material Disaster Response Task Force, responsible for the decision-making, activation, and execution of the Company's business continuity plan. The team is convened by the CEO, with department heads serving as members of the Business Continuity and Response Team. When the convener of the Company—the CEO—receives a notification of an operational disruption incident or a material disaster warning indicating a potential operational disruption, and assesses that the disaster poses a significant threat to the Company's business continuity, the CEO will convene the Business Continuity Management and Material Disaster Response Task Force to discuss the response plan and decide whether to activate the disaster response procedures under the Business Continuity Management System. In addition to approving contingency and recovery measures and activating the Business Continuity Plan, the convener shall report to the Chairman in a timely manner according to the disaster situation.

A Business Continuity Management and Major Disaster Response Task Force is convened by CEO. It also establishes a Deputy Convener (CRO) and a staff team, with the head of each department serving as task force members.

- Conduct firm-wide Business Impact Analysis (BIA) and evaluate the results (business needs/ justifications).
- Complete the Risk Assessment (RA) for various disruption scenarios.

- Develop a Business Continuity Plan (BCP) to link contingency and recovery procedures for all disruptions.
- Track the progress of the backup mechanism.

- Education and training for new employees.
- Annual testing and review. And adopt observers' suggestions to make process modifications.
- Update existing regulations and require subsidiaries to establish corresponding standards.

- Conduct annual review meetings or report writing.
- Submit to CRO and CEO for approval.

Internal Audit

KGIF adopts the "three lines model" from the competent authority for its internal control system. The internal audit department under the Board of Directors – Internal Audit Department serves as the third line for the purposes of helping the Board of Directors and senior management audit and evaluate the effectiveness of internal controls, providing timely recommendations for improvement, ensuring the continuity of implementation, and providing a basis for review and modification of the internal control system.

2025 Implementation of the Internal Audit System

Implementing Projects	No. of Projects
"Review Meeting on Deficiencies in the Internal Control System with Independent Directors and the Head of Internal Audit"; "Group Heads of Internal Audit Meeting"; and "Joint Meeting of Audit, Compliance, and Risk Management"	5
Routine Audit; Special Audit Note1,2	12
Audit of Derivatives Transaction	12

Note 1. A total of 41 deficiencies were listed during the routine audit, special audit, and derivative transaction audit. There were no material deficiencies. All listed deficiencies are continuously monitored until rectifications are fully implemented.

Note 2. According to the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries," the internal auditing unit of a financial holding company shall conduct a routine audit at least annually; a special audit on its finance, risk management processes, and compliance with applicable acts and regulations at least semiannually; where the routine business has covered the scope of the special audit and its audit results reveal no significant deficiency, and it expressly states such in the internal audit report, it is not required to conduct a special audit for that current half-year.

External Audit

Regarding external audits, the Financial Supervisory Commission conducts financial inspections of financial institutions based on its risk assessment mechanism. In principle, once during each 2-year period. The Company underwent full-scope inspections including risk management processes and mechanisms, such as: whether overall risk appetite control measures for exposure risk are reviewed in a timely manner; Whether risk warning and response mechanisms have been established, among other things, in both 2024 and 2026. Additionally, the Company's subsidiaries (banking, insurance, and securities) commission certified public accountants annually to audit their internal control systems.

For inspection comments or audit deficiencies listed by financial inspection authorities, certified public accountants, internal audit units, and business units' self-audits, as well as improvement items listed in the internal control system statement, the internal audit unit will continuously track, review, and evaluate the progress of improvements. These findings are reported in writing to the Board of Directors and the Audit Committee and are incorporated into the reward and penalty systems and performance evaluations of each unit to ensure the effective operation of the internal control system.

2.2.2 Emerging Risks Management

The Company evaluates the emerging external risks of the main business every year to simulate the possible influence and further examine the processing capabilities corresponding to the organization members, internal control procedures, risk mitigation or response measures. The identification of emerging risks by the Company is based on the Global Risks Report 2026 published by the World Economic Forum (WEF), and relevant research reports conducted by domestic and international professional institutions. The most critical emerging risk items are finalized through internal discussions.

Procedures for Identifying Emerging Risks

In light of the increasing impact of emerging risks and their influence on the financial market, we have established the following procedures to effectively assess the impact and develop measures in response. The key emerging risk items identified by the Company this year include adverse outcomes of AI technologies and the fragmentation of regulatory regimes, social structural disruption and labor imbalance, and intensification of geoeconomic fragmentation.

Step 1. Initiate Risk Identification	Step 2. Conduct Risk Assessment	Step 3. Proposed Countermeasures	Step 4. Risk Reporting
· The emerging risk identification and assessment meeting initiated by KGIF · Reference external expert opinions and relevant reports from domestic and international research institutions. · Provide a list of risk factors and an emerging risk assessment form.	Each subsidiary identifies emerging risk patterns that may affect the company based on the scale of its operations and business attributes. They assess the potential operational impact intensity and the likelihood of risk occurrence.	Based on the risk assessment results of KGIF's subsidiaries, KGIF has reviewed risk mitigation actions and formulated corresponding measures to minimize the impact of emerging risks on the Group's operations. Additionally, the Company is exploring potential business opportunities that may arise.	The Risk Management Dept. will consolidate and report the emerging types of risks identified, potential operational impacts, and corresponding measures to the Risk Management Committee and the Board of Directors. The relevant information is also compiled into the Sustainability Report and submitted to the Sustainability and Ethical Management Committee and the Board of Directors for review.

Impact of Emerging Risks and Mitigating Measures

The table below presents the emerging risk items identified in this assessment, including adverse outcomes of AI technologies and the fragmentation of regulatory regimes, social structural disruption and labor imbalance, as well as the intensification of geoeconomic fragmentation. Taking into comprehensive consideration the potential future events, relevant time horizons, and primary areas of impact for the Company and its subsidiaries, further evaluation has been conducted on the potential operational impacts, and appropriate mitigation and response measures have been formulated.

Item	Nature	Description of Risk	Operational Impact	Mitigating Measures
Adverse Outcomes of AI Technologies and the Fragmentation of Regulatory Regimes	Technology	The diffusion of AI has given rise to governance risks and has accelerated the expansion of cyber insecurity. · Generative AI and agentic AI have rapidly entered financial and information environments, transforming AI from an auxiliary tool into a critical decision-making node and becoming a systemic force on financial trust mechanisms, market order, and decision quality. Because regulatory oversight and the allocation of responsibility have not yet been clearly defined, the next five years represented the period in which AI governance challenges would be most significant. Agentic AI autonomously executes tasks, broadly accesses data, and has system operation privileges, making it vulnerable to attacks such as prompt injection and data poisoning, which have doubled the risks of privilege misuse and confidential data breaches. · As the scale of AI applications expanded, the misuse of biased models would have led to unintended consequences such as decision-making errors. In addition, AI iteration would also have caused attack costs to plummet sharply and made such attacks easier to obtain. The impact of the risk is immediate and long-lasting. The "Global Risks Report 2026" identifies the adverse outcomes of AI technologies as one of the fastest-growing risks over the next decade, indicating that its potential threats will rapidly expand as the technology matures.	· Investment and Financing Business - AI automated attacks may have caused abnormalities in trading systems and payment networks. Damage to the pathway would have resulted in an increased transaction error rate, reduced work efficiency, or financial losses. - If AI agents were to develop algorithmic biases or lose control in automated processes, they could affect the quality of credit decision-making and the stability of loan disbursements, increase fluctuations in loan quality and the risk of customer complaints, and thereby affect the stable growth of the loan business. · **Insurance Business:** Based on an assessment by overseas supervisory and research institutions, if AI risk assessment or governance mechanisms were improper, life insurance companies could face a deterioration in loss ratios of approximately 3% to 8%, a decline in new business underwriting ratios of 5% to 15%, and a decrease in renewal ratios of 2% to 6%, thereby causing an actual impact on industry's profitability and business growth. It is assessed that insurance subsidiaries may also face potential impacts. · **Information Security and Reputational Risks:** AI-driven cyberattacks may have caused system anomalies and service interruptions, thereby affecting the Company's operations, financial performance, and reputational risk, and increasing the costs of internal control, legal compliance, and operational adjustments.	· Investment and Financing Business - KGI Securities regularly reviews the performance and algorithmic bias risks of AI models, conducts backtesting and stress testing, and daily verifies the consistency of data on the order system host while issuing notifications. - KGI Bank enhanced customer experience by optimizing the identity verification process and strengthened data security to increase customer trust and loyalty. After assessing AI risks and resources, the Company established an independent third-party review and validation mechanism staffed by AI experts to ensure the fairness, explainability, and transparency of AI systems. - CDIB continuously strengthens cybersecurity defenses by adopting the latest technologies, incorporating third-party self-regulation standards, establishing AI management policies, promoting cybersecurity education and training, and timely increasing cybersecurity personnel and budgets. At the same time, the Company actively invests in emerging AI technologies, AI infrastructure, and cybersecurity solution companies to enhance profitability and strengthen cybersecurity protection. · **Insurance Business:** KGI Life Insurance has established an interdepartmental AI Governance Committee to clearly define AI policies and integrate them into the internal control and risk management framework, ensuring compliance and regulatory oversight. Effectively leveraging AI to accelerate automation in underwriting, claims, and customer service processes, enhancing pricing and risk assessment accuracy to support differentiated product design and precise customer segmentation. · **Information Security Management:** KGI Financial continuously strengthens its cybersecurity defense framework, including: 1) implementing advanced threat detection technologies to sustain defense effectiveness against malicious cyberattacks. 2) Steadily enhance the depth of the email protection system, supplemented by email social engineering drills and cybersecurity education and training to improve employee cybersecurity awareness. 3) Continuously assess the expansion of cybersecurity insurance coverage. 4) Building on the existing information security management framework, the Company has adopted a zero-trust architecture to optimize various information security management mechanisms. · **AI Governance:** KGI Financial has established the "Artificial Intelligence (AI) Governance Policy" and formed the "AI Governance Committee," which is responsible for overseeing AI applications and promoting the development of an internal governance framework. This includes further identifying AI technologies and their related components, inventorying AI assets, and creating a registry. Through a systematic approach, the Committee assesses and categorizes the risk factors associated with AI technologies.

(Continue)

Item	Nature	Description of Risk	Operational Impact	Mitigating Measures
Social Structural Disruption and Labor Imbalance	Social	The transformation crisis of the labor force structure has intensified the risk of social structural fractures. · Taiwan will enter a super-aged society in 2026. It is estimated that by 2028, Taiwan's demographic dividend will officially end, with the working-age population (ages 15-64) accounting for less than two-thirds of the total population. The labor shortage issue is expected to become increasingly severe. · Over the next three to five years, advancements in cutting-edge technology will reshape the demand for knowledge-based labor, leading to a "K-shaped" polarization in the labor market, with the middle-class white-collar workforce facing the risk of marginalization. Population aging will exacerbate the decline in labor value, increasing fiscal and social pressures. Meanwhile, the younger generation will encounter difficulties in asset accumulation, undermining the stability of the financial system. Human capital, as the cornerstone driving economic growth and the expansion of financial credit, is undergoing a value reconstruction due to changes in technology and social structures.	· Investment and Financing Business - Labor market imbalances and talent shortages, combined with the possibility that a K-shaped economy may reflect industry structure, could widen the competitive gap between large enterprises and small and medium-sized enterprises (SMEs), potentially increasing the default risk of SME financing. - The rising proportion of workers in unstable employment may affect the application structure for consumer and mortgage loans, resulting in lower approval rates, increased default risk, and a slowdown in loan disbursement momentum. - Changes in financial demand and consumer behavior have increased systemic pressure on the overall financial market, indirectly causing investment impacts. · Insurance Business The impact on KGI Life Insurance includes: the increase in medical claim costs for elderly, high-net-worth individuals has affected the sales and pricing of specific products. Additionally, the middle class's ability and willingness to purchase insurance have declined, resulting in slower growth of new contracts. Sales of long-term products have become more difficult, while lapse and surrender rates have risen, weakening premium income and medium- to long-term profitability. · Asset Management Business The lack of products and services tailored to the asset planning needs of young and middle-aged clients and high-net-worth individuals has resulted in customer attrition, preventing KGI SITE from maintaining an overall market share above 3%.	· Investment and Financing Business - KGI Bank has strengthened risk management by continuously monitoring the adjustment of credit exposure across various industries, enhancing post-loan management, and tracking clients' operational status in real time to reduce credit risk. - CDIB capitalizes on opportunities in innovation, aging populations, and digital transformation by focusing on thematic funds related to digital transformation in consumer essentials, smart MedTech, elderly health, and precision medicine, aiming to enhance portfolio value and expand fundraising scale. · Insurance Business: - Segmented Product Strategy: KGI Life Insurance offers high-coverage, low-premium products to middle-class and mass-market customers to strengthen basic risk protection. For high-net-worth individuals, the Company designs wealth inheritance and tax-oriented insurance products to optimize asset allocation. - Enhancement of Policy Renewal Rate Management: KGI Life Insurance has established a lapse risk early warning mechanism to identify high-risk policyholders in advance. It proactively offers flexible policy maintenance options such as reduced paid-up insurance and policy extension to reduce lapse and forfeiture losses, thereby stabilizing premium income. · Asset Management Business KGI SITE addresses the challenges of a polarized and aging society by offering diversified services and products. It develops tailored solutions targeting different financial goals at various stages, including asset accumulation, pursuit of stable cash flow, and wealth inheritance. Additionally, exclusive digital services are introduced for high-net-worth individuals to deepen customer relationships and enhance loyalty.
Intensification of Geoeconomic Fragmentation	Geopolitics	The fragmentation of the geopolitical economy has intensified pressures for supply chain restructuring. · The underlying logic of the global economy is undergoing a structural transformation not seen in half a century. The globalization system, which was previously centered on efficiency and cost, is gradually fragmenting and shifting toward regionalized development focused on security and resilience. Governments worldwide have implemented measures such as industrial subsidies, export controls, and localization to safeguard national security, thereby intensifying intervention in key industries. As a result, the global economy has shifted from cooperative mutual benefit to zero-sum competition. Companies have also accelerated the diversification of supply chains, driving up manufacturing costs and increasing inflation risks as well as pressures on capital reallocation. "The Global Risks Report 2026" points out that over the next 10 years, the world is entering a structural transition toward a "multipolar world without multilateralism," which may increase the risk of conflict escalation. · The geoeconomic fragmentation has intensified, causing structural impacts on the operational models of Taiwan's real economy and the strategic position of its core technology industries.	· Investment and Financing Business - Under the circumstances of forced supply chain restructuring and challenges to Taiwan's semiconductor advantages, Taiwanese enterprises may face risks such as increased capital expenditures and operating costs, uncertainties related to U.S. tariff subsidy policies, loss of orders, and declining profitability, which could subsequently impact future investment and fundraising strategies. - Geopolitical tensions have increased uncertainty, affecting the operations of corporate clients' production and supply chains. Additionally, the uncertainty of tariff policies and the escalation of trade barriers have impacted corporate financial stability, resulting in heightened potential credit risks in KGI Financial's financing business. - KGI Financial's investment and financing positions are primarily concentrated in Taiwan and the United States, accounting for over 50% of the total investment and financing portfolio. These positions mainly involve government agencies, large financial institutions, and international enterprises, providing a certain degree of resilience in facing future challenges and shocks.	· KGI Financial's subsidiaries will prudently assess the global competitiveness and industry prospects of investment targets and, depending on the extent of geopolitical and geoeconomic risks, make timely adjustments to their positions. Simultaneously focus on the industry and investment opportunities driven by supply chain relocation that promote "Intelligent Automation in Manufacturing", especially in sectors with niche technologies, strong intellectual property protection, or those benefiting from inflation. · KGI Bank incorporates geoeconomic risks and industry trend analyses of the supply chain into their credit review and evaluation processes. They diversify credit concentration across countries, regions, and industries to ensure greater resilience in loan and credit decision-making. Additionally, they provide local and cross-border financing services tailored to corporate business needs in different international regions, continuously assisting clients in developing resilience management skills and timely adjusting strategies to ensure sustainable development. · KGI Financial and its subsidiaries have established risk warning and management mechanisms, including country and regional risk limits and high-risk industry controls. The Company integrates economic outlooks for the United States, Taiwan, and China on a monthly basis and conducts scenario analyses of major international events to continuously monitor the impact of geopolitical and geoeconomic factors and regularly review the effectiveness of the aforementioned risk mitigation measures.

2.2.3 Climate and Natural Related Management

Mitigating climate change has become an urgent priority, and issues concerning nature and biodiversity are increasingly gaining attention. In 2024, the Financial Supervisory Commission (FSC) of Taiwan issued the "Green and Transition Finance Action Plan," which encompasses key initiatives to support corporate net-zero transitions, enhance climate resilience, and encourage the financial sector to disclose carbon reduction target strategies and nature-related financial disclosures. KGI Financial actively aligns with the government's net-zero transition policy. To assess the relationship between its operations and climate as well as nature, the Company adheres to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD). This process involves disclosing requirements across four key dimensions: governance, strategy, risk management, and metrics and targets. KGI Financial compiles climate and nature-related reports to identify and manage climate and nature-related risks and opportunities, ensuring steady progress toward sound operations and sustainable development.

The key climate and nature management initiatives for this year are as follows. For detailed information on the related implementation, please refer to → KGI Financial 2025 Climate and Nature Related Report.

Disclosure Aspect		Key Focus Areas
Governance	Board of Directors Oversight	· The Board of Directors of the Company serves as the highest decision-making and supervisory body for sustainability-related matters. It is the supreme governing authority for the Company's climate governance, responsible for leading and overseeing the Company's operations and sustainable development (including climate and nature-related issues), approving relevant policies, and supervising the effectiveness of climate and nature-related targets, action plans, and risk management. · The Sustainability and Ethical Management Committee and the Risk Management Committee regularly report to the Board of Directios on the evaluation and management of climate and nature-related strategies, opportunities, and risks.
	Management Execution	· The President of KGI supervises the Climate and Nature Management Council, which is responsible for managing and evaluating climate- and nature-related risks and opportunities, as well as formulating the Group's climate strategy direction. At least one climate and nature governance meeting is held annually. · The core units of the Climate and Nature Management Council include the Responsible Finance WG and the Environmental Sustainability WG, which are responsible for implementing related action plans and tracking various climate indicators and targets. · The Chief Sustainability Officer is responsible for managing the Group's sustainable development strategy and assisting in the planning and management of climate strategies to promote the achievement of the Company's sustainability and operational goals. · Different departments incorporate climate-related indicators (e.g., carbon reduction targets, energy efficiency metrics) into their annual performance evaluations, integrating climate factors into daily operations and decision-making processes. · Included natural indicators in the annual remuneration performance evaluation items for the Chief Sustainability Officer and the Chief Risk Officer, and integrated natural factors (such as water resources and forests) into daily operations and decision-making processes.
Strategy	Net Zero Commitment	· To achieve its climate goals, KGI Financial is committed to attaining net-zero emissions across its total portfolio by 2045. · The Company has established divestment commitments to industries related to thermal coal, as well as unconventional oil and gas, to advance phased decarbonization targets. It also engages with high-emission clients to encourage their transition toward low-carbon operations.
	Identification of Climate and Natural Risks and Opportunities	· Each year, the identification of climate and nature risks and opportunities is conducted, with a quantitative assessment of the financial impact of these risks and opportunities. For those with significant impacts, response strategies and measures are developed.
	Climate Response Strategy	· KGI Financial adopts five key net-zero implementation strategies as the internal framework for fulfilling its group-wide net-zero commitment. These include alignment with UN guidelines, client engagement targets, sector-specific targets, investment and financing portfolio targets, and internal transition goals. · Climate net-zero actions are promoted across four pillars: financial assets, financial products and services, advocacy and engagement, and own operations. · In response to the Financial Supervisory Commission's policy promoting the "Tawian Sustainable Taxonomy," the Group's three subsidiaries in banking, securities, and life insurance collect corporate-related information to conduct sustainability assessments and management for investment, financing, and underwriting activities.
	Climate Scenario Analysis and Quantitative Impact Assessment	· The Company adopted the SSP1-2.6 (2°C or below) and SSP5-8.5 (up to 4°C) scenarios to analyze the financial impact of physical flood risks on the Group's suppliers, own operation sites, investment properties, and real estate mortgage loans in consumer banking and corporate banking. · The Company conducted climate scenario analysis in accordance with the scenario settings and financial impact factors outlined in the regulatory authority's "Guidelines for Domestic Banks on Conducting Climate Change Scenario Analysis." This analysis primarily examines climate risks to the Group's domestic and foreign investment portfolio (corporate bonds/equities and sovereign bonds), as well as domestic and foreign credit exposures (corporate and individual loan), by comparing the changes in additional expected loss as a percentage of asset size (ΔEL%) under the Net Zero 2050 scenario, Delayed Transition scenario, and Fragmented World scenario against the baseline scenario. · The Company conducted a carbon pricing transition risk scenario analysis of the Group's long-term equity investment portfolio using climate scenarios provided by the Network for Greening the Financial System (NGFS). · Conducting insurance scenario analysis, the Company estimated the impact of extreme temperatures on policyholder mortality rates and the resulting changes in life insurance claim expenditures, examining variations in mortality rates and claim expenditures under different scenarios (SSP1-2.6, SSP2-4.5, SSP5-8.5). · The Company conducted its first water and forest scenario analysis, which included a physical drought risk scenario analysis for both its own operations and investment and financing targets, as well as a transition risk scenario analysis related to the EU Deforestation Regulation (EUDR) for the forest ecology of its investment and financing targets.

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<table>
<tr><th colspan="2">Disclosure Aspect</th><th>Key Focus Areas</th></tr>
<tr><td rowspan="3">Risk Management</td><td>Measurement and Management of Climate Risks and Opportunities</td><td>· According to the "Climate Risk Management Guidelines," climate factors are integrated into the three lines model in corporate risk management.
· In accordance with the "Sustainable Finance Commitment," the Company assesses and continuously manages the water usage and involvement in deforestation or other activities with significant environmental impact related to investment and financing targets, to mitigate potential environmental risks. For financial activities involving deforestation, the Company will assess and measure the risk of deforestation. If a target is identified as having a significant deforestation risk, engagements will be conducted.</td></tr>
<tr><td>Climate Risk Control Mechanism</td><td>· To implement the principle of decarbonization, the management of investment and financing in high carbon-emission industries has been designated as a core component of the climate risk control mechanism. Referring to international standards and regulatory guidelines, the scope of regulated high carbon emission industries has been defined, and limits have been established for management purposes, serving as the basis for investment and financing management as well as risk monitoring. In addition, for industries with high carbon emission intensity and significant transition risks, the Company has established clear decarbonization timelines and divestment commitments, pledging to fully withdraw investment and financing support from global coal fuel and unconventional oil and natural gas-related industries by the end of 2040.
· To systematically identify and manage climate transition risks in high carbon-emission industries, the Company has established a "Climate Transition Assessment Mechanism for High Carbon-Emission Industries." This mechanism evaluates the transition readiness and implementation effectiveness of investment and financing and targets in high carbon-emission industries. Investees and clients are classified into four levels—A, B, C, and D—based on their transition maturity. The scoring criteria comprehensively assess five key aspects: vision, execution strategy, engagement, performance indicators, and governance. These evaluations serve as the basis for credit and investment decisions, Investees and clients engagement, and risk management.</td></tr>
<tr><td>Nature-Related Risk Assessment and Management</td><td>· Using the ENCORE tool, the Company assessed the natural dependency and impact of investment and financing industries. Priority was given to industries with higher investment and financing exposures that also exhibit high natural dependency and impact. Based on the top three industries, the Company further analyzed the significant nature-related risks and potential opportunities they may face, as well as the possible indirect financial impacts on the Group's investments and financing in these three industries: the petroleum and coal products manufacturing industry, the electric power supply industry, and the real estate development industry.
· Water and Forest Risk Spatial Analysis
<table>
<tr><th colspan="2">Analysis Target</th><th>Water Resource Overlay Spatial Analysis</th><th>Forest Overlay Spatial Analysis</th></tr>
<tr><td rowspan="2">Domestic</td><td>Domestic operation sites</td><td colspan="2" rowspan="2">Using the "Demonstration Study Report on the Application of Nature-Related Risk Data" published by the Financial Industry Net-Zero Promotion Platform, the Company conducted an overlay spatial analysis focusing on legally designated sensitive areas related to water and forests.</td></tr>
<tr><td>Domestic Power Supply Industry operation sites of Investment and Financing Targets</td></tr>
<tr><td rowspan="2">Overseas</td><td>Overseas operation sites</td><td>Using the Aqueduct Tools developed by the World Resources Institute (WRI) to assess and conduct water resource overlay spatial analysis.</td><td rowspan="2">Forest overlay spatial analysis was conducted using the World Database on Protected Areas (WDPA).</td></tr>
<tr><td>Overseas Power Supply Industry operation sites of Investment and Financing Targets</td><td>-</td></tr>
</table></td></tr>
<tr><td rowspan="3">Metrics and Targets</td><td>Operational GHG Inventory</td><td>· Achieve carbon neutrality in own operations by 2030 and Net Zero emissions by 2040.
· Conduct an annual greenhouse gas inventory to identify major emission sources and develop corresponding reduction plans.
· Promote energy conservation, the use of renewable energy, and carbon offset projects.</td></tr>
<tr><td>Investment and Financing Exposure GHG Inventory</td><td>· Complete the carbon inventory for equity and bond investments, corporate lending, commercial real estate loans, power generation projects, sovereign debt, and mortgages and motor vehicle loans following the methodology of the Partnership for Carbon Accounting Financials (PCAF).
· In accordance with the Science Based Targets initiative (SBTi) methodology, the Group has set near-term targets for its own operations and investment assets (including commercial real estate loans, electricity generation project finance, , electricity generation loans, fossil fuel loans and long-term loans to the manufacturing sectors, long-term loans to the commercial services sectors, and investments in listed equities and corporate bonds) and will review progress towards these targets annually.</td></tr>
<tr><td>Natural Indicators for Investment and Financing</td><td>· The Company conducts water-related risk and management assessments of its investment and financing portfolio through analysis of three indicators: water withdrawal intensity, the proportion of assets located in areas of high and extremely high-water stress, and water management policies.
· Using the Forest IQ database, the Company conducted an analysis of forest-related indicators for its listed and OTC investment and financing portfolios to assess the exposure to deforestation risk among enterprises within these portfolios, as well as the comprehensiveness of zero-deforestation policies.</td></tr>
</table>

2.3 Information Security

KGI Financial has formulated and published the "Information Security Management Policy" on the company website to maintain the overall corporate information security, strengthen the security management of information assets, and assure the confidentiality, integrity and availability of all information assets, so as to maintain the sustainable management of the KGI Financial. These policies, applicable to all information operations, information assets, and information users, including permanent employees, temporary employees, visitors, and vendors having business dealings with the Company (including their employees and temporary employees), stipulate that all of the aforesaid users should maintain, retain, use, and manage the Company's information assets in line with policies in relation to information security.

2.3.1 Information Security Governance Framework

The company's information security governance is part of corporate governance, with the highest level being the board of directors. The Information Security Dept. is supervised by the Risk Management Committee under the Board of Directors and reports the company's "Information Security Planning Execution Report" to the Board annually, in order to disclose and review the company's status of information security risk management and the execution status of the "Information Security Management Policy." The main information security governance members, including Vice Chairman and the Chief Information Security Officer, both have a background in information security governance.

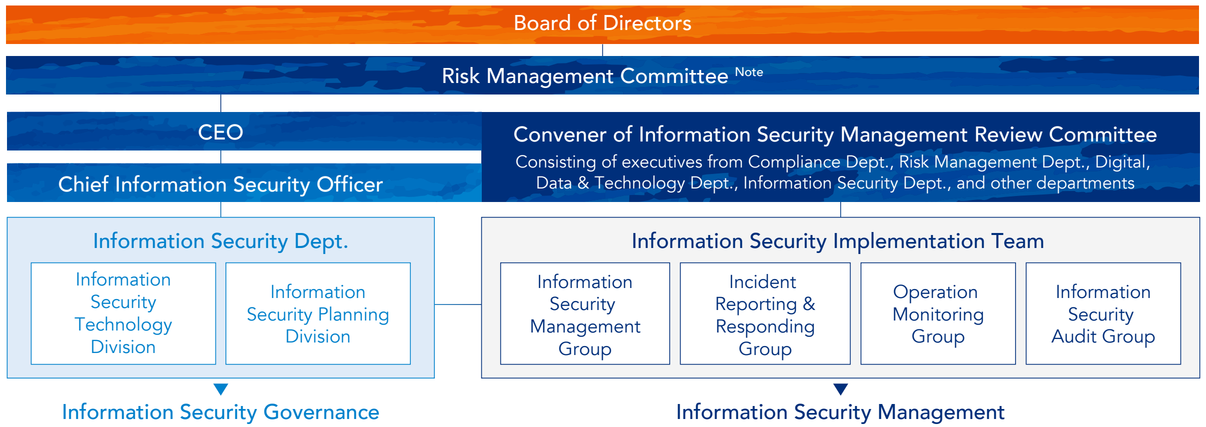
Members with Background in Information Security Governance

Title	Name	Qualification of Information Security Governance
KGIF Vice Chairman	Jong-Chin Shen	Former Vice Premier of the Executive Yuan of the Republic of China, concurrently serving as the Chief cyber security officer of the Executive Yuan during the term.
KGIF Chief Information Security Officer	Richard Sun	Mr. Sun has a master's degree in industrial engineering from Stanford University. Previously he was the head of the information technology department at KGI Life. He has more than 25 years of work experience in IT planning, installation and implementation / information security / cybersecurity management.
	Aron Chen (appointed effective April 1, 2026)	Graduated from the Master's Program in Information Management at National Chengchi University, formerly served as Chief Information Security Officer at LINE Bank, with extensive hands-on experience in financial information security governance, security management frameworks, information security risk management, and monitoring and protection mechanisms.

KGI Financial follows the Plan-Do-Check-Act (PDCA) cycle according to ISO 27001 standards to establish the information security management system. We have set up the "Information Security Management Committee", responsible for the resolution and management review of matters related to the information security management system, supervise the establishment of an information security management mechanism by the Company, and review the strategic planning, control measures and implementation of related issues. The members consist of the CEO, Chief Information Security Officer (Executive Vice President of Information Security Dept.), and executives from the Risk Management Dept., Compliance Dept., Digital, Data and Technology Dept., and other departments. The Information Security Management Committee meets every year to discuss information security issues and suggest corrective measures to ensure its effective operation and for continuous improvements. The Company's Information Security Management organization chart is shown in the following figure.

KGI Life, KGI Bank, and KGI Securities have also declared the management's determination to support information security by signing the "Information Security Statement". The head of Information Security Dept. submits the implementation status report of the Company's information security to the Chief Auditor, CEO and Chairman annually for review and approval. The Company encourages subsidiaries to regularly report the annual information security risk status to the Risk Management Committee, and report the overall implementation of information security to the BOD and enhance the BOD's governance, protect the rights and interests of customers, and declare the management's support to information security. Additionally, KGI Life, KGI Bank, and KGI Securities have all established independent information security department to be responsible for information security management, as well as implementing information security policies.

Information Security Management Organization Chart



Note: The Risk Management Committee was renamed the Risk Management and Information Security Committee on June 22, 2026. Its responsibilities include reviewing and overseeing the Company's information security management policy and related risk management framework. For further details, please refer to → "The Risk Management and Information Security Committee Charter".

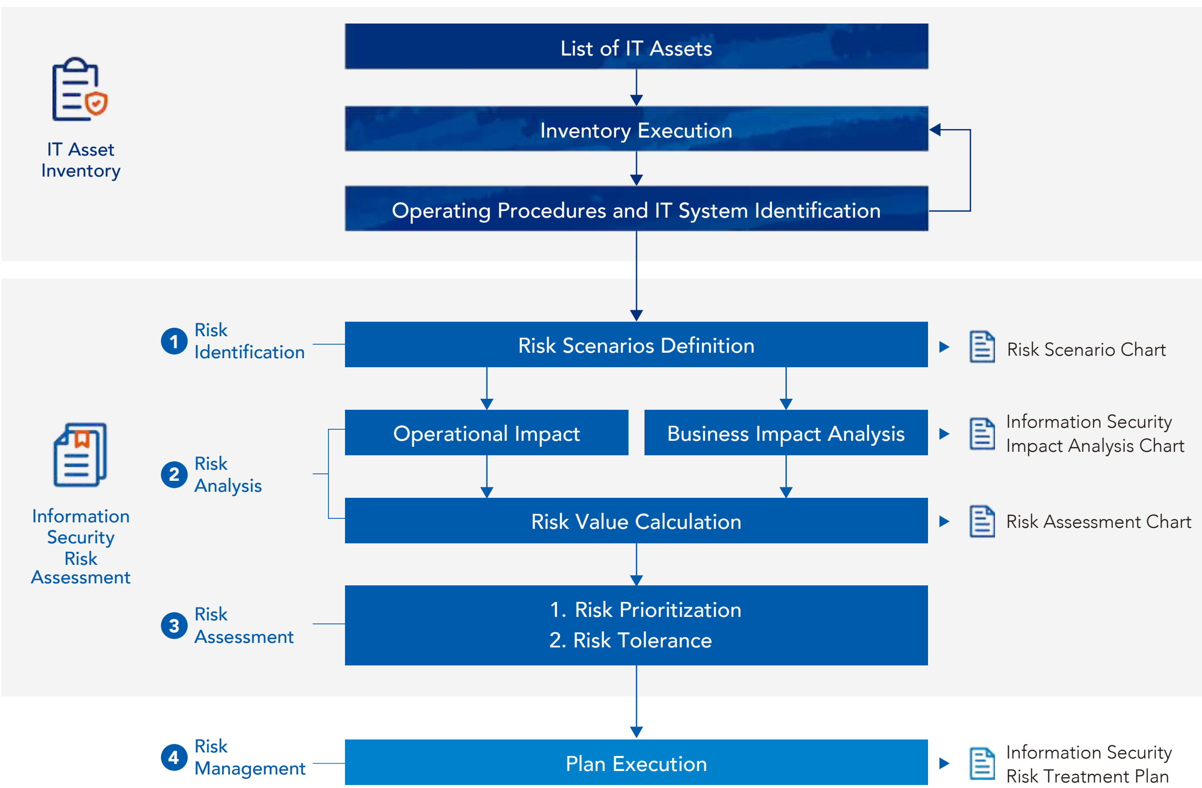
2.3.2 Robust Information Security Management

According to the Company's "IT Operations Continuity Management Directions" the Company has established the IT operations continuity management procedures, including the Disaster Recovery Plan (DRP) and the exercise frequencies. In 2025, KGI Financial and its subsidiaries all completed disaster recovery or information security contingency exercises semi-annually.

The Company plans to commission external professional information security manufacturers to annually simulate hackers and conduct penetration tests on the weaknesses of external service systems, in order to discover logic problems on the application and system vulnerabilities at an early stage and repair them in a timely manner. Through the personnel training of hacker attack and defense drills, and the red and blue army attack defense drills that actually simulate hacker attacks, the information security emergency response capabilities are strengthened and the losses caused by hacker attacks are reduced.

In addition, to mitigate financial losses and reputational impact caused by information security and network security incidents, KGI Life and KGI Bank have purchased information security insurance. KGI Financial and KGI Securities have commissioned insurance companies to conduct comprehensive assessments of their information security insurance, including coverage items, scope of insurance, liability limits, and deductibles. The results of these assessments have been reported to management. In mitigating information security management risks, the Company and its financial subsidiaries hold ISO 27001:2022 Information Security Management System certificates covering 100% of their information systems. The validity period of KGI Financial Information Security Management System certificate is until December 18, 2028; KGI Bank Information Security Management System certificate is valid until December 18, 2028; KGI Life Information Security Management System certificate is valid until January 15, 2028; KGI Securities Information Security Management System certificate is valid until December 14, 2028; and KGI SITE Information Security Management System certificate is valid until January 4, 2029. The Company's information risk inventory, evaluation methods, and related operations are implemented as follows.

Information Risk Inventory and Evaluation Methodology



2.3.3 Comprehensive Assessment and Verification

1. The company and its subsidiaries adhere to relevant regulations set by the competent authorities and annually commission external vendors to conduct computer system information security assessments. The assessment results are disclosed in the overall information security execution report and presented to the board of directors for approval. Self-driven information security assessments:
   - A third-party service has been used to conduct security assessments on the company's external information services, with standards raised annually. In 2025, the monthly reviewing scores all exceed 95 points.
   - Additionally, to strengthen information security supervision and comply with the financial information security action plan, a three-year phase of the **"Information Security System and Protection Maturity Assessment"** has been conducted since 2019. In 2022, the **"Information Security Maturity Assessment using FFIEC CAT Tool"** and methods were introduced, and external professional consultants continue to be commissioned to perform technical assessments on the information security infrastructure and defense systems. This ensures early detection of information security risks and vulnerabilities, with improvement measures incorporated into planning and management to continually optimize across all aspects, setting a leading example in the industry.
2. **Self-audit:** In addition to regular internal control self-audit and regulatory compliance self-assessment to review information security operations, the ISO 27001 information security self-audit is also implemented according to the scheduled timeline. Any deficiencies found are listed for tracking, and the improvement progress is reviewed monthly.
3. **External Certification Audit:** Each year, KGI Financial and financial subsidiaries engage verification vendors certified by organizations accredited by the International Accreditation Forum (IAF) to independently audit the information security management system according to ISO 27001: 2022 and maintain the effectiveness of the certification.

2.3.4 Information Security Culture

The Company has introduced and managed the regulations and control measures of personnel's human risk in the internal regulations. Apart from applying various information security defense mechanisms in preventing the personnel from suffering from information security risks at operations, the Company also advocates and tests awareness for information security risks. The Company publishes information security publicity announcements and information security wallpaper every month, which are delivered to all employees by email, computer desktop and corporate portals. Cases of special information security events will also be delivered via the aforementioned channels. Besides, e-mail social engineering drills are carried out from time to time to test employees' information security awareness, and it is also included as part of the department's annual assessment. The 2025 implementation outcomes are described below:

- Organized at least 2 Email Social Engineering Exercises with total passing rate over 95%.
- The Company and its subsidiaries achieved a 100% completion rate for full-time and contract employees in the 3-hour information security training and assessment.
- Conducted diversified information security awareness activities and published 12 security awareness bulletins and announcements.
- Promoted departmental information security performance indicator and assessment mechanism.

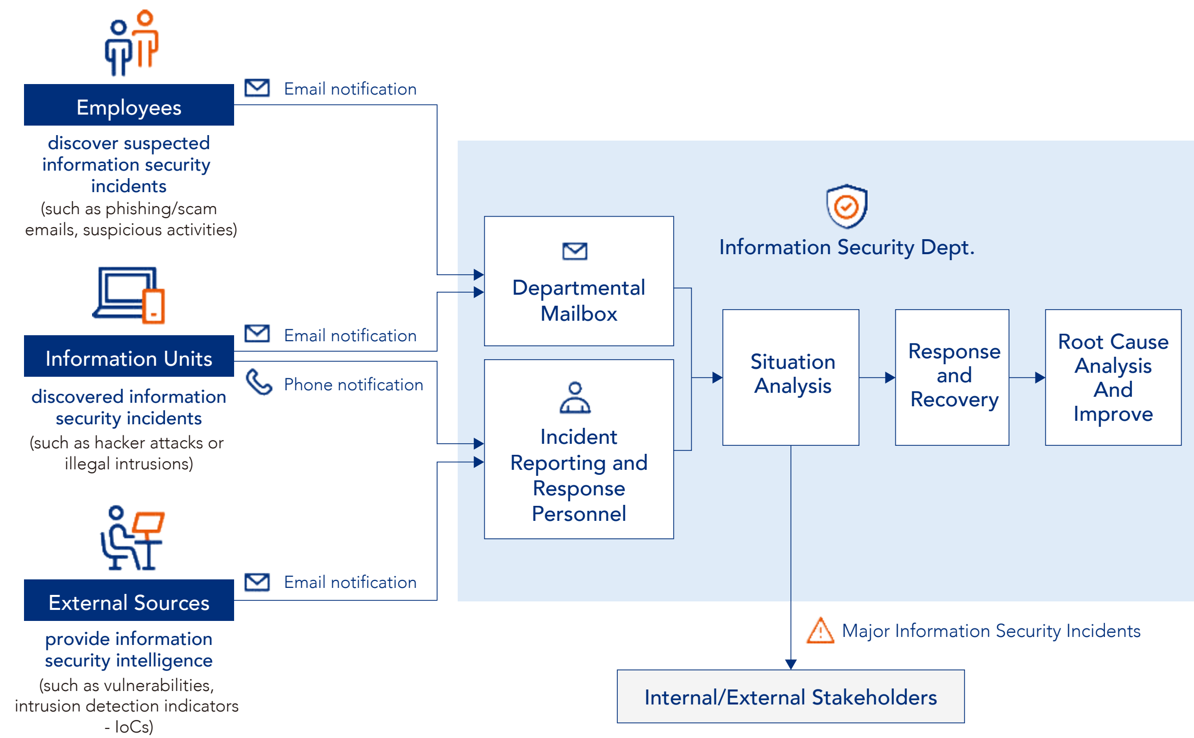
2.3.5 Early Warning, Response and Handling of Information Security Event

The reporting and response before and after information security event not only requires the professional judgment of competent employees but the employees' awareness of information security of reporting on information security event. In addition to the Company's "Information Security Event Management Guide," which lays out the reporting and response procedures, the "Notices for Information Security Event Reporting and Response Process" also clearly states the operation procedures. By classifying and evaluating events beforehand, the Company has established an information security incident classification and notification process. Depending on the type and level of the security incident, the Company carries out relevant notifications and response operations, and conduct analysis and review afterwards. The security incidents discovered every month are shared through regular meetings to prevent further incidents from occurring.

In daily operations, the information security unit maintains cross-departmental collaboration and communication, encouraging employees to proactively report suspected information security incidents as one of the channels for information security risk intelligence gathering. In its incident response and post-recovery planning, the Company has established an Information Business Continuity Response Team in accordance with its Business Continuity Plan. This team proactively prevents and strengthens information security, continuously monitors potential threats, and promptly initiates emergency response procedures when a threat causes an impact. The Company has established risk management mechanisms and procedures for reporting and responding to information security incidents. Through the information security incident reporting process, handling authority, and control measures, the Company has defined protocols for early warning, handling, and response actions (see process flowchart above). At the same time, risk assessments are conducted according to the severity of events, and corresponding response measures are implemented to minimize the impact on the Company's financial condition and operations. Relevant implementation methods include:

- Through joining F-ISAC to become a member of the financial information security alliance, collaborating with external information security intelligence vendors for early warning and real-time protection, and sharing information security intelligence within the group, establish a mechanism for information security intelligence sharing and cooperation.
- Establish and implement regulations, processes, and organizational systems for security incident reporting and response handling, organize a virtual security incident response team (V-IRT), and conduct regular education, training, and drills to establish a financial security incident response system.
- Building a financial information security incident monitoring system, by setting up a information security monitoring system and going online for maintenance and operation, cooperating with self-operated or outsourced information security incident monitoring, analysis, and handling, to strengthen information security monitoring and continuously develop internal and external information security joint defense mechanisms.
- According to the organization and responsibilities, establish an information security incident reporting and response handling process to ensure that in the event of an information security incident, it can be promptly reported and responded to.
- Enhance the ability to investigate and analyze information security incidents, establish information security incident reporting procedures and response plans to improve the ability of internal personnel to respond to emergencies and coordinate communication, to avoid or reduce the damage caused by information security incidents.
- Establish a information security threat intelligence analysis and warning mechanism, providing the necessary real-time and historical information security incident data, reports, and related intelligence through the real-time sharing of information security information to assist in executing information security management activities.

Report Security Incident Process



The statistics of relevant information security incident in 2025 are as follows:

(1) 0 case of information security incident.

(2) 0 case of information security incident involving loss of customer's data.

(3) 0 customer was affected by information security incident.

(4) NT$0 in financial loss related to information security incident.

(5) Received 0 information security incident reports from the subsidiaries.

(6) No incident where there was a computer virus or hacker intrusion that cost significant damage to customer interests or affected normal business operations.

2.4 Ethical Corporate Management

Ethical corporate management is one of the most important aspects of sustainable management. Only by embedding integrity into corporate governance can an enterprise achieve sustainable operations.. Through the establishment of management policies and rules related to ethical corporate management, the Company integrates the core values such as Anti-Money Laundering and Countering the Financing of Terrorism , anti-corruption and bribery, and anti-unfair competition are introduced into the soul of the enterprise. Supported by mechanisms such as the whistleblowing system and compliance framework, the Company has built an integrity-based corporate culture under which sound business practices and risk control mechanisms operate in tandem to create an environment conducive to sustainable development.

2.4.1 Framework and Principles of Ethical Corporate Management

Sustainability and Ethical Corporate Management Committee

The Company has established the "Ethical Corporate Management Committee" (renamed the Sustainability and Ethical Management Committee effective June 13, 2025) under the Company's Board, which is responsible for formulating and supervising the execution of ethical corporate management policies and prevention programs. Integrity management is executed from the top to bottom, allowing it to become the company's backbone. On August 18, 2025, the Company convened a meeting of the Sustainability and Ethical Corporate Management Committee (the Committee) to review the audit results based on the risk assessment of unethical conduct conducted by the Internal Audit Department. In addition, on March 23, 2026, the Committee discussed the report on the implementation of ethical corporate management for the year 2025, which included the results of the 2025 risk assessment of unethical conduct.

Ethical Management Best Practice Principles

In order to establish a corporate culture of ethical corporate management and improve corporate development, the Company has established the "Code of Conduct for Employees" at the general manager level and the → "Ethical Management Best Practice Principles", → "Procedures for Ethical Management and Guidelines for Conduct [Board-approved Policy]," → "Code of Ethical Conduct", → "Regulations Governing the Handling of Whistleblowing Cases on Illegal and Unethical or Dishonest Conduct", and → "Anti-Money Laundering, Anti-Corruption and Anti-Bribery, and Antitrust and Anti-Competitive Practice Statements" at the board level, all of which are published on the Company's official website and annual reports. The Company has also established the "Self-Regulatory Rules for Insider Conduct for Subsidiaries," and primary subsidiaries have instituted the "Ethical Management Best Practice Principles" and other relevant regulations In addition to declaring the Company's position of ethical coporate management, the Company also expressly prohibits dishonest conduct (including bribery and accepting bribes, providing illegal political contributions, improper charitable donations or sponsorships, providing or accepting unreasonable gifts, entertainment, or other improper benefits, infringing trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights, disclosing or inquiring into the Company's confidential information and using it to engage in insider dealing, engaging in unfair competition, and harms the rights and interests of stakeholders). The Company urges all its employees to conduct business in a fair and transparent manner and prohibit them from directly or indirectly offering, accepting, promising, or requesting any improper benefit, or engaging in unethical acts, including breach of ethics, illegal acts or breach of fiduciary duties. The Company conducts business activities in a fair and transparent manner and promotes the implementation of corporate social responsibility.

Among these, Article 3 of the Ethical Management Best Practice Principles, approved by the Board of Directors, provides that no improper benefit may be directly or indirectly offered, accepted, promised, or solicited; Article 4 sets forth the anti-corruption and anti-bribery regulations that the Company must comply; Article 8 provides that, in the course of conducting business, no improper benefit of any kind may be directly or indirectly offered, promised, solicited, or accepted to or from customers, agents, contractors, suppliers, public officials, or other stakeholders; Articles 9 and 10 provide that when the Company directly or indirectly make donations to, or provide sponsorship for, political parties, organizations, or individuals engaged in political activities, such actions may not be conditioned on the exchange of business interests or business advantages, and bribery is prohibited; Article 13 provides that business secrets may not be disclosed, nor may business secrets unrelated to one's duties be collected; Article 14 provides that insider dealing may not be conducted using non-public information obtained; Article 17 provides that members of the Board of Directors and employees avoid having conflicts of interest and shall not engage in matters involving conflicts of interest. Article 20 provides for whistleblowing procedures and whistleblower protection measures.

2.4.2 Implementation of Integrity Management

Ethical Corporate Management Risk Assessment

In the first quarter of 2026, the Company conducted the 2025 risk assessment of unethical conduct, which includes: offering and receiving bribes, making illegal political contributions, improper charitable donations or sponsorship, offering or accepting unreasonable gifts/hospitality or other improper benefits, infringement of business secrets/trademarks/patents/copyrights and other intellectual property rights, leak or inquire company secrets and engage in insider transactions, engaging in unfair competition, and harming the stakeholder equity. After assessment and the implementation of risk mitigation measures, the Company's risk of unethical conduct was assessed as low risk, and the matter was reported to the Committee on March 23, 2026, and to the Board of Directors on the same date.

In addition, major subsidiaries have all completed the 2025 risk assessment of unethical conduct by March 2026, either directly or indirectly, with a 100% completion rate. The assessment items include but are not limited to offering and receiving bribes, making illegal political contributions, improper charitable donations or sponsorship, offering or accepting unreasonable gifts, hospitality, or other improper benefits, infringement of business secrets, trademarks, patents, copyrights, and other intellectual property rights, engaging in unfair competition practices, and direct or indirect harm to consumers or other stakeholders' interests in research and development, procurement, manufacturing, provision, or sales of products and services, health, and safety, etc. After assessment and the implementation of risk mitigation measures, the risk of unethical conduct at each company was deemed to be low, and the matter was reported to the Board of Directors of each subsidiary in 2026.

Note: In addition to the head office units, external business units (KGI Securities evaluates the unethical conduct risk [including but not limited to bribery, corruption risks] for 69 securities branches, KGI Bank for 51 branches, and KGI Life Insurance for 7 branches).

Regularly Report the Implementation of Ethical Corporate Management

To fully implement the principle of ethical corporate management, managers are required to annually report to the Sustainability and Ethical Management Committee and the Board of Directors on the implementation of ethical corporate management, starting in 2020. This report should include the assessment of risks associated with unethical conduct by the Company and its major subsidiaries, the execution of relevant regulations, and the promotion of education and awareness. Audit personnel will develop audit plans based on the assessment of risks related to unethical conduct (including corruption and conduct in violation of business ethics) and use them to ensure compliance with the program for preventing unethical conduct (including corruption and conduct in violation of business ethics). They will also provide regular updates to the Committee and the Board of Directors.

Linkage to Performance Evaluation

The Company actively communicates its Code of Ethical Conduct and the principles of ethical corporate management to employees. The Company publishes relevant internal regulations on both internal and external websites and explains them during new employee training as well as annual ethical corporate management education sessions. Furthermore, internal controls, internal audit assessments, and compliance evaluations are included as performance evaluation indicators for each employee to enhance adherence to compliance.

The Company adopts a zero-tolerance policy regarding violations of the Code of Ethical Conduct and principles of ethical corporate management. In the event of any violations, actions will be taken in accordance with personnel management regulations and applicable laws, resulting in appropriate disciplinary measures. For less severe cases, a warning will be issued; for more serious cases, a reprimand will be given; and for severe cases, penalties may include a major reprimand, demotion, or dismissal. The disciplinary outcome will be used as a basis for annual performance evaluations and will affect the employee's performance rating (with five levels: the best being 5, followed by 4, 3, 2, and 1; for serious cases, the annual performance rating will be 2 or 1). This will also impact on the employee's annual bonus amount, encouraging compliance with the Code of Ethical Conduct and principles of ethical corporate management.

Conflicts of Interest Avoidance

The Company attaches great importance to the avoidance of conflicts of interest, and adds the control of avoidance of conflict of interests in its internal control; for example, there is a check field for the avoidance of conflicts of interest in the proposal of the board of directors, which requires directors or executives to disclose whether there is a conflict of interest in the case. In addition, the Company also attaches great importance to the management of relevant information of stakeholders. The Compliance Department will immediately update it in the stakeholder system when there is a changeand conduct a census of stakeholder information every six months. The census in the first and second half of 2025 will be completed in March and September 2025, respectively.

Also, according to the "Ethical Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" all donations, gifts, or sponsorship provided by the Company must follow relevant laws and internal operational procedures; such items may not be exchanged for commercial benefits or trading advantages. For social investments such as charitable donations and education assistance, please refer to Chapter 6 Co-Creation of Society. The Group made no financial contributions to political parties, think tanks, political initiative organizations or initiatives in 2025.

External Promotion Mechanism

The Company invites primary suppliers with transaction amounts reaching a certain threshold and new suppliers to sign the "Letter of Undertaking regarding Sustainability for Suppliers" and promotes compliance with the Company's "Ethical Management Best Practice Principles" to conduct fair trade in an open and transparent manner and to avoid involvement in unethical transactions and anti-corruption, etc. Since 2017, the signing rate of the commitment letter has consistently remained at 100%. The commitment letter stipulates that suppliers must adhere to integrity management related regulations, and integrity management clauses have been incorporated into procurement contracts. In cases of involvement in unethical conduct where the circumstances are material, the Company may, in addition to terminating or rescinding the contract in accordance with relevant clauses, list the supplier as a party with whom it refuses to engage in business. In 2025, there were no instances of contract termination or rescission due to suppliers violating ethical corporate management requirements.

The Company's bidding documents, procurement contracts, and annual supplier conference activities all incorporate integrity management clauses and are continuously promoted, with the aim of implementing integrity management and supplier sustainability management from an all-encompassing perspective. The 2025 supplier training and awareness-raising programs were completed on April 22, 2025 (Earth Day).

Ethical Corporate Management (including the Whistleblowing System) Training

The Company continues to promote integrity management (including the whistleblowing system) education and training. All new recruits should complete the integrity management (including the whistleblowing system) education and training within 3 months after onboarding. Through internal system tracking, it is ensured that all employees complete the recurrent training every year. The training covers the integrity management governance framework, anti-corruption and compliance, whistleblowing system, and the prevention of unethical conduct, supplemented by case studies to enhance employees' ethical awareness. In the fourth quarter of 2025, the Group successfully completed its comprehensive integrity management (including the reporting system) training program. This training was designed for formal employees based in Taiwan, employees from overseas subsidiaries, as well as domestic non-full-time staff, including field personnel and sales representatives, and non-regular employees such as temporary staff and interns. Approximately 25,000 participants from within the country and over 970 from overseas took part, resulting in a total of more than 26,000 participants (the number of participants who completed the training in the company and its subsidiaries is noted in the footnote). The completion rate was 100%.

Note 1: Individuals on long-term leave due to special circumstances, such as sick leave or maternity leave, are excluded.

Note 2: The number of personnel trained by the Company and its subsidiaries is as follows: (1) The Company: nearly 270 individuals; (2) CDIB Capital and its subsidiaries: over 270 individuals; (3) KGI Securities Investment Trust: over 140 individuals; (4) KGI Securities and its subsidiaries (including internal staff and securities sales personnel):nearly 4,600 individuals; (5) KGI Life Insurance (including internal staff and insurance sales personnel): over 17,800 individuals; (6) KGI Bank and its subsidiaries: over 2,900 individuals.

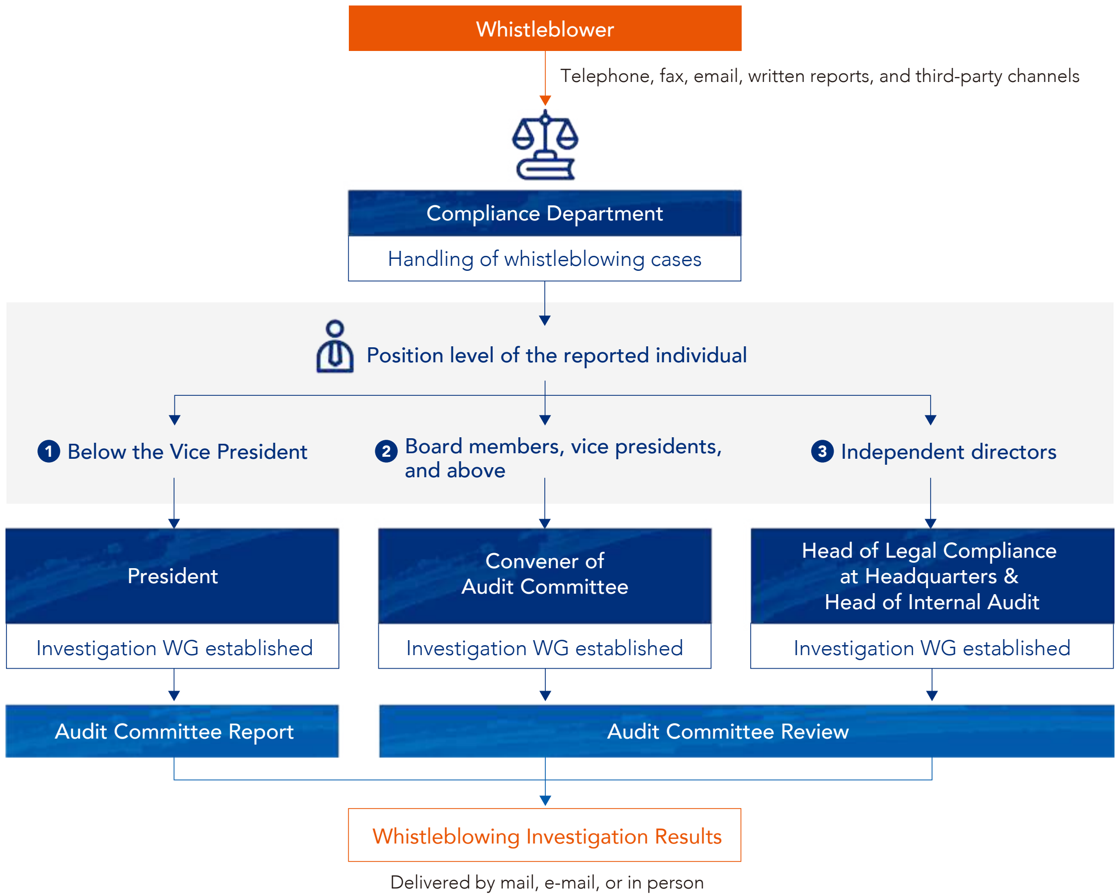
Whistleblowing Policy

According to the "Ethical Management Best Practice Principles," staff shall report unethical conduct to an appropriate supervisor or file a report in accordance with the Company's whistleblowing system. The Company has also established the → "Regulations Governing the Handling of Whistleblowing Cases on Illegal and Unethical or Dishonest Conduct" (approved by the Board of Directors) and designated the Compliance Department as the unit responsible for receiving whistleblowing cases, with reporting channels available through written correspondence (P.O. Box 100, Taipei Stadium Post Office, Taipei 105391), email (whistle@kgi.com), telephone (02-6600-3282), and fax (02-6600-3281). Furthermore, an independent third-party whistleblowing channel, managed by Lexcel Law Offices, was established in 2025. Reporters' identities and report details will remain confidential throughout the investigation. The above reporting channels are also disclosed on → the Company's website.

A whistleblower may report a case through the reporting channels either under their real name or anonymously, and may provide contact information, state the facts, and submit relevant supporting evidence. After a case is accepted, the Company shall keep the identity of the whistleblower confidential, properly retain and encrypt the relevant information, and restrict access permissions. If the whistleblower is an employee of the Company or any of its subsidiary, the Company shall provide appropriate protective measures and shall not, on account of the reported case, dismiss, remove, demote, or reduce the salary of impair the whistleblower's equity rights that he or she is entitled to under law, contract, or custom, or impose any other adverse disposition, so as to protect the whistleblower from retaliation. For whistleblowing cases substantiated upon verification, the relevant units of the Company shall be held responsible for reviewing the internal control system and operating procedures and shall propose improvement measures to prevent the same conduct from occurring again.

Education and training regarding the whistleblowing system is also conducted. Please refer to the Group Integrity Management (including the whistleblowing system) education and training in this section and → the legal compliance education and training in Section 2.4.3.

Flowchart of Handling Reported Cases



In 2025's "Ethical Management Best Practice Principles," "Code of Ethical Conduct," and "Regulations Governing the Handling of Whistleblowing Cases on Illegal, and Unethical or Dishonest Conduct" of the Company and its subsidiaries, it is stipulated that for whistleblower cases substantiated upon verification, the relevant units of the Company shall be held responsible for reviewing the internal control system and operating procedures, and shall propose improvement measures to prevent the same conduct from occurring again.

The reported cases for 2025 are as follows:

Case Type	KGI Financial	KGI Life	KGI Bank	KGI Securities	KGI SITE	CDIB	Total
Corruption or Bribery	0	0	0	0	0	0	0
Discrimination or Harassment	0	2	0	2	0	0	4
Customer Privacy	0	0	0	0	0	0	0
Conflicts of Interest	0	0	0	0	0	0	0
Money Laundering or Insider Dealing	0	0	0	0	0	0	0

Note: 1. The case was reported through both internal and external channels. Following an investigation, it was confirmed that violations had occurred, resulting in the closure of the case.
2. In 2024, there were two whistleblowing cases involving violations of the Company's or its subsidiaries' Ethical Management Best Practice Principles, Code of Ethical Conduct, or Illegal, Unethical, or Dishonest Conduct, both falling under the discrimination or harassment category (one case each for KGI Bank and KGI Life Insurance).

2.4.3 Compliance

Framework of Compliance

A good culture of legal compliance is the only way to strengthen corporate governance. Therefore, we established the Compliance Department in accordance with the Compliance Policy to be responsible for overall plan for compliance, supervision and enhancement of each department's compliance management system. KGI Bank, KGI Life Insurance, KGI Securities, and KGI SITE have also established legal compliance departments and assigned supervisors to implement legal compliance affairs. The other subsidiaries have assigned head-office compliance officer and established legal compliance departments based on different factors.

Comprehensive Communication and Inspection

Ethical corporate management involves a variety of aspects, including insider transactions, transactions with stakeholders, business secrets, improper interests, money laundering prevention and unfair competition, etc. For specific ethical corporate management operations and plans for preventing unethical conduct, the Compliance department assists each department in formulating relevant internal regulations, including but not limited to the "Ethical Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," "Related Party Transaction Operation Guidelines", "Money Laundering Prevention and Anti-Terrorism Policy", "Code of Conduct for Employees", "Regulations for Subsidiaries' Insiders", "Regulations Governing the Handling of Whistleblowing Cases on Illegal, Unethical, or Dishonest Conduct", etc. At the same time, several related educational trainings were also held.

2025 Compliance Education Training

Courses		Class (hour)	Attendance
Anti-Money Laundering (AML) and Suspicious Transaction Reporting (STR): Insights from Case Studies		2	193
Preventing Insider Dealing from The Perspective of Integrity Management		2	272
Cloud Outsourcing Risk Management and Regulatory Compliance		2	255
An Examination of the Legal Regulatory Framework and Practical Operations Issues Governing the Joint Marketing and Information Sharing of Financial Holding Companies and Subsidiaries		2	226
Emerging Financial Regulatory Issues In The Application Of Artificial Intelligence		2	270
Intellectual Property Infringement Risks in Brand Marketing for the Financial Industry		2	196
Corruption, Bribery, and Third-Party Money Laundering		2	269
Domestic and International Sanctions Regimes: Typologies and Case Studies on Sanctions Evasion and Money Laundering		2	278
Corporate Response Strategies to the Amended Personal Data Protection Act and an Overview of the Guidelines for Data Sharing among Financial Institutions		2	388
Monitoring and Supervision of Related Party Transactions		2	263
Regular Courses	Introduction to the Three Lines of Defense in Internal Control, the Personal Data Protection Act and Company Data Security, Integrity Management and Whistleblowing System, Regulations and Compliance Procedures for Non-Credit Transactions with Related Parties, Legal Compliance for Insider Stake Trading, Money Laundering Prevention and Countering Financing Terrorism	1.5	888

In order to check whether ethical corporate management is implemented, the Compliance Dept. includes the above-mentioned internal regulations involving ethical corporate management into the compliance self-assessment criteria when it implements the compliance self-assessment twice a year. All departments are required to earnestly implement self-assessment and review the implementation status of ethical corporate management by self-examination.

The Company's Department of Compliance maintains continuous oversight of regulatory changes, providing prompt notification to relevant units to facilitate the timely amendment of the internal control system. To ensure ongoing adherence to legal requirements, the Department performs monthly tracking and monitoring. Furthermore, a meeting of legal compliance officers from all units is convened at least once annually to review implementation status and disseminate relevant regulatory matters. Additionally, the Company conducts annual compliance assessments for all units, which serve as a material component of their annual performance appraisals.

In terms of subsidiary supervision, the Company requires all subsidiaries to submit monthly reports regarding significant legal compliance matters. To facilitate inter-group communication and achieve supervisory objectives, the Company convenes compliance meetings with the subsidiaries' compliance officers and personnel on an ad hoc basis. Furthermore, subsidiaries are required to conduct self-assessments in response to administrative sanctions imposed on financial industry peers and report the status of such reviews to the Company on a quarterly basis. Additionally, the Company conducts annual compliance evaluations for its subsidiaries, which serve as a material component of each respective subsidiary's annual performance appraisal.

Material Violations

The Company defines material violation cases with reference to Article 2 of the Financial Supervisory Commission's "Financial Supervisory Commission Public Disclosure Regulations for Penalties Regarding Violations of Major Financial laws and regulations"; there were no material penalty cases in both 2024 and 2025. Furthermore, regarding the matters to be strengthened and the improvement plans set forth in the Company's 2025 "Internal Control System Statement," the details are as follows: In 2025, KGI Bank recorded two cases with a total penalty amount of NT$50,000; KGI Securities recorded three cases with a total penalty amount of NT$1.44 million; and KGI Life Insurance recorded two cases with a total penalty amount of NT$4.20 million. The Company and its other subsidiaries recorded zero cases. For 2024, there were three cases for KGI Bank and three cases for KGI Securities with an aggregate penalty of NT$1.38 million, while KGI Life Insurance recorded two cases with a total penalty amount of NT$4.70 million. In 2025, none of the aforementioned penalty cases involving the Company or its subsidiaries were related to corruption or bribery, discrimination or harassment, customer privacy, conflicts of interest, money laundering, or insider dealing. Accordingly, no related penalties were imposed.

2.4.4 Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT)

To strengthen anti-money laundering and countering the financing of terrorism mechanisms, the Company established the "Anti-Money Laundering and Counter Terrorism Financing Guidelines" and establish a group-wide plan for prevention. The guidelines apply to the Company and all its financial institution subsidiaries as defined by Article 5 of the "Money Laundering Control Act." According to the policy, each subsidiary is required to establish internal control systems to prevent AML and CFT in accordance with applicable laws and regulations and ensure compliance with relevant laws and regulations. This is done to effectively identify, assess, and monitor the risks of money laundering and terrorist financing that may be associated with each subsidiary, and to conduct regular reviews and prevent illegal fund flows.

To monitor the risks related to money laundering and terrorism financing, all subsidiaries are controlled according to the status of suspected money laundering or terrorism financing transactions announced by the respective associations. The object's property or interests in property and its location shall be reported to the Investigation Bureau of the Ministry of Justice in accordance with regulations, and all subsidiaries shall report the status of the AML and CFT business monthly.

Information Sharing Platform

In order to prevent money laundering and combat terrorism, the Company launched an information sharing platform in June 2018, including customer watch lists, international organizations, information from competent authorities, suspicious transactions. From May 2021, the frequency of compilation of public opinion watch lists will be increased to once every two weeks.

Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) Training

The Company holds relevant training courses so that employees can continue to improve their vigilance and adapt to the changing environment (see → 2.4.3 Compliance)

2.5 Tax Governance

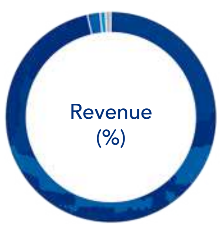
Tax Governance Policy

To respond to international trends in tax governance, strengthen compliance with tax laws, fulfill corporate social responsibility, and achieve sustainable development goals, the Company formulated the "Tax Governance Policy" with the Board of Directors acting as the highest decision-making unit of the tax governance mechanism to approve the overall tax governance policy to ensure the effectiveness of the group's tax governance operation. The tax governance practice in 2024 was reported to the Board of Directors for review and approval in 2025.

The tax governance policies as follows.

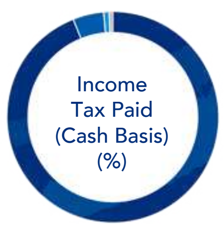
Comply with Tax Regulations	Properly handle taxation and tax reports in accordance with tax laws of countries of operation, and fulfill social responsibilities as taxpayers.
Manage Tax Risks	In advance of conducting the business, tax evaluation and assessment should be performed with consideration of Company's reputation, risk management, and sustainable operation, and control tax risk effectively.
Comply with Economic Substance	Do not transfer value created to low tax jurisdictions for the sole purpose of tax avoidance.
Comply with Arm's Length Principle	Comply with transfer pricing requirements and arm's length principles in tax law for related party transactions.
Establish Communication Channels	Maintain an appropriate relationship with the tax authorities with honesty and openness to communicate and dispel doubt on important tax issues in a timely manner.
Improve Information Transparency	Comply with all relevant regulations, such as financial reporting guidelines and annual report disclosure of tax information, and increase tax information transparency through proper reporting system.
Strengthen Tax Expertise	Continue to comprehend new knowledge and changes in taxation laws and regulations and strengthen the taxation expertise of employees of KGIF and its subsidiaries through educational trainings.

Revenue and Tax Information in 2025



Taiwan	96.17
Hong Kong	2.19
Singapore	1.00
Other	0.64

Taiwan	94.46
Hong Kong	2.91
Singapore	1.14
Other	1.49



Taiwan	93.96
Hong Kong	4.76
Singapore	0.76
Other	0.52

Taiwan	99.49
Hong Kong	0.36
Singapore	0.01
Other	0.14

Income Tax Information in 2024 & 2025

Unit: NT$ million

Item	2024	2025
Net Profit before Income Tax	40,879	30,812
Income Tax Expense	7,324	755
Income Tax Paid	1,355	2,648

Effective Tax Rate

Item	2024	2025	Average	Average after Adjustment	Peer Average
Effective Tax Rate (%)	17.92	2.45	11.27	21.71	14.97
Cash Tax Rate (%)	3.32	8.59	5.58	21.72	13.41

Note: 1. Effective tax rate = Income tax expense/Net profit before income tax.
2. Cash tax rate: =Income tax paid/Net profit before income tax.
3. Industry average values refer to the average effective tax rate and cash tax rate in the global insurance industry as published in the CSA Handbook 2026 by S&P Global.

Analysis of Tax Rate Differences in 2024 and 2025

The reasons for the difference between the company's effective tax rate and cash tax rate compared to the industry average tax rate are as follows:

1. The primary region of KGIF's operations is in Taiwan, where the corporate income tax rate in Taiwan is 20% under the regular income tax system and 12% under the basic income tax system.
2. Profits composition has a considerable portion according to Taiwan tax law that belongs to tax-exempt income, such as securities trading gains and losses and international branch income, resulting in differences in the effective tax rate.
3. The difference between the effective tax rate and the cash tax rate, apart from the timing difference of actual cash payment being in the following year, also includes the impact of deferred income tax expenses.

Strengthening Compliance with Global Transfer Pricing and Information Transparency

In response to international requirements for the three-tiered documentation framework for transfer pricing, which consists of "Master File", "Local File", and "Country-by-Country Reporting", each company followed the regulations of their respective countries to complete the Master File, Local File, and Country-by-Country Report to enhance the transparency of the taxation information of the Group, and use it as a reference for the self-examination of the related party transaction transfer pricing to implement and strengthen the compliance of global transfer pricing.

2.6 Responsible AI

Artificial Intelligence Governance: Responsible Innovation and Sustainable Commitment

As the application of Artificial Intelligence (AI) technology continues to deepen at KGI Financial Holdings ("the Company"), AI governance has become a critical cornerstone for promoting sustainable corporate development, strengthening core competitiveness, and maintaining the trust of customers and stakeholders. In response to the opportunities and challenges brought by the rapid development of generative artificial intelligence, the Company centers its approach on responsible innovation and continuously builds a comprehensive AI governance framework to ensure that technology applications are compliant, controllable, and trustworthy, thereby creating long-term value for financial services.

Group Artificial Intelligence Governance Policy and Governance Framework

In 2025, the Group's Board of Directors approved the "Artificial Intelligence (AI) Governance Policy" as the highest guiding principle for advancing AI governance within the Group. In the same year, the "AI Governance Committee" was formally established as the highest decision-making body for AI development and management, gradually building the AI governance framework.

In terms of policy, the Group follows regulatory guidelines and international best practices. The Board of Directors has approved and announced the "Artificial Intelligence (AI) Governance Policy," formally incorporating the six key principles of the Financial Supervisory Commission's "Guidelines for the Use of Artificial Intelligence (AI) in the Financial Industry" into the Group's internal regulations. These principles include establishing governance and accountability mechanisms; emphasizing fairness and a human-centered value system; protecting privacy and customer rights; ensuring system robustness and security; implementing transparency and explainability; and promoting sustainable development. Regarding sustainability, Article 10 of the policy stipulates that when the Company utilizes artificial intelligence, it shall ensure that its development strategies and implementation are aligned with the principles of sustainable development, including reducing economic and social inequalities, protecting the natural environment, and thereby promoting inclusive growth, sustainable development, and social well-being. Ensure that the development and application of artificial intelligence technology comply with international standards, regulatory requirements, and the Group's sustainability strategy.

In organizational operations, the Company followed best practices and industry trends and established the "Artificial Intelligence Management Organization Responsibilities Guidelines," completed a clear delineation of Artificial Intelligence governance organizational responsibilities, and defined the responsibilities and authorities of the Company's AI Governance Committee and its subordinate related organizations, related units, and subsidiary. The AI Governance Committee is the Company's highest decision-making body for AI development and management. It is responsible for the overall supervision and management of AI applications and the associated internal and external responsibilities. The Committee reports annually to the General Manager on the Company's AI implementation status. The internal responsibilities mentioned above include overseeing artificial intelligence-related supervision and management, as well as establishing an internal governance framework. External responsibilities involve duties to clients and society, including the protection of client privacy and information security. The convener of the AI Governance Committee is the Senior Executive Vice President or a designated department-level executive. Its members come from diverse professional fields, including compliance, information security, risk management, information and digital data innovation, and sustainability, ensuring that AI-related decisions undergo cross-disciplinary review and oversight.

In managing cross-subsidiary operations, the Company has established group-level AI governance communication channels and standardized terminology through senior executive meetings and cross-unit governance communication mechanisms. This promotes collaboration between the financial holding company and its subsidiaries, reduces communication costs arising from cognitive gaps, and maximizes the overall synergy of AI strategy and applications.

Capacity Building for Education, Training, and Artificial Intelligence Governance

The Company recognizes that effective artificial intelligence governance depends not only on institutional design but also on personnel capabilities and proper governance literacy. Therefore, in 2025, the Company will continue to promote systematic educational training to help employees develop the necessary awareness, professional skills, and risk consciousness for artificial intelligence governance.

The Company has implemented the "2025 Group Mandatory Course on AI Digital Literacy—AI Governance and Principles, Responsible Management in the Financial Industry" to help employees understand the six core AI principles and lifecycle management concepts proposed by regulatory authorities. The course content integrates theory, international trends, and practical case studies, and uses scenario-based exercises to guide employees in applying artificial intelligence governance in their daily work. The course covered KGI Financial, KGI Bank, KGI Securities, KGI Life Insurance, KGI SITE, and CDIB Capital. In 2025, a total of 9,330 employees completed the training, with an overall course satisfaction rate exceeding 90%.

To further enhance professional governance capabilities, the Company also engaged external consultants to conduct specialized training for relevant units. The training covered the AI governance framework and delineation of responsibilities, AI asset inventory and risk classification methods, as well as audit practices for trustworthy AI. This initiative supports the AI application development, maintenance, risk assessment, and audit units in establishing a consistent and actionable governance consensus.

Outlook and Conclusions

Looking ahead, the Company will continue to follow regulatory policies and supervisory requirements to enhance its artificial intelligence governance framework. It will regularly review and update relevant policies and management systems to respond to changes in the regulatory environment and technological advancements, ensuring that the AI governance framework remains forward-looking and capable of managing risks.

The Company regards artificial intelligence governance as a fundamental cornerstone of sustainable business operations. Through an institutionalized governance framework, implementable risk management mechanisms, and ongoing talent development, the Company ensures a balanced approach between innovation and risk control in AI applications. It continues to promote financial technology in a responsible, transparent, and trustworthy manner to create long-term value for society.

The Group's artificial intelligence policy can be found on the → official website.

3 Intelligent Sustainable Finance

The most direct and engaging way for KGI Financial to advance corporate social responsibility is through its core business, namely responsible investment and financing. We not only focus on the financial performance of our investment targets and financing clients but also take a macro perspective on evaluating their ESG performance, aiming to pursue long-term and stable profitability while leveraging financial influence to create a positive impact. In addition, in order to promote financial inclusion, we continue to pay close attention to climate change issues, promote actively for green finance, and care for social enterprises and underprivileged communities. Under the latest technological trends and user requirements prompted by the swift pace of global digitization, digital finance is used to rapidly satisfy customer needs. Through the power of technology and outstanding services, KGI Financial could enhance customer experience and create value for our customers. At the same time, we encourage innovation and support new startups to inspire young entrepreneurs. This will hopefully solve the “unemployment or underemployment” problem faced by the younger generation.

Key Achievements in 2025

Responsible Investment and Financing

- KGI Life and CDIB Capital, and actively responds to government policies. The total amount of proprietary investment in the six core strategic industries of National Development Council amounted to NT$195.3 billion, of which approximately 70% of the investments are in green power and renewable energy.
- KGI Bank’s green lending reached approximately NT$38.2 billion in 2025, representing an increase of over 28.6% compared to NT$29.7 billion at the end of 2024.
- KGI Securities acted as the underwriter (as well as financial advisor) with approximately NT$17.1 billion and executed sustainable equity underwriting amounted to approximately NT$15.6 billion, accounting for approximately 59% of the total equity underwriting volume in 2025.
- In 2025, the total fund size of KGI SITE’s ESG Bond ETFs and actively managed sustainable bond funds amounted to approximately NT$2.8 billion.
- CDIB Capital’s ESG-Themed Asset Management business had total AUM of approximately NT$19.8 billion, accounting for about 32% of total AUM. This represents a 29.4% increase compared with approximately NT$15.3 billion at the end of 2024.

Financial Inclusion

- KGI Life Achieved Industry-Leading Target Achievement Rate for Microinsurance: KGI Life’s microinsurance premium income reached NTD 20.59 million. Based on the target approved by the competent authority, the annual target achievement rate reached 215%, benefiting approximately 100,000 disadvantaged individuals.
- KGI Bank Actively Advances Financial Inclusion: The Bank continues to provide loans to financially disadvantaged groups, expanded the “KGI Medical Payment” service into long-term care settings to enable online payments for long-term care families, thereby reducing complex procedures and time costs, and developed a charitable donation platform supporting fundraising for 103 charitable organizations.
- KGI Securities Deepens Its Financial Inclusion Vision: The Company officially launched a dividend reinvestment service, driving the number of regular investment accounts to exceed the annual target ahead of schedule and enhancing investment accessibility for small investors. In addition, the Xinfeng Branch became the second branch to receive barrier-free facility certification, creating a more inclusive and accessible in-branch service experience.

Key Strategy, Targets and Progress

Strategy	Relevant Material Topics	Asset/Methodology [Note 1]	2025		2026 Short-Term Goals	2027~2034 Mid-Term to Long-Term Goals
			Goal	Progress		
Engagement Targets	ESG Risks and Opportunities in Investment and Financing	Listed stock and bond investment portfolio (common stock, preferred stock, corporate bonds, ETFs, REITs, mutual funds)/ PC	31.3% of the Group's listed stock and bond portfolio by invested value setting SBTi-validated targets	32.6% of the Group's listed stock and bond portfolio by invested value setting SBTi-validated targets	36.0% of the Group's listed stock and bond portfolio by invested value setting SBTi-validated targets	49.7% of the listed stock and bond portfolio (common stock, preferred stock, corporate bonds, ETF, REITs, mutual funds) by invested value setting SBTi-validated targets by 2029 from a 2022 base year.
		Corporate loans – Other industries/PC	24.8% of the Group's corporate loan portfolio within the fossil fuel and electronic components manufacturing sectors by loan value setting SBTi-validated targets	46.6% of the Group's corporate loan portfolio within the fossil fuel and electronic components manufacturing sectors by loan value setting SBTi-validated targets	29.8% of the Group's corporate loan portfolio within the fossil fuel and electronic components manufacturing sectors by loan value setting SBTi-validated targets	44.9% of the corporate loan portfolio within the fossil fuel and electronic components manufacturing sectors by loan value setting SBTi-validated targets by 2029 from a 2022 base year.
Sector Targets	Climate/Nature Opportunity and Risk Management	Investment and Financing	The investment and financing ratio for high-carbon industries is below 24.5%.	The Company's investment and financing ratio in high-carbon industries stands at 11.18%	The investment and financing ratio for high-carbon industries is below 23.0%.	Annual review the investment and financing ratio for high-carbon industries, with a targeted annual reduction of 0.5%–1.5%.
		Investment and Financing	Starting from January 1, 2025, the Company has ceased [Note 2] direct project investment and financing of not only thermal coal as well as unconventional oil/gas projects (including new projects or expansion of existing projects) but also projects from companies which are still expanding related businesses [Note 3].	Starting from January 1, 2025, the Group's subsidiaries did not hold new direct project investment or financing positions related to thermal coal and unconventional oil/gas (including new projects or expansion of existing projects), as well as companies engaged in the ongoing expansion of thermal coal and unconventional oil/gas-related businesses [Note 3].	Continue to ceased [Note 2] direct project investment and financing support for projects related to thermal coal and unconventional oil/gas (including new extraction projects and the continued expansion of existing projects), as well as for companies engaged in the ongoing expansion of thermal coal and unconventional oil/gas businesses [Note 3].	· Continue to ceased direct project investment and financing support for projects related to thermal coal and unconventional oil/gas (including new extraction projects and the continued expansion of existing projects), as well as for companies engaged in the ongoing expansion of thermal coal and unconventional oil/gas businesses [Note 3]. · By the end of 2030, phase out most [Note 4] of direct investment and financing [Note 5] for industries related to thermal coal and unconventional oil/gas in industrialized countries within the European Union and OECD member states.
Portfolio Emission Targets	Climate/Nature Opportunity and Risk Management	Electricity generation project investment and finance/SDA	Reduce GHG emissions from the electricity generation project investment and finance portfolio 28.5% per MWh from a 2022 base year.	Reduce GHG emissions from the electricity generation project investment and finance portfolio 39.1% per MWh from a 2022 base year.	Reduce GHG emissions from the electricity generation project investment and finance portfolio 37.5% per MWh from a 2022 base year.	Reduce GHG emissions from the electricity generation project investment and finance portfolio 81.8% per MWh by 2034 from a 2022 base year.

(Continue)

Note 1: Portfolio Coverage (PC); Sectoral Decarbonization Approach (SDA).
Note 2: Effective January 1, 2025, no new direct project financing or investment positions shall be added by this commitment.
Note 3: The percentage of revenue from related businesses is expected to grow.
Note 4. A business deriving more than 30% of their revenue or generated power from thermal coal and unconventional oil and gas related industries, without putting forth a low-carbon transition project in alignment with the targets under the Paris Agreement.
Note 5. Direct investment refers to the allocation of capital into an investment target where more than 10% of common shares are held. Direct financing refers to the provision of capital directly to enterprises or institutional entities in need of funding, including granting loans and purchasing more than 10% of a corporate bond issuance in the primary market.

Strategy	Relevant Material Topics	Asset	2025			2026 Short-Term Goals	2027-2029 Mid-Term Goals	2030-2034 Long-Term Goals
			Goal		Progress			
Transitions Targets	ESG Risks and Opportunities in Investment and Financing Climate/Nature Opportunity and Risk Management	Investment and Financing	KGI Life	Proportion of green or sustainable investments increased by 15% compared to a 2022 base year.	Proportion of green or sustainable investments increased by 44.4% compared to a 2022 base year.	Proportion of green or sustainable investments increased by 20% compared to a 2022 base year.	Proportion of green or sustainable investments increased by 30% compared to a 2022 base year.	Proportion of green or sustainable investments increased by 50% compared to a 2022 base year.
			KGI Bank	Renewable energy project financing increased by 2% compared to a 2022 base year	Renewable energy project financing increased by 97.3% compared to a 2022 base year.	The balance of green credit increased by 120% compared to a 2022 base year.	The balance of green credit increased by 125~135% compared to a 2022 base year.	The balance of green credit increased by 150% compared to a 2022 base year.
			KGI Securities	The par value of investment in sustainability bonds increased by 5% compared to a 2024 base year.	The par value of investment in sustainability bonds increased by 7.8% compared to a 2024 base year.	The par value of investment in sustainability bonds increased by 6% compared to a 2024 base year.	The par value of investment in sustainability bonds increased by 16% compared to a 2024 base year.	The par value of investment in sustainability bonds increased by 34% compared to a 2024 base year.
			KGI SITE	Study to introduce the Implied Temperature Rise (ITR) to calculate the warming trend of investment portfolios; planning to procure third-party institutional data.	The procurement of third party data to implement ITR methodology has been completed, and continues to monitor and evaluate the temperature trajectory of its investment portfolios.	The proportion of proprietary trading counterparties setting SBTi-validated targets reach 35.95% by 2026, increased by 9.15% compared to a 2024 base year.	The proportion of proprietary trading counterparties setting SBTi-validated targets reach 49.67% by 2029, increased by 22.87% compared to a 2024 base year.	Continuously increase the proportion of proprietary trading counterparties setting SBTi-validated targets.
			CDIB	Amount of new green investment increased by 5% by 2025 compared to a 2023 base year.	Amount of new green investment increased by 122.8% by 2025 compared to a 2023 base year.	Increase amount of new green investment by 5% every year compared to a 2023 base year.		
IFRS S2/ TCFD	Climate/Nature Opportunity and Risk Management	Investment and Financing		Implement IFRS S2 climate-related disclosures in accordance with regulations	Implemented IFRS S2 climate-related disclosures in accordance with regulations	Implement the planning of the IFRS S2 climate-related disclosures	Complete the IFRS S2 climate-related disclosures in the 2027 annual report	Continuously improve the IFRS S2 climate-related disclosures
				Complete the climate and nature-related report and assurance by end of July	Completed the climate and nature-related report and assurance by end of June	· Optimize the climate risk scenario analysis methodology. · Complete the climate and nature-related report and assurance	Continuously improve the content of climate and nature-related report	Continuously improve the content of climate and nature-related report

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Strategy	Relevant Material Topics		2025 Goal	2025 Progress	2026 Short-Term Goals	2027-2028 Mid-Term Goals	2029-2031 Long-Term Goals
Inclusive Finance	Enhance Financial Inclusion	KGI Life	Maintain a top 3 ranking in the industry for micro insurance premium income	Microinsurance premium income reached NTD 20.59 million, achieving 215% of the target and ranking first in the industry, with approximately 100,000 beneficiaries.	Microinsurance premium income target achievement rate ≥ 100%		
		KGI Bank	1,440 loan approvals per year for financially vulnerable groups	3,239 loan approvals per year for financially vulnerable groups	2,000 loan approvals per year for financially vulnerable groups	2,400 loan approvals per year for financially vulnerable groups	2,880 loan approvals per year for financially vulnerable groups
		KGI Securities	Regular investment plan accounts increased to 85,000 accounts	To provide a more accessible investment experience, the minimum investment amount for Taiwan equity regular investment plans has been lowered to just NTD 100. By expanding the scope of small-amount investments and introducing a dividend reinvestment feature to create compounding investment returns, these initiatives deliver tangible benefits to small retail investors and younger customer segments, driving the total number of regular investment plan accounts to 94,616 by 2025.	Regular investment plan accounts increased to 95,000 accounts	Regular investment plan accounts increased to 100,000 accounts	Regular investment plan accounts increased to 120,000 accounts
Customer Service	Improving Service Quality and Customer Relationship Management	KGI Life	Rank in the top 25% in the annual evaluation by the Insurance Bureau.	Ranked within the top 25% in the Insurance Bureau's annual assessment under the "Fair Treatment of Customers Principles" (FY114).	Rank in the top 25% in the annual evaluation by the Insurance Bureau.		
		KGI Life	NPS score exceeding 55	NPS score: 78	NPS score exceeding 75	NPS score exceeding 76	NPS score exceeding 77
		KGI Life	Resolution rate at the Financial Ombudsman Institution ≥90%.	98.48% resolution rate at the Financial Ombudsman Institution.	Resolution rate at the Financial Ombudsman Institution ≥90%.		
		KGI Life	-	-	Implemented 5 customer service anti-fraud measures.		
		KGI Bank	Rank in the top 50% in the annual evaluation by the Banking Bureau.	Top 50% ranking in the Banking Bureau's annual assessment under the "Fair Treatment of Customers Principles" (FY114).	Rank in the top 25% in the annual evaluation by the Banking Bureau.		
		KGI Bank	NPS score exceeding 72.	NPS score: 78.	NPS score exceeding 72	NPS score exceeding 73	NPS score exceeding 74
		KGI Bank	Closure rate for customer complaint cases resolved within three days ≥ 85%	Closure rate for customer complaint cases resolved within three days: 92%	Closure rate for customer complaint cases resolved within three days ≥ 85%		
		KGI Bank	-	-	550 in-person anti-fraud awareness sessions conducted	Continued to promote anti-fraud awareness across diverse population groups	
		KGI Securities	Rank in the top 25% of large securities firms in the annual evaluation by the Securities and Futures Bureau	Ranked among the top 25% of large securities firms in the Securities and Futures Bureau's annual assessment under the "Fair Treatment of Customers Principles" (FY114)	Rank in the top 25% of large securities firms in the annual evaluation by the Securities and Futures Bureau		
		KGI Securities	NPS score exceeding 78	For the first half of 2025, performance was measured using NPS, with an average score of 86; in the second half of the year, customer satisfaction was measured using the CTI index, with an average score of 4.98	Average CTI customer service satisfaction score ≥ 4.5		
		KGI Securities	First contact resolution rate for customer service center ≥ 98%	99.6% first-contact resolution rate at the customer service center	Customer service center first-contact resolution rate ≥ 98.5%	Customer service center first-contact resolution rate ≥ 99%	
		KGI Securities	-	-	At least 5 anti-fraud awareness sessions conducted annually, with more than 100 participants per session		

(Continue)

Strategy	Relevant Material Topics		2025 Goal	2025 Progress	2026 Short-Term Goals	2027-2028 Mid-Term Goals	2029-2031 Long-Term Goals
Digital Finance	FinTech and Digital Innovation	KGI Life	Optimize or add ≥12 features to the iLife App/website	Optimized or added a total of 29 new features to the iLife App/website	Optimize or add ≥ 12 features to the iLife App/website	Optimize or add ≥ 15 features to the iLife App/website	
			-	-	Achieve an 80% adoption rate of customer self-service digital services through continued promotion	Achieve an 85% adoption rate of customer self-service digital services through continued promotion	Achieve a 90% adoption rate of customer self-service digital services through continued promotion
			· Establish Chatbot for C · Complete 11 major FAQ categories and 15 service categories	· Established Chatbot for C · Completed 12 major FAQ categories, 6 self-service functions, and 50 e-Assistant redirection services	· Introduce medical document image recognition applications · Establish policy health check gap analysis and recommendation solutions · Develop a comprehensive 360-degree customer view	· Continuously promote and optimize Chatbot for C · Establish the KGI Life cloud-based intelligent model · Introduce diversified digital identity authentication mechanisms for customers	Continuously promote and optimize Chatbot for C
			Voice-assisted recordings for elderly investors	Completed the establishment of an automated voice-assisted recording system for elderly investors	-	-	-
		KGI Bank	Optimize or add ≥30 features for online and mobile banking	Successfully implemented 132 online features and optimizations for the mobile banking platform.	· Optimize or add ≥30 features for online and mobile banking · Launch a new online banking platform · Optimize ≥ 6 corporate online banking features · Optimize ≥ 20 onboarding features · Optimize ≥ 15 intelligent customer service features	· Provide innovative digital financial services, leveraging AI and big data to optimize customer experience, enhance everyday convenience, and enable scenario-based finance. · Enhance intelligent wealth management features to deliver more convenient and comprehensive financial services for customers.	Continue to provide innovative financial services and a more personalized digital platform experience
			Updating of the online banking system	Testing phase for the new online banking platform has been successfully initiated			
			Implementation of the MID identity authentication mechanism	Successful implementation of the MID identity authentication mechanism			
		KGI Securities	Optimize or add ≥50 features to the app	55 app service optimizations or new features completed	Optimize customer self-service platform and strengthen API trading, offering ≥ 3 API programming languages with technical documentation.	Leverage a range of fintech technologies to further develop digital services toward more personalized and professional offerings.	Following regulatory developments in financial policy liberalization, leverage AI to enhance personalized and customized professional services.
			Receive 5 digital-related awards from professional institutions	5 digital innovation awards received			
			Acquire one new patent certificate	New-type patent application in progress			
		CDIB	Host ≥ 90 online and offline innovation and entrepreneurship seminars through the Innovation Accelerator	Hosted a total of 137 online and offline innovation and entrepreneurship seminars through the Innovation	Host ≥ 90 online and offline innovation and entrepreneurship seminars through the Innovation Accelerator	Host ≥ 100 online and offline innovation and entrepreneurship seminars through the Innovation Accelerator	Host ≥ 110 online and offline innovation and entrepreneurship seminars through the Innovation Accelerator
			Establish an "Asset Management Investor Platform" to provide investors with access to uploaded financial statements, fund information, and other relevant disclosures	Successfully established the Asset Management Investor Platform	Optimize the "CDIB Capital Investor Portal" by uploading information on funds currently under fundraising for evaluation by potential investors	-	-

Note: A total of 3,239 loans were approved for financially underserved groups, including 3,154 approvals under the Quick Repayment Loan program, 84 approvals under the Taxi Driver Installment Loan program, and 1 approval under a financial inclusion pilot program.

3.1 Responsible Investment

3.1.1 Responsible Investment Principles and Policies

To implement the United Nations Sustainable Development Goals (SDGs) and align with the UN Principles for Responsible Investment (UN PRI) and the UN Principles for Responsible Banking (UN PRB), KGI Financial and its subsidiaries have instituted the "→ Sustainable Finance Commitment," which has been formally approved by their respective Boards of Directors. Under the Board-level Sustainability and Ethical Management Committee, the Company has established a "Responsible Finance" working group tasked with formulating the sustainable finance blueprint. This working group convenes at least three times annually to deliberate on and develop sustainable development plans, while overseeing the implementation of responsible investment strategies and policy directions.

To implement the United Nations Principles for Responsible Investment (UN PRI), the Company's subsidiaries—KGI Life Insurance, KGI Bank, KGI Securities, KGI SITE, and CDIB Capital—have all signed the "Stewardship Principles for Institutional Investors" released by the Corporate Governance Center of the Taiwan Stock Exchange, adhering to its six major principles. By incorporating ESG management procedures into investment decisions and establishing a "Responsible Investment Policy" or "Stewardship Policy" approved and issued by the Board of Directors, ESG is integrated as a material factor in investment evaluation and management. Each has established a "responsible finance" or "responsible investment" working group, which is responsible for planning its sustainable development plan and for overseeing the implementation of reducing investment and financing in high-carbon-emitting industries, as well as increasing green/sustainable investment and financing and seeking green investment opportunities.

The → Sustainable Finance Commitment applies to the Company and its major subsidiaries, including KGI Life, KGI Bank, KGI Securities, KGI SITE, and CDIB Capital. This commitment covers all domestic and international business operations and investment activities. Investment and financing activities encompass proprietary positions in active investments, passive investments, and externally managed investments, as well as credit business; whereas asset classes include listed equity, fixed-income securities, private equity, real estate investments, and financing. ESG management guidelines have been established and tailored to the unique characteristics of various asset classes, categorized as follows:

- **Listed Equities, Fixed-Income Securities, and Private Equity of Active Investments:** Subsidiaries adhere to their respective "Responsible Investment Policy" or "Stewardship Policy," as well as the "Stewardship Principles for Institutional Investors" to which they are signatories, to incorporate Environmental, Social, and Governance (ESG) issues into their investment analysis and decision-making processes. This framework considers conflict of interest management and sector management principles—including highly controversial industries or activities, sectors with high sensitivity to climate change and related risks, decarbonization principles, and high-carbon limit management. Furthermore, subsidiaries apply negative exclusion principles to exclude entities involved in environmental pollution, social controversy, or poor corporate governance that has a material impact on shareholder or investor equity, while fulfilling stewardship actions, engagement policies, and voting policies to implement the integration of ESG issues into all business undertakings, evaluations, and management. For the subsidiaries' "Responsible Investment Policy" or "Stewardship Policy," please refer to the sustainability development or stewardship pages on the websites of each subsidiary of KGI Financial.
- **Passive Investments (Funds, ETFs):** KGI Life adheres to its responsible investment policy. For foreign funds and ETFs, it will assess whether the fund management institutions or their affiliated group companies are signatories to the Principles for Responsible Investment (PRI) as a selection criterion for evaluation. If the investment assets consist of domestic funds and ETFs, the company will assess whether the fund management institutions or their affiliated group companies have established ESG policies and how these policies are implemented.
- **Real Estate Investments:** KGI Life has established a "Real Estate Investment Operations Manual" and "Real Estate Investment and Management Procedures", when making real estate investments, clearly stipulating that environmental (E), social (S), and governance (G) factors should be fully considered when investing in real estate. This includes whether the real estate target has obtained domestic and international green building certifications, low-carbon building certifications, or building energy efficiency assessments, among others. Additionally, environmental risks of the target, including warming risks, soil liquefaction, and geological sensitivity, are included in the considerations to assess whether the real estate investment target has ESG planning. Furthermore, when leasing real estate to others, ESG screening is conducted for the lessee, including avoiding high-pollution, high-energy consumption industries from the environmental aspect (E), effectively controlling investment risks and fulfilling corporate social responsibility.
- **Externally Managed Assets:** KGI Financial and its subsidiaries[Note] require external asset managers to comply with the guidelines framework and responsible investment policy established by each subsidiary, and to provide a complete description on the principles and implementation status of important ESG items such as environmental, social and corporate governance, and to regularly disclose the fulfillment of stewardship governance.

Note: KGI Life Insurance had no externally management business as of December 31, 2025. Other subsidiaries, including KGI Bank, KGI Securities, and KGI SITE, will also cease externally management business. This does not apply to CDIB Capital.

Responsible Investment Management Mechanisms and Corresponding Assets

Responsible Investment Management Mechanisms; Asset Class	Active Investment			Passive Investment	Real Estate Investment	Others (Externally Managed Assets)	Corre-sponding Page No.
	Listed Equities	Fixed Income Securities	Private Equity	Funds, ETFs Note			
Incorporate ESG Criteria into Investment Analysis and Decision-Making Processes	●	●	●	●	●	●	59
Conflict of Interest Management	●	●	●	●	●	●	59
Sector Management Principles	●	●	●	-	●	-	59
Negative Exclusion Principles	●	●	●	●	●	●	59
ESG Assessment Process	●	●	●	●	●	●	60
ESG Due Diligence	●	●	●	●	-	-	60
Engagement Mechanism	●	●	●	●	●	●	60
Voting Mechanism	●	-	●	-	-	●	62
Post-Investment Management	●	●	●	●	●	●	63
Disclosures of Compliance with Stewardship Principles	●	●	●	●	-	●	63
Sustainable Finance Impact Investing	●	●	●	●	●	-	65
Externally Managed Assets	-	-	-	-	-	●	57

Note: This is to assess whether the fund management institution or its affiliated group companies comply with responsible investment management mechanisms.

UN PRI	KGI Financial's Implementation
Incorporate ESG issues into investment analysis and decision-making processes	All major subsidiaries of KGI Financial have established responsible investment policies, and ESG review conditions and standards (including Exclusion and Sector-Specific Standards), and ESG issues are taken into consideration in investment decisions. For the details, please refer to → 3.1.2 Management Process for Responsible Investment.
Be active owners and incorporate ESG issues into our ownership policies and practices	All the major subsidiaries of KGI Financial have signed the "Stewardship Principles" issued by the Taiwan Stock Exchange Corporation, and have formulated relevant protocols and voting policies to actively engage in ESG-themed conversations with investee companies, guiding them to reduce negative environmental and social impacts and explore opportunities for sustainable development.
Seek appropriate disclosure on ESG issues by the entities in which we invest	We review and pay attention to the material ESG issues of investee companies in accordance with local authorities' requirements for the disclosure on ESG issues, including but not limited to ESG reports and ethical corporate management best practice principles.
Promote acceptance and implementation of the PRI within the investment industry	KGI Financial places importance on Corporate Social Responsibility and, at the 2025 Taipei International Financial Expo, brought together its four major subsidiaries – KGI Life, KGI Securities, KGI Bank, and KGI SITE to present the theme of "KGI Financial Express," inviting the public to board the ride and set off on a one-stop financial journey spanning asset accumulation, risk transfer, and wealth succession. With the integrated energy of "ONE KGI" and a comprehensive wealth management perspective, it showcased its dedicated innovative thinking. At the same time, it began with digital innovation and User Experience, not only safeguarding the security of every customer's financial transactions, but also taking it as its responsibility to lead customers toward a better future.
Work together to enhance our effectiveness in implementing the PRI	In order to assist the financial industry to strengthen the risks brought about by climate change, KGI Financial joined Partnership for Carbon Accounting Financials(PCAF) in June 2023, and actively introducing international investment and financing carbon emission management standards, assisting corporate customers in promoting low-carbon transformation through core business, and connecting with the "Green Finance and Transition Finance Action Plan" proposed by the Financial Supervisory Commission, committed to exerting financial influence.
Each report on our activities and progress towards implementing the PRI	In addition to regular disclosures on compliance with stewardship in accordance with "Stewardship Principles," KGI Financial, KGI Life, and KGI Securities have publicly disclosed the implementation of responsible investment in the respective Sustainability reports.

Responsible Investment Management Framework

We have integrated ESG issues with the Group's investment stewardship governance framework to form a responsible investment management framework at KGI Financial. It establishes the six principals of responsible investment, "ESG Incorporation Principles" "Conflict of Interest Management," "Sector Management Principles," "Negative Exclusion Principles," "Engagement Policy" and "Voting Policy." Further, the principals are launched for responsible investment in four subsidiaries, namely CDIB Capital, KGI Life, KGI Bank, and KGI Securities. In accordance with the asset attributes and investment process of the four subsidiaries, each of them has formulated its own responsible investment policy to directly guide risk management and asset allocation. For different types of assets such as equity, fixed income, and private equity within the Group, shaping the overall process risk control, before, during and after investment, that suits its business characteristics.

Responsible Investment Management Framework

<table>
<tr><th>Item</th><th colspan="2">Content</th></tr>
<tr><td rowspan="5">ESG Incorporation Principles</td><td colspan="2">Subsidiaries all formulate responsible investment policies, incorporating the investment-making decision procedures in ESG (environmental, social and corporate governance) sustainable management evaluation factors, and fulfill stewardship actions. Moreover, KGI Financial and its subsidiaries and its subsidiaries have all been approved by the board of directors and established the "Sustainable Finance Commitment." The ESG issues have been integrated into essential considerations for the undertaking, evaluation, and management of all business activities. These consideration factors include:</td></tr>
<tr><th>ESG Aspects</th><th>Approach</th></tr>
<tr><td>Environmental Factor</td><td>Avoid investment exposure to companies operating in highly polluting and carbon-intensive industries, and pay close attention to the energy and resource consumption, GHG emission, and whether there is exposure to significant deforestation risks related to environmental and nature-related issues.</td></tr>
<tr><td>Social Factor</td><td>Avoid investment with controversial industries or products and services with adverse impact on social welfare, in addition to drawing attention on the social issues such as the supply chain management, labor human rights, and labor relations.</td></tr>
<tr><td>Corporate Governance Factor</td><td>Avoid undertaking businesses where there is credible evidence that the Board of Directors conducts business in violation of applicable laws and regulations, articles of association, or resolutions of the shareholders' meeting, which have adverse impacts on the rights and interests of shareholders or investors, and to pay attention to corporate governance issues such as corporate governance performance, regulatory compliance, and other relevant governance issues.</td></tr>
<tr><td>Conflict of Interest Management</td><td colspan="2">Establish mechanisms for information control, firewall design, segregation of duties, supervision and management, and reasonable remuneration to prevent conflicts of interest.</td></tr>
<tr><td>Sector Management Principles</td><td colspan="2">We adopt a zero tolerance approach toward highly controversial industries/activities, whereby no new engagements are undertaken and existing relationships are subject to a defined phase out timeline. For industries/activities with high sensitivity to climate change and related risks, rigorous assessments are conducted prior to engagement, followed by ongoing monitoring thereafter. Sector specific considerations are also applied to the energy, mining, agriculture/forestry/livestock, and transportation industries. In addition, we have established proactive decarbonization principles to progressively reduce exposure to thermal coal–related industries, unconventional oil and gas sectors, and other high carbon emitting industries. A managed list of high carbon sectors is regularly reviewed and updated, and a no deforestation principle has been adopted.
Coal-mining or coal/thermal power plants that have been punished by competent authorities in the previous year for significant environmental pollution penalties should propose plans or improvement proofs.</td></tr>
<tr><td>Negative Exclusion Principles</td><td colspan="2">If a company's core business activities involve environmental pollution, social controversies, or poor corporate governance—such as the circumstances listed below—and it has been penalized by competent authorities or international organizations without demonstrating improvement, investment should be avoided and no new financing engagements should be undertaken.
1. Environmental aspects: Tropical rainforest logging, tobacco industry, and polychlorinated biphenyls (PCBs).
2. Social aspects: There are specific evidences to prove that industries involving pornography, drugs, money laundering, nuclear weapons, financing of terrorist activities, slave labor, child labor, or human rights violations.
3. Governance aspects: Specific evidences to prove that the Board of Directors has violated laws, articles of association, resolutions of the shareholders' meeting and those who have a significant influence on the rights and interests of shareholders or investors.</td></tr>
</table>

Item	Content
Engagement Policy	1. Target companies/projects with better performance in the ESG appraisal are included in the "Encouragement List" and can be given priority for investment under the same financial evaluation. 2. Actively engage in ESG dialogues with investee companies, and through communication with them, guide them to reduce their negative environmental and social impacts and identify opportunities for sustainable development. Investment teams shall ask the portfolio companies or deals for the cause, development and handling of incidents, if any, where they breach laws, undermine the Company's ESG policy, or damage the Company's long-term investment value.
Voting Policy	Disapproval for the proposals that impede investee companies' sustainable development or corporate governance or violate ESG standards.

3.1.2 Management Process for Responsible Investment

Incorporate ESG Criteria into Investment Analysis and Decision-Making Processes

KGI Financial shall take sustainability into consideration and execute stewardship, when sourcing, evaluating and underwriting deals, and implementing portfolio management, and fulfill due diligence governance actions to enhance investment value and promote sound development of the Group and the portfolio companies.

Investment Process

Stewardship Action

1. Screening
- Comply with the Principles for Responsible Investment (PRI) as the Group's responsible investment policy framework
- Review an exclusion list
- Assess and evaluate sector-specific requirements

2. Examination
- Incorporate financial and ESG criteria into the examination
- Conduct ESG due diligence on investment targets in dispute
- Hold investment review meetings
- Decide on the investment amount

3. Management
- Analyze/review the gap during the investment
- Keep track of proposals that could adversely affect the sustainable development of investment targets or ESG principles
- Exercise the right to vote at a shareholders' meeting and disclose the attendance and voting records

4. Engagement

Communicate with investment targets to assist them in reducing negative impacts on the environment and society and exploring opportunities for sustainable development

Subsidiaries' incorporaton ESG criteria into investment evaluation and decision-making processes

Subsidiary	Description of the Incorporation of ESG Criteria into Subsidiaries' Investment Evaluation and Decision-making Processes	
KGI Life	Investment	The "Responsible Investment Policy" was established to set forth responsible investment procedures, regulate review and management before, during, and after investment, integrate ESG factors into investment decisions, and establish principles for evaluating investment cases to assess the extent to which the investment targets were involved in ESG material issues. For details, please refer to → KGI Life Insurance's 2025 Sustainability Report. KGI Life Insurance also actively engages in dialogue and interaction with investee companies regarding ESG issues. In addition to participating in shareholder meetings and expressing its views in accordance with its voting policy, it has also established an engagement policy and an interaction process.
KGI Bank	Investment	The "Responsible Investment Policy" explicitly stipulates that business activities involving equity investments measured at fair value through other comprehensive income (FVOCI) and negotiable securities investments in the banking book had to include ESG-related review items in the investment evaluation process. For details, please refer to → KGI Bank's Responsible Investment Policy.
KGI Securities	Investment	Pursuant to the regulations of the competent authorities and KGI Securities' "Responsible Investment Policy" and "Procedures for Engaging in Proprietary Trading of Negotiable Securities and Derivative Financial Products," ESG issues have been incorporated into investment evaluation and post-investment management. This includes referring to ESG information disclosed on the Market Observation Post System or on the websites/annual reports of the investee companies, the ESG ratings of each investee as disclosed in the TEJ database or on the Taiwan Depository & Clearing Corporation website, and paying attention to whether any material penalties have been imposed, thereby identifying the relationship between ESG risks and other potential risks and further assessing the impact of such risks. For investees with higher ESG risks, a loss amount limit has been established to strengthen control.
KGI SITE	Asset Management	The "ESG Assessment Operating Guidelines" was established, requiring, in conducting fund deployment for asset management operations, the incorporation of ESG issues into the investment decision-making process and regularly conducted ESG investment assessments.
CDIB Capital	Investment	In accordance with the "Responsible Investment Policy" and the "Stewardship Principles for Institutional Investors," ESG review conditions and standards (including negative exclusion and industry-specific standards) and ESG issues are taken into consideration in investment decisions.

ESG Assessment Process

Investment teams shall screen potential investment targets according to ESG when developing new investment sources, conducting ESG due diligence on those with an environmental, social or governance dispute, through the ESG assessment process, screen and exclude targets that have adverse impacts on the economy, environment, and people (including human rights). If the investment target is involved in industries and sectors related to pornography, drugs, money laundering, terrorism financing, servitude, child labor or violation of human rights, the investment will not be carried out. Therefore, under the sustainable investment policy, both active investment and passive investment assets have good ESG rating quality.

ESG Due Diligence

In terms of investment follow-up management, we will continue to pay attention to the relevant information and risks of the invested business, and take ESG factors into consideration. In addition, through interaction and visits with the management of the investee company, participation in shareholder meetings and voting, etc., to strengthen communication with the investee company, by expressing concerns about ESG issues, influencing the investee company and promoting its benignity Develop and fulfill social responsibility and create future value.

KGI Financial firmly believes that there is a benign and positive relationship between ESG conceptual investment and long-term income, and can exert significant influence on the market and investee companies, thereby creating a win-win situation for the environment, society and corporate governance with high profit potential investment portfolio.

In addition, KGI Financial subsidiaries such as KGI Life, KGI Bank, KGI Securities, KGI SITE, and CDIB Capital have signed the "Stewardship Principles for Institutional Investors" with the Taiwan Stock Exchange, and regularly publishes due diligence reports on each own official website, in addition to disclosing the stewardship policy, conflict of interest policy, and to comply with voting policy that KGI Financial will not support if motions that hinder the sustainable development of the subject matter, have corporate governance concerns, or have a negative impact on ESG principles. The disclosure of due diligence implementation includes voting at the shareholders meeting, interaction with investee companies, engagement, major conflict of interest events and internal investing resources to implement due diligence, etc. KGI Financial and its subsidiaries have all approved by the board of directors and established the "Sustainable Finance Commitment", and comply with its engagement and voting mechanisms.

Engagement Mechanism

We give priority to communicating with investee companies on ESG issues concerned by the Group, conducting due diligence, and reviewing their ESG performance. The scope of applicability for the Company's engagement mechanism include investment and financing activities, which encompass proprietary positions in active investments, passive investments, and externally managed investments, as well as credit business; asset classes include listed equity, fixed-income securities, private equity, real estate investments, and financing. KGI Financial and subsidiaries are concerned about the engagement guidelines of ESG issues include but are not limited to the below ESG factors. Where the investee is at risk of a material violation of corporate governance principles, damaging the long-term value of shareholders/customers/beneficiaries, or ESG principles on specific issues, we will escalate to inquire about the handling situation from senior management of the investee company, keep track, and not rule out the joint expression of appeals with other investors. To enhance the effectiveness of engagement and safeguard the best interests of stakeholders, it is open to implement engagement collaboration when the engagement topic has a high degree of specificity, aligns with the sustainable development direction of the competent authority, and when engagement collaboration with other investors could increase the probability of successful engagement. We also engage in dialogue with issuers of passive investment positions on ESG issues of concern to the Group. In cases where there is a significant risk of material ESG violations, we will escalate the communication level and continue to monitor the situation.

- **Environmental:** places significant emphasis on climate change and encourages clients to set carbon reduction targets or environmental targets, focus on biodiversity and natural ecosystem issues, pay attention to resource and water management, avoid significant environmental and water pollution, avoid deforestation, and support restoration and compensation actions.
- **Social:** values human rights equality, promotes prevention of sexual harassment, encourages charitable activities for public welfare.
- **Governance:** values ethical corporate management, implements sustainable governance, supports participation in ESG-related initiatives.

Engagement Cases

Engagement Topic/objective	Engagement Reason	Engagement Time	Engagement Method	Description and Suggestions Regarding the Current ESG Status of the Engagement Company	Results of the Engagement or Follow-up Actions
Delivering Sustainable Outcomes	Company D was a global electronic equipment supplier, with its products distributed across multiple countries. Its operating activities had a significant impact on the environment, particularly in electronic waste recycling and toxic substance management. As global environmental regulations become increasingly stringent, companies that do not respond appropriately will face challenges such as compliance risks, damage to brand trust, and supply chain disruptions. The Head of Business at KGI Securities' Capital Markets Department, together with managerial officers from the Group companies KGI SITE, Mega SITE, and Capital SITE, engaged with the head of the related party department and the ESG team of Company D to inquire whether Company D had implemented an extended producer responsibility (EPR) system and producer take-back mechanisms. They also hoped to learn, through engagement, about its specific practices and improvement progress on environmental matters, in order to assess its sustainability risk management capability as an important reference for investment decisions.	August 2025	Collaborative engagement	· Company D has currently implemented the UL 2799 Zero Waste to Landfill standard, and multiple facilities have obtained Platinum certification. Its waste diversion rate has reached 99%, and it has promoted multiple waste reduction measures. In addition, it has reduced waste through value chain collaboration and has estimated product recovery rates. The current global average recovery rate is approximately 15%. On the governance side, it has established a hazardous substances management policy, actively phased out toxic ingredients, and implemented the GreenScreen assessment standard. · Company D has demonstrated a high degree of commitment and action in the three major areas of environment, society, and governance, and it has especially established a solid foundation in waste management, the elimination of toxic substances, regulatory compliance, and the promotion of circular economy. To further strengthen Company D's depth of sustainable development and external influence, the Company recommended that Company D implement a more specific product take-back tracking mechanism and extended producer responsibility (EPR) system to improve the recovery rate and transparency. It also recommended that Company D disclose the progress of toxic substance elimination and the assessment results of the safety of substitute materials, so as to strengthen disclosure and regulatory response capabilities.	Company D committed itself to achieving a 100% waste conversion rate by 2025. In value chain management, it worked with suppliers to promote measures such as packaging reuse and process waste reduction, demonstrating substantive actions for resource circularity. Company D has also publicly disclosed its product carbon footprint and life cycle assessment (LCA) results and obtained verification under ISO 14067 and ISAE 3000, indicating that its alternative materials had a basis for environmental safety assessment. It initiated a PFAS component inventory, strengthened cooperation with suppliers, and collected component disclosure information in response to increasingly stringent environmental laws and regulations in the European Union and the United States. This engagement enhanced Company D's credibility in sustainability and its international competitiveness, and strengthened the company's image and international recognition. The impacts on the stakeholders are as follows: (1) Shareholders: Ensuring compliance with regulations, maintain a good corporate reputation, and enhance the Company's sustainability rating and investment attractiveness. (2) Customers: Strengthening confidence in product safety and environmental protection, thereby increasing willingness to cooperate. (3) Supplier: Promoting raw material upgrading and sustainable transformation, and establishing a shared sense of responsibility. (4) Employee: Improving workplace safety, enhancing corporate identity and stability. (5) The general public: Reducing environmental pollution and emissions of hazardous substances, and promoting social well-being. The Company continues to maintain good interactions with Company D. Company D has demonstrated a high degree of cooperation and willingness to improve, and has a solid ESG foundation, meeting the target objectives for this engagement. If it continues to strengthen the recycling mechanism and disclosure of information, it will help the Company to improve its rating and allocation weight in investment decisions.
	KGI Life Insurance encouraged an investee company to apply the sustainability provisions to all of its customers.	2025	Individual engagement	· Because the investee company intended to enter into a power purchase and sale agreement with a customer, after reviewing the power purchase and sale agreement entered into between that company and the customer, it was found to include a sustainability clause. · The Company recommended that all future contracts with other customers include sustainability clauses, in the hope of jointly creating social value.	· The other Directors all agreed with this proposal and approved the motion, and the investee company will incorporate this sustainability clause into future power purchase and sale contracts. · This engagement issue will help the investee company's ESG development and sustainable operation and, in the long term, will be beneficial to the equity of shareholders and customers. · The Company will diligently fulfill the duties of a Director, continue to monitor the company's future operating performance, and periodically review the company's ESG progress.
Management of ESG Risks	In response to the subpar operating performance and failure of a specific investee company to achieve predefined targets, KGI Life Insurance, in conjunction with other shareholders, has formally requested that the management company of the said investee company repurchase their respective equity holdings.	2025	Collaborative engagement	· The Company entered into an agreement with the company prior to the investment to establish future operating targets. The aim of the establishment of targets was for the company to strengthen its operational management. · During the investment tenure, the Company identified that the investee's operating targets were lagging. Despite repeated recommendations for governance enhancements made by the Company and other shareholders during meetings, these objectives ultimately remained unachieved. · To safeguard shareholder equity, the Company invoked the terms of the investment agreement to require that the management company repurchase the Company's equity holdings.	· As the management company contested the repurchase price, the Company and other shareholders jointly demanded strict compliance with the contractual pricing provisions and formally issued a legal demand through external counsel. · Following a series of engagements and negotiations, the management company executed the repurchase at the agreed-upon price, successfully protecting the Company's investment equity.

Voting Mechanism

We actively participate in shareholder meetings of the companies we invest in and express our opinions on the resolutions. We engage with the management of these companies through various communication ways such as conference calls, face-to-face meetings, attending corporate briefings, or sending representatives to shareholder meetings or major shareholder ad hoc meetings. We exercise our voting rights actively. Prior to attending shareholder meetings, we carefully evaluate the resolutions. To respect the professional management of the investees companies and promote their effective development, we generally support the resolutions proposed by their management. We do not support resolutions that hinder sustainable development or involve significant ESG-related issues, such as corporate governance issues (e.g., false financial reports, improper remuneration of directors and supervisors), environmental impacts (e.g., environmental pollution, water contamination, or deforestation activities), or social impacts (e.g., human rights violations, labor rights deprivation). Before attending shareholder meetings, our company thoroughly evaluates each resolution and provides a written analysis explanation before exercising our voting rights. The voting records of shareholder meetings attended by our company are properly retained, and the written records or voting statistics shall be properly kept., After exercising voting rights, written records or voting statistics should be disclosed in the shareholders' meeting voting records or institutional investors' stewardship reports and submitted to the board of directors. KGI Financial Group participated in shareholder meetings in 2025 and exercised its voting rights on a total of 7,012 proposals, including those related to ESG aspects (governance, social, and environmental). The percentage of ESG resolutions supported in 2025 was 98.02%.

KGI Financial Group Participation in Shareholders' Meeting Voting Resolution Statistics Table

ESG Dimensions	Category of Resolution		Total Number of Resolutions		Support		Opposition		Abstain	
			Number of Resolutions	%	Number of Resolutions	%	Number of Resolutions	%	Number of Resolutions	%
Governance (G)	Operational and Financial Performance	Business and financial reports	1,457	96.63%	1,457	96.12%	-	0.07%	-	0.44%
		Distribution of surplus or allocation of loss	1,388		1,388		-		-	
		Amendment of articles or operating procedures	1,956		1,956		-		-	
	Corporate Governance and Board Organization	Board of directors and supervisors election	639		605		3		31	
		Dismissal of directors and supervisors	-		-		-		-	
		Release of director's non-compete restriction	806		806		-		-	
		Director's remuneration	35		35		-		-	
	Business Strategy and Capital Structure	Company dissolution, merger, acquisition, stock conversion, or division.	54		54		-		-	
		Capital increase	275		274		1		-	
		Capital surplus cash distribution case	30		30		-		-	
		Private placement securities	104		103		1		-	
		Reduction of capital / cash reduction	24		24		-		-	
		Long-term capital fundraising proposal	4		4		-		-	
		Corporate capital structure adjustment plan	1		1		-		-	
		Contract execution proposal	3		3		-		-	
Social (S)	Labor Rights	Issue restricted employee stock or employee stock options	88	1.34%	82	1.25%	6	0.09%	-	-
		The treasury stock is transferred to employees at a price below the actual average repurchase price	3		3		-		-	
		Issuance of employee stock options at a discount to market price	3		3		-		-	
Environmental (E)	Climate Change	Low carbon transition and net zero	6	0.17%	6	0.17%	-	-	-	-
	Environmental Pollution	Pollution prevention and control	6		6		-		-	
	Others		130	1.86%	33	0.47%	-	-	97	1.38%
	Total Number of Resolutions		7,012	100%	6,873	98.02%	11	0.16%	128	1.82%

Post-Investment Management

After the investment, we will also review and measure the investment results, and should continuously pay attention to, analyze and evaluate the relevant information of the target. If the investment target involves the aforementioned ESG exclusion standards during the investment period, we should immediately review and evaluate whether the investment target has relevant improvement conditions or plans, and explain in the evaluation report whether to change the company's investment strategy or limit the amount.

Compliance with Stewardship Principles for Institutional Investors

Subsidiary	Compliance with Stewardship Principles for Institutional Investors	Disclosure
KGI Life	KGI Life regularly publishes the "KGI Life Report on the Votes at Shareholders' Meetings of Investee Companies" In 2025, KGI Life has ensured that 100% of its foreign ETF fund management institutions are signatories of the Principles for Responsible Investment (PRI). In 2025, participation in the shareholders' meetings of both domestic listed and unlisted investee companies reached 100%.	→ Stewardship Principles and Compliance Disclosure
KGI Bank	KGI Bank regularly publishes the "KGI Bank Due Diligence Report." In 2025, it participated in the shareholders' meetings (including electronic voting attendance) of a total of 10 domestic listed/unlisted investee companies, achieving a participation rate of 100%.	→ Stewardship Principles and Compliance Disclosure
KGI Securitie	KGI Securities regularly publishes the "KGI Securities' Voting Records in Investee Companies" to actively demonstrate its commitment to corporate governance. In 2025, KGI Securities achieved a 100% participation rate in shareholder meetings of domestic listed, emerging, and publicly issued companies. Through shareholder meetings, investor conferences, on-site visits, and phone interviews, KGI Securities engaged in 6,952 discussions with investee companies.	→ Stewardship Principles and Compliance Disclosure
KGI SITE	In 2025, a total of 127 shareholders' meetings (including extraordinary shareholders' meetings) were attended, and the participation rate in shareholders' meetings of listed and OTC investee companies was 98.65%. Of these, the number of proposals voted against was one, which was a proposal for restricted stock awards for employees of an investee company. After evaluation by the KGI SITE research team, KGI SITE did not support the proposal for that company and cast a dissenting vote. In addition, in 2025, the number of active visits to investee companies accounted to 485 times, we actively interacted and negotiated with investee companies.	→ Stewardship Principles and Compliance Disclosure
CDIB Capital	In 2025, attended 172 shareholder meetings of the investee company in person (including electronic voting), 0 time by proxy, and 0 time of absenteeism by no reason. The attendance rate for participating in shareholders' meeting and voting rate reached 100%. (In particular, the attendance rate to the shareholders' meetings of listed investee companies in 2025 was 100%.) The total number of motions voted on is 729.	→ Stewardship Principles and Compliance Disclosure

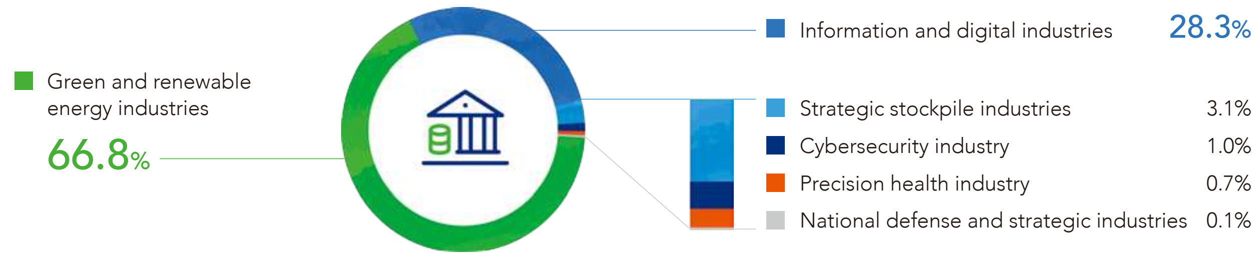
3.1.3 Responsible Investment Performance

Principal Investments

Green Energy-Related Investment

The general public is increasingly concerned with economic activities and the associated risks on the environment and natural resources as global climate change intensifies, giving rise to the concept of a low-carbon economy, which is considered to play a key role in maximizing long-term economic growth. Meanwhile, green investment has also emerged as a popular theme. KGI Financial mainly invests in green industries with its two major subsidiaries, KGI Life and CDIB Capital, and actively responds to government policies. The total amount of proprietary investment in the six core strategic industries of National Development Council amounted to NT$195.3 billion, of which approximately 70% of the investments are in green power and renewable energy.

Six Core Strategic Industries of National Development Council



Asset Management Business

Our asset management include CDIB Capital Creative Industries, CDIB Capital Healthcare Ventures, CDIB Capital Innovation Accelerator, CDIB Capital Growth Partners, CDIB-Innolux Limited Partnership, CDIB-Mac Limited Partnership, CDIB-Innolux II Limited Partnership, CDIB-Capital TEN Capital Limited, Kai-Hong Energy Co., SOAR Taiwan Co., Ltd., CDIB-SKM LP., CDIB Private Equity (Fujian) Enterprise, which is denominated in RMB, CDIB Yida Private Equity (Kunshan) Enterprise, CDIB Yida Healthcare Private Equity Enterprise in China, CDIB Taiwan Business Private Equity (Kunshan) Enterprise(Limited Partnership), CDIB NexGen Partners Fund I, along with the Asia Partners Fund and the Global Opportunities Fund, both of which are denominated in USD, Alibaba Taiwan Entrepreneurs Fund, and CDIB Cross Border Innovation Fund II. By the end of 2025, the fair value of Assets under Management(AUM) totaled NT$61.8 billion, of which funds devoted to social funds accounted for NT$10.8 billion. These came from CDIB Capital Creative Industries, CDIB Capital Innovation Accelerator and CDIB Capital Healthcare Ventures, and CDIB Capital Growth Partners. Environmental protection and smart energy accounted for NT$9.0 billion, totaling NT$19.8 billion, approximately 32% of the total AUM. CDIB Capital's ESG-Themed Asset Management business increased by 29.4% compared to the fair value of total assets under management (AUM), which was approximately NT$15.3 billion at the end of 2024.

ESG-Themed Asset Management Business

Unit: NT$ billion

	Social Theme			Environmental Protection and Smart Energy Theme			Total
	CDIB Capital Creative Industries	CDIB Capital Innovation Accelerator	CDIB Capital Healthcare Ventures	CDIB Capital Growth Partners	Kai-Hong Energy	Green Growth Net-Zero Industries	
AUM	0.3	3.6	6.9	2.6	5.8	0.6	19.8
Subtotal		10.8			9.0		

Environmental Protection and Smart Energy Theme

1. Nurture Businesses in Smart Technology or Environmental Innovations: CDIB Capital Growth Partners

The Advantage Fund raised by CDIB Capital is to discover companies with core competitiveness in which smart technology or environmental innovation is a growth element. Among them, companies that invest in the electric motor vehicle industry have also played the role of energy saving and carbon reduction, which can reduce air pollution and thus protect people's health.

2. Cross-Border Green Energy Investment Platform: Kai-Hong Energy

In May 2024, CDIB Capital and Foxconn Technology Group jointly established Kai-Hong Energy Co., with CDIB Capital responsible for investment and management. This created Taiwan's first cross-sector green energy investment platform, leading capital into the green energy and green power industries for sustainable development and supporting the industries in moving toward net-zero carbon emissions. Kai-Hong Energy Co., Ltd. focuses its investments on renewable energy, primarily solar and wind power. Aligning with global trends and government policies, its installed capacity reached 294MW by the end of 2025.

3. Green Growth Net-Zero Industries

CDIB Capital aligns with the investment initiatives of the Executive Yuan's National Development Fund (the "NDF") to secure green investment opportunities. To accelerate the achievement of green growth and 2050 net-zero transformation targets, the Ministry of Environment has proposed the "Implementation Plan for Strengthening Investment in Green Growth and Net-Zero Industries." Under this framework, the NDF has established the "Taiwan Green Growth Fund," which will intensify investment in emerging net-zero and sustainable industries over the next decade. By mobilizing private sector capital for joint investment, this initiative seeks to catalyze the development of domestic net-zero emerging industries, generate green employment opportunities, and activate new momentum for Taiwan's green growth.

Social Theme

1. Responding to Aging Society: CDIB Capital Healthcare Ventures

In light of the world's aging population, and prevalence of chronic diseases, there is greater pursuit for a better quality of life as income levels rise, and to capitalize on opportunities in the field, CDIB Capital has launched the CDIB Capital Healthcare Ventures in Taiwan. In addition, the Group has launched the RMB-denominated healthcare fund in China focused on investment in the healthcare industry in both China and Taiwan, with sub-sectors spanning biotech, precision medicine, high-end medical devices, and digital healthcare. These healthcare funds aim at assisting pharmaceutical companies, medical device manufacturing, and medical service organizations in offering quality and reasonably priced products and services. These healthcare funds' win-win proposition is to seek advanced benefits for society while creating returns. The investee company Handa Pharmaceuticals Inc. aims to develop a new orally disintegrating drugs for treatment of relapsing forms of multiple sclerosis, which can patients with difficulty in swallowing through effective improvement on medication convenience with performance update. Among these, portfolio company Evopoint Biosciences Co., Ltd. developed the world's first beta-lactam/beta-lactamase inhibitor (BL/BLI) combination product with broad-spectrum antibacterial activity against three major carbapenem-resistant superbugs, thereby addressing the increasingly severe challenge of superbug infections.

Note: The World Health Organization (WHO) lists drug-resistant Acinetobacter baumannii, drug-resistant Pseudomonas aeruginosa, and drug-resistant Enterobacterales as the top three superbugs.

2. Supporting the Cultural & Creative Industry: CDIB CME Fund

To foster Taiwan's influence in the cultural and creative industry, CDIB launched the CDIB CME Fund with a strategy focusing on five cultural and creative sub-sectors: digital content, fashion brands, movies/media, culinary culture and creative tourism. It offers investors diverse added values with solid international and domestic industrial connections. Through a capitalized, commercialized and scaled model, we are seeking to create a better living and better environment with premium quality service and products, for the value of Taiwan's creative essence to empower the society.

3. Nurturing Innovative Startups – CDIB Capital Innovation Accelerator

CDIB Capital has set up the "CDIB Capital Innovation Accelerator Fund" to invest in early-stage startups focusing on four major areas of network cloud, Internet of Things, mobile Internet and next-generation e-commerce. Moreover, the CDIB Capital Innovation Accelerator was established to provide Taiwanese startups all resources required for growth, including entrepreneurial mentorship, corporate-matching events, community, and media resources. To further support Taiwanese companies in expanding into the global market, we established the Tokyo Accelerator in 2023 to help Taiwanese companies to enter overseas markets.

Investment Results and Performance in 2025

Investor exclusive mentor counseling program: held one-day director meeting: 15 events in total.

CDIB Capital Innovation Accelerator public space: held the free startup seminar (including online and offline): A total of 137 events, accumulating around 3,600 participants.

To expand the social influence in Taiwan and overseas, CDIB collaborated with "Epoch Foundation" in 2025 on the Garage+ incubation program, promoting Taiwan IoT, mobile internet, internet cloud, and next-generation e-commerce industry development. A matching conference was held during the collaboration with Garage+ to arrange 24 investment meetings with Taiwan startups and 22 meetings with international startups. Additionally, 3 CEO round-table conferences were held to discuss development in Japan, covering to analyze the trends in the startup ecosystem prior to arrival and offer support with relevant resources upon arrival, providing a comprehensive package of information.

Sustainable Financial Influence

To promote sustainable development, maximize the positive contribution of sustainable-themed investment and financing, and address environmental and social issues such as climate risk mitigation, reducing human rights inequality, enhancing education and employment opportunities, anti-corruption, and focusing on biodiversity issues, KGI Financial commits to actively enhance its investment and financing positions in various sustainability themes. Through developing and designing innovative sustainable finance products and services, we aim to channel funds into sustainability themes of concern, exerting financial influence. By identifying and measuring the results of sustainable-themed investment and financing and tracking quantitative performance, we commit to establishing and reviewing ESG Key Performance Indicators (KPIs) annually. In 2025, within the impact investment areas related to sustainability themes, KGI Financial focused on renewable energy, energy efficiency, green building, biodiversity conservation, sustainable water resources and wastewater management, clean transportation, pollution prevention, circular economy and waste management, clean water and sanitation, Affordable and Clean Energy, industrialization, innovation and infrastructure, climate change adaptation, social development, and Decent Work and Economic Growth. For these items, measurable KPIs were set, including high-carbon emission reduction results and green/ESG investment and financing performance outcomes; these KPIs were incorporated into the annual sustainable development plan. In 2025, within the impact investment areas related to sustainability themes, the total investment in sustainable bonds and green equity (stocks) was approximately NT$45.9 billion, and there are renewable energy-related asset management businesses. The investment themes and items for each asset class are as follows:

Green Bonds

KGI Life Insurance's investment projects in green bonds encompass renewable energy, energy efficiency improvements, green buildings, biodiversity conservation, sustainable water resources and wastewater management, clean transportation, and pollution prevention. These initiatives aim to assist enterprises in achieving their environmental protection objectives. By 2025, the total investment approximately NT$20.8 billion. KGI Bank invests actively in companies that supported the issuance of green bonds. The funds raised are used exclusively for eligible green projects listed under the Green Bond Principles, including renewable energy, circular economy and waste management, pollution prevention and control, and energy efficiency improvements, thereby assisting enterprises in advancing green investment initiatives and responding to the United Nations Sustainable Development Goals (SDGs). By the end of 2025, the total investment was approximately NT$5.1 billion. KGI Securities has invested US$65 million in green bonds. The capital-raising plan is primarily aligned with the United Nations Sustainable Development Goals: SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation, and Infrastructure), and climate change adaptation measures.

Green Equity (Stocks)

As of the end of 2025, KGI Life's investment in renewable energy and energy storage equipment amounts to approximately NT$2.6 billion.

Asset Management

Expand fundraising and investment opportunities related to green electricity and renewable energy asset management, with the AUM of Kai-Hong Energy Co., Ltd. amounting to approximately NT$5.8 billion by 2025.

Social Bonds

KGI Bank assists enterprises in generating substantial positive impacts on society by investing in social bonds that develop essential service needs and affordable housing projects. By the end of 2025, the total investment amounted to approximately NT$1.2 billion.

Sustainability Bonds

KGI Life and KGI Bank have both invested in sustainability bonds, primarily aimed at environmental improvement and social development, to encourage corporate engagement in related issues. As of the end of 2025, the investment amounts are approximately NT$10.4 billion and NT$2.2 billion, respectively. KGI Securities has invested US$27 million in sustainability bonds, primarily in support of the United Nations Sustainable Development Goals: SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), and SDG 9 (Industry, Innovation and Infrastructure).

Sustainability-Linked Bonds

KGI Bank invests in sustainability-linked bonds, thereby encouraging enterprises to participate in initiatives aimed at social and environmental improvement. By the end of 2025, the total investment amount reached NT$0.8 billion.

3.2 Responsible Credit

3.2.1 Management Mechanism of Responsible Bank

In order to ensure that the organizational goals and key decisions are consistent with the United Nations Sustainable Development Goals and the Paris Agreement, KGI Financial has established effective policies. The management system and control measures have incorporated sustainable development goals into the business decision-making process, and formed a responsible banking culture management model, in order to fulfill our commitment to the PRB principles. Therefore, we also actively promote green finance through green project financing and green loan, hoping to promote the transformation and sustainable development of Taiwan's green energy industry.

In commitment to pursuing a balanced development of environmental sustainability, social participation, and corporate governance, KGI Bank creates positive sustainable impacts through funding and financial services, integrating ESG-related aspects into risk assessment and credit decision-making processes. Specifically, in accordance with KGI Financial's "Sustainable Finance Commitment" and the bank's "Credit Policy", the "Sustainable Credit Guidelines" have been established. When conducting corporate credit reviews, KGI Bank adheres to the "Sustainable Credit Guidelines" and establishes sustainable credit review principles under these guidelines, thoroughly considering whether borrowers fulfill their obligations in terms of environmental protection, social responsibility, and corporate integrity, and incorporating ESG-related issues into credit decision-making, credit evaluation items, and post-loan management mechanisms.

1. When applying for credit cases, all are in accordance with the "Operational Guidelines for Credit Information Reporting by Financial Institutions" of the Joint Credit Information Center (JCIC), which defines green loan, social loan, and sustainability-linked loan. Each case discloses in the credit review report relevant information such as green loan, social loan, sustainability-linked loan, ESG ratings, corporate carbon emissions and carbon intensity, and the amount of carbon emissions avoided by renewable energy project financing. If the counterparties or group members are involved in high carbon-emitting industries, have been involved in highly sensitive industries and climate change-related issues in the past three years, or have had negative incidents related to environmental protection, corporate social responsibility and corporate governance, the results should be listed in the "Sustainability Risk Assessment Checklist", and it should be explained whether there are plans for improvement or transition.
2. For the handling of project financing cases with high water consumption and high pollution industries reaching more than US$10 million, various feasibility analyses are required in the credit report, including analysis of technology, market, finance and environmental protection, and are listed on a case-by-case basis. Entry conditions are standardized to increase its operational responsibilities.
3. Post-loan management continuously monitors the dynamics of borrowers, reviewing whether borrowers fulfill their obligations in environmental protection, social responsibility, and corporate integrity. If there are related negative events, it should understand the borrower's improvement or transition plans, and continuously track and evaluate the extent of the impact and take appropriate response measures.
4. In principle, companies that do not comply with environmental protection standards, are involved in labor disputes or have corporate governance issues, and have no specific improvement plan will not undertake the contract. Those with significant influence on the operation and KGI Bank's creditor's rights will not increase the loan or withdraw the loan gradually, in order to assist and encourage the enterprise to strengthen the implementation of environmental protection and fulfill its corporate social responsibility.

Due to issues such as climate change, resource sustainability, health and environmental safety, “banks” have the responsibility to understand the sustainability of products and services, create transparent and fair sustainable value for customers, shareholders, investors and society, and then build “Responsible Finance” model. The Responsible Banking Principles provide a coherent framework for integrating elements of sustainable development at the business level, helping us to make a positive contribution to a sustainable society, in support of the UN 2030 Sustainable Development Goals (SDGs) and the Paris Agreement goals. In fact, KGI Financial has implemented many actions in response to the consistency of PRB.

3.2.2 Implementation and Promotion of Responsible Bank

Introduce International Investment and Financing Carbon Emission Calculation Methodology to Encourage Low-Carbon Transformation of Corporate Clients

KGI Group actively implements international investment and financing carbon emission management standards. It utilizes the Partnership for Carbon Accounting Financials (PCAF) methodology and database to align with global financial industry climate risk management standards. The Group conducts assessments and disclosures of carbon emissions from its investment and financing portfolios while encouraging corporate clients to reduce their operational carbon footprint. The aim is to progressively decrease carbon emissions associated with investment and financing each year, thereby contributing to the sustainable development of Taiwan.

Green Loan

Support the Development of Green Industries and Actively Participate in Renewable Energy Financing

KGI Bank leverages its financial influence to support energy transition through its lending business, including energy efficiency, energy generation, energy storage, and smart system integration, responds to the government's promotion of energy independence and promotes the development of emerging green energy industries, promotes the research and development of green energy technology industries, and assists solar energy. The upgrade of green energy industries such as photovoltaics, wind power generation, fishery and electricity symbiosis, and water resource recycling will create green employment opportunities for local areas.

In recent years, KGI Bank has participated in landmark large-scale renewable energy plant financing projects and has actively supported the investment in pollution prevention, green building, and other green credit-related financing. The total amount of green loan is expected to continue growing year by year in the future. According to statistics from the Joint Credit Information Center(JCIC) regarding green credit categories, KGI Bank’s green loan amount reached NT$38.163 billion in 2025, representing an increase of over 28.6% compared to NT$29.67 billion at the end of 2024. In line with the government's 2025 target of achieving 20% of total installed capacity from renewable energy, KGI Bank is actively financing annual projects related to solar power and offshore wind power generation. As of the end of 2025, KGI Bank's financing for renewable energy reached NT$26.371 billion, reflecting an increase of over 23.9% compared to NT$21.284 billion at the end of 2024. In addition to financing renewable energy projects that meet the criteria for green credit, KGI Bank supports a diverse range of green credit categories, including energy conservation, sustainable water resources, and wastewater treatment, among a total of six categories.

Historical Green Loan Amounts

Unit: NT$ Million

	2022	2023	2024	2025
Green Loan Balance (JCIC)	16,060	17,073	29,670	38,163

Category and Amounts of Green Loan in 2025

Unit: NT$ Million

Category	Renewable Energy	Energy Conservation	Water Conservation and Wastewater Management	Products, Production Technologies, or Processes with Ecological Benefits and Circular Economy Adaptation	Green Buildings	Others
Green Loan Amount	26,371	5,580	2,093	729	2,470	920

Renewable Energy Financing Amount for Indicative Projects

Project Name	Estimated Device Capacity	Expected Annual Carbon Reductions (thousand tons)	Credit Balance in 2025
Jhih-Guang Energy	85	58	NT $4,561 Million
Hai Long Offshore Wind	1,044	2,080	
Fengmiao Offshore Wind Power	495	1,110	
Greater Changhua Offshore Wind Farm SW	632	1,430	
Total	2,256	4,678	

Note 1: The carbon emission coefficient for power is calculated according to the carbon emission coefficient for power in Taiwan in 2024 (0.474 kg CO_2e/kWh) announced by the Bureau of Energy of Ministry of Economic Affairs.
Note 2: In 2025, the credit balance included three new wind power projects: Greater Changhua Southwest, Hai Long, and Fengmiao. For solar power generation, Jhih-Guang Energy is an existing project that refinanced existing debt.

Sustainability-Linked Loan

KGI Bank actively promotes Sustainability-Linked Loan. As of December 2025, the outstanding balance reached approximately NT$24.03 billion, representing a growth of 22.8% compared to the end of 2024. This has further encouraged clients to proactively reduce carbon emissions. Representative cases include the following:

Jointly Sponsored by Financial Institutions	Credit Facility Counterparty	Total Loan Amount	Sustainability Performance Indicators	Tenor
KGI, Chinatrust, E.SUN, SinoPac, Taishin	LCY Chemical Corp.	NT$28 billion	· Reduction in greenhouse gas (GHG) emissions · Reduction in emissions of volatile organic compounds (VOCs) · Reduction in energy consumption per unit of product	5 year term

Social Loan

To align with international sustainability trends and implement pre-lending review and assessment, KGI Bank does not provide financing to contentious cases involving violations of human rights, labor rights, and related issues. We provide financing support and preferential terms to borrowers with strong social responsibility performance, such as those providing clean energy, constructing social housing or long-term care institutions, and cooperating with government policies to enhance social benefits. As of the end of December 2025, the balance of social load reached NT$22.19 billion, fully supporting society's transition toward sustainability through tangible financial influence.

3.3 Sustainable Products and Financial Inclusion

3.3.1 Sustainable Products

ESG/Sustainable Investment Products for Asset Managers

KGI SITE and CDIB Capital voluntarily adhere to the United Nations Principles for Responsible Investment (UN PRI) and have signed the Stewardship Principles for Institutional Investors. They follow six key principles by integrating ESG management processes into investment decisions, ensuring responsible stewardship. ESG considerations are embedded in investment analysis and decision-making, amplifying the impact of sustainable finance. Through concrete actions, they assist companies in addressing ESG-related issues while fulfilling their fiduciary duty as asset managers. By investing in businesses that positively contribute to environmental and social sustainability, they aim to balance total investment returns with sustainability goals, establishing themselves as a trusted asset management firm.

Unit: NT$ million

Product Category	Description	Monetary Value (AUM) FY 2025
ESG Integration	KGI SITE integrates MSCI ESG rating database insights into its financial analysis, establishing an ESG risk assessment framework for investable targets. Companies with high ESG risks and insufficient improvement efforts are excluded from the investment scope. Additionally, a mechanism is in place for regular reviews of ESG risks in held assets, with annual assessments tracking changes in ESG risk levels from the previous year and ongoing monitoring of high-risk holdings. In addition, the company also conducts regular reviews of the overall ESG risk distribution of the fund. At the same time, a negative screening list is also established, covering ESG controversies (controversy scores), land use and biodiversity, energy and climate change, water stress, waste management/toxic substance release, and corporate governance. Investment managers apply controls during the investment process to mitigate ESG risks. After KGI SITE makes an investment, the research team conducts regular reviews of ESG investment performance. If the ESG rating of an investee deteriorates or declines, engagement actions are initiated. The research team then performs further analysis to assess whether these changes impact subsequent investment decisions.	18,446

(Continue)

Unit: NT$ million

Product Category	Description	Monetary Value (AUM) FY 2025
Best in Class	In August 2020, KGI SITE launched its first non-investment grade bond fund incorporating ESG sustainable investment principles. The fund places sustainable investment at its core, systematically integrating the three ESG dimensions—Environmental protection (E), Social responsibility (S), and Corporate governance (G), into its investment process and decision-making. The total investment in global non-investment grade bonds aligned with ESG principles must constitute at least 60% of the fund's net asset value. Non-investment grade bonds incorporating ESG investment principles are evaluated based on the J.P. Morgan ESG Global Fixed Income Indices, which assess whether the issuers or guarantors (including their parent companies) of fund investment targets align with ESG investment concepts. Additionally, for overseas fund investment advisory, advisors utilize an internal ESG scoring model along with external quantitative data from sources including but not limited to MSCI, Sustainalytics, VigeoEiris, Trucost, ISS, CDP, Bloomberg, the World Bank, the United Nations, and certain non-governmental organizations. This data is used to evaluate issuers' performance in environmental protection, social responsibility, and corporate governance, assigning ESG scores accordingly. This assessment has increased the proportion of companies within the investment portfolio that exhibit exceptional ESG performance or contribute positively to the environment and society. In May 2021, KGI SITE launched the 15+ Year USD BBB ESG Sustainable Corporate Bond ETF, designed to track the Bloomberg MSCI US Corporate BBB Senior SRI Sustainable BB+ 15+ ex China 15% Sector Capped Index. The index incorporates MSCI ESG ratings, integrating ESG-related factors into its evaluation methodology. It also applies negative industry screening, ensuring investments focus on bonds issued by companies that uphold social responsibility.	1,563
Thematic Investments	Given the ongoing global trend of population aging and the increasing number of people with chronic diseases, KGI SITE has launched the KGI Hospital and Long-term Care Industry Fund. KGI SITE focuses on the hospital and long-term care sectors. The hospital-related industries include medical institutions, diagnostic and therapeutic instruments, medical devices and consumables, as well as financial and information management platforms. On the other hand, the long-term care sector encompasses long-term care institutions, services, and support. This investment strategy aims to capture opportunities in life and health-related industries, transforming them into future wealth growth momentum while fostering the development of these sectors and enhancing the quality of elderly care and medical service. As of the end of 2025, the KGI Hospital and Long-term Care Industry Fund has reached a size of NT$325 million. In September 2021, the Emerging Market ESG Sustainable Bond Fund was established. This fund focuses on investing in bonds aligned with the themes of ESG and sustainable development, aiming to balance total investment returns with environmental and social sustainability goals by supporting companies that positively impact sustainability efforts. In the investment process, issuers whose credit characteristics do not align with sustainable operations are first excluded. Then, bonds that embody ESG and sustainable development themes are selected based on the fund's investment strategy. A further screening process, including ESG analysis, is conducted to ensure that the final portfolio aligns with the fund's ESG and sustainable development objectives. CDIB Capital has established a Responsible Investment Policy to implement the UN SDGs, integrating ESG considerations as key factors in investment evaluation and management. Regarding the management of current assets, as of the end of 2025, the fair value of total AUM is approximately NT$61.8 billion. Among these, ESG-themed asset management businesses include: advantage funds supporting intelligent technology or environmentally innovative industries (AUM NT$2.6 billion), Kai-Hong Energy Co., Ltd. primarily investing in solar and wind energy in the field of renewable energy (AUM NT$5.8 billion), the Green Growth and Net-Zero Industry Investment Plan (AUM: NT$600 million) aims to accelerate the achievement of green growth and the 2050 net-zero transition goals, biomedical funds addressing aging population issues (AUM NT$6.9 billion), cultural and creative value funds supporting the development of cultural and creative industries (AUM NT$300 million), innovation acceleration funds supporting innovative industry development (AUM NT$3.6 billion). These total approximately NT$19.8 billion, accounting for about 32% of CDIB Capital's overall AUM. For further details, please refer to Section → 3.1.3 Responsible Investment Performance.	21,388
Others	Passive investment management follows a strategy of fully replicating or tracking index constituents (stocks/bonds) as the fund's investment approach. Adjustments to the portfolio are made only when index constituents change. As a result, fund managers cannot actively select investable targets due to the constraints of the investment strategy. Instead, alternative screening methods are used to incorporate countries with significant political and economic governance risks into the investment oversight framework.	286,919
	Total investing AUM	375,869
	Total sustainable investing AUM	328,316
	Percentage of total sustainable value out of total	87.3%

ESG Fund Products in Wealth Management

KGI Bank and KGI Securities create positive sustainable influence through financial services and actively develop and introduce third-party sustainable investment products. In 2025, the total monetary value (AUC) of ESG fund products was NT$1.49 billion, accounting for 2.25% of the total investing AUC. Among these, "ESG Integration," "Best In Class Investment," "Thematic Investment," and "Impact Investment" categories accounted for approximately NT$1.12 billion, NT$120 million, NT$10 million, and NT$110 million, respectively. Moving forward, the companies will continue to develop ESG/sustainable investment products to exert sustainable finance influence.

Unit: NT$ million

Sustainable Investment Product Category Note	Description	Monetary Value (AUC) FY 2025
ESG Integration	Incorporating ESG factors into the investment process for consideration.	1,120
Best in Class	Companies with ESG performance outperforming their peers.	120
Thematic Investments	Focusing on specific sustainability issues, such as renewable energy and climate change, as the target topics.	10
Impact Investment	Investments with a positive influence on the environment or society.	110
Others	ESG fund investment strategies encompass negative exclusion screening, international norms, etc.	130
	Total Investing AUC	66,170
	Total Sustainable Investing AUC	1,490
	Percentage of Total Sustainable Value Out of Total	2.25%

Note: Depending on the business differences, KGI Bank classifies its sustainable investment products based on the "investment strategy" types of each fund listed in the ESG Fund section of the Taiwan Depository & Clearing Corporation (TDCC) "Fund Information Observatory." KGI Securities follows the relevant regulations of the Securities Investment Trust and Consulting Association (SITCA) and, in accordance with SITCA's ESG main standard, the "classification of investment strategy types," classified them by referring to the sustainable investment methods defined by the Global Sustainable Investment Alliance (GSIA).

Guiding Corporate Organizations with Support for ESG Issues: Green Deposits

KGI Bank continues to promote its Green Deposit Program, ensuring that all deposited funds are allocated to green financing or related loan demands within the program's scope. This initiative directs corporate capital toward sustainable development efforts. Since its inception, the scale of green deposits has continued to grow, accumulating a total of NT$43.9 billion.

Financial Advisory Services

In order to implement the UN "SDGs," principles of responsible investment and sustainable development goals, promote the balance of environment, society and corporate governance, and develop the mitigation and adaptation measures related to climate risks, KGI Securities has formulated the "Responsible Investment Policy" approved by the Board of Directors in compliance with the "Stewardship Principles" of Taiwan Stock Exchange , as a promotion and guidelines for the implementation of responsible investment. KGI Securities engage in the issuance of stocks, bonds and investment of other negotiable stocks, takes consideration of ESG and other sustainable management factors in the evaluation of investment targets, investment decision-making and investment management, in addition to fulfilling the governance actions, and thereby to enhance investment value, and continue to use the professional guidance of securities underwriters to assist companies in issuing green bonds, assisting green corporate financing and provision of related services to companies developing green industries.

Sustainable Bond Underwriting

According to the provisions outlined in Taipei Exchange Operation Directions for Sustainable Bonds, the scopes for sustainable bonds include the green bonds, social bonds and sustainability bonds accredited by Taiwan Exchange. KGI Securities acted as the underwriter (as well as financial advisor) for a total of 19 sustainable bonds in 2025, including 14 green bonds, 1 social bond, 4 sustainability bonds, with a total of NT$17.097 billion.

Sustainable Equity Underwriting

KGI Securities independently identifies companies whose business philosophies align with energy conservation and carbon reduction, energy and water resource management, recycling and reuse, green processes and product innovation, and environmental certifications. These companies also actively align with the Sustainable Development Goals (SDGs) to reduce environmental impact while taking into account employees, society, and sustainable governance. Such criteria are used as KGI Securities' disclosure standards for sustainable equity underwriting projects, financial advisory, and consulting service engagements. In 2025, KGI Securities executed a total of 18 sustainable equity underwriting cases, accounting for approximately 50% of all equity underwriting cases for the year. The aggregate underwriting value of these sustainable equity transactions amounted to NT$15.564 billion, accounting for approximately 59% of the total equity underwriting volume in 2025.

3.3.2 Financial Inclusion

Implementer of Financial Inclusion

In order to promote social inclusion and provide more resources for financially disadvantaged groups, KGI Bank responds to Taiwan government policies on financial inclusion through continuous communication with FSC and the Life Insurance Association over issues related to financial inclusion, in addition to setting up a Treat Customer Fairly Committee for compiling the measures related to fair treatment of customers and reporting to the Board of Directors for review. Client Relations WG has been established in the Sustainability and Ethical Management Committee, led by the Personal Finance Division, with the Consumer Finance Division, Payment Finance Division, and Fintech Division serving as dedicated units. Together, they use digital technology to create inclusive financial products and services to assist non-fixed-salaried people, small shop owners or young people who were not easily able to enjoy banking services in the past, and can gradually build credit, to successfully obtain reasonably priced funds from the banking system, and thereby to create the possibility of a diverse life and stabilize family happiness. Looking ahead to 2026, KGI Bank expects the number of approved loans for the inclusive finance customer segment to reach 2,000, supporting customers in unlocking diverse life opportunities and promoting family stability and well-being.

Loan Program	Target Group	Accounts Number / Balance	2022	2023	2024	2025
Taxi Driver Loan	Taxi Driver	Accounts number	1,615	1,614	1,617	1,591
		Balance (NT$)	179,994,936	215,344,084	231,610,556	246,642,285
"Giving You a Hand" Small-Amount Revolving Personal Loan	Socially vulnerable groups (e.g., low-income households)	Accounts number	1,307	1,299	1,238	1,168
		Balance (NT$)	46,912,053	59,124,849	64,643,260	59,388,142
E-Commerce Seller Quick Repayment Loan	E-commerce seller	Accounts number	738	897	989	983
		Balance (NT$)	57,770,271	83,197,130	109,497,727	118,035,826
Delivery Person Quick Repayment Loan	Delivery person	Accounts number	1,174	1,827	2,217	2,270
		Balance (NT$)	54,628,701	109,974,336	165,961,306	191,975,305

Note: Figures represent approved accounts and outstanding loan balances at year-end.

Taxi Driver Loan

Because taxi drivers cannot provide proof of fixed income, it is difficult to obtain traditional financial services. If there is a need for capital turnover, they often can only resort to underground financing channels. Based on the concept of practicing financial inclusion, KGI Bank has joined hands with the leading Taiwanese taxi fleet in the domestic transportation industry since July 2017 to proactively provide micro-credit services for taxi drivers, solving the problem of unstable income due to occupational characteristics of drivers in the past and unable to provide bank credit information or provide salary slips and other relevant financial proof, resulting in the inability to contact the bank and establish credit records and other issues. Using the big data database of the Taiwan Convoy, the "taxi driver credit scoring model" is customized, and the data such as driver service evaluation, award record, passenger load and other data are included in the credit score. Drivers can score well because of passenger service evaluation, receive credit points for high passenger numbers. In 2025, there were 299 applicants, and among which, 98 applications were successful, representing a success rate of 33%. As of the end of 2025, a total of 1,591 cases had been approved, with a cumulative loan disbursement balance of NT$246,642,285.

"Giving You a Hand" Revolving Personal Loan Promotion Project

To support young people to start their own businesses and develop their talents, KGI Bank has launched the "Giving You a Hand" Revolving Personal Loan project since 2018, targeting those with vocational certificates, disadvantaged low-income households, or plan proponents of crowd-funding platforms, to provide loan preferential projects to assist its stable career development and solve its operational turnover problems. The "Giving You a Hand" Revolving Personal Loan Project offers lower interest rates than secured mortgages, encouraging young people and new entrepreneurs to obtain capital through legal financial channels. In 2020, we launched the COVID-19 Epidemic Prevention Discount Project to help those holding technical and vocational certificates affected by the pandemic to obtain funds through fast application processes and preferential prices. In 2025, there were 41 applicants, and among which, 16 applications were successful, representing a success rate of 39%. As of the end of 2025, a total of 1,168 cases had been approved, with a cumulative loan disbursement balance of NT$59,388,142.

E-Commerce Seller Loan

KGI Bank, in cooperation with Open Air Auction and PChome Pay, launched the "Big Data Loan for Open Air Auction Seller", which uses API (application programming interface) technology to simplify the application and review process of e-commerce sellers. Basic information and payment records shorten the time for sellers to fill in the application materials, and can apply online. After the application, funds can be allocated to sellers within one day, allowing sellers to immediately use funds to prepare payment for goods and expand the scale of operations, solving the problem that e-commerce sellers cannot provide traditional financial resources. This project won the 2021 Digital Times "Bronze Award for Best Product Innovation" and the "Digital Inclusion Award" of the Business Times Digital Finance Awards, which is the best recognition of KGI's commitment to the practice of financial inclusion. In 2025, there were 527 applicants, and among which, 64 applications were successful, representing a success rate of 12%. As of the end of 2025, a total of 983 cases had been approved, with a cumulative loan disbursement balance of NT$118,035,826.

Delivery Person Loan

During the period of epidemic alert in 2021, the demand for delivery services has greatly increased, attracting many fulltime or part-time people to enter the delivery service industry. However, when funds are often needed, it is difficult to obtain loans from banks because there is no proof of income. Therefore, KGI Bank launched the "Quick Repayment for Delivery Personnel" project, which allows screenshots of delivery remuneration to replace traditional financial documents and helps delivery partners obtain preferential loans by applying for small loans online. In 2025, there were 768 applicants, and among which, 201 applications were successful, representing a success rate of 26%. As of the end of 2025, a total of 2,270 cases had been approved, with a cumulative loan disbursement balance of NT$191,975,305.

"Quick Repayment" Limited Amount Loan

In recent years, the low starting salary environment in Taiwan has made it inevitable for young people to encounter insufficient cash flow even if they are active. Therefore, the age group of customers who need micro-credit loans mainly falls between 25-39 years old. The biggest difference between KGI Bank's "Quick Repayment" compared with other general credit services on the market is that it can be repaid at any time, and the interest is calculated on a daily basis when it is used, and there is no penalty for early repayment. The loan receivers can repay at any time after they receive salary early next month. The project is aimed to support young people to immediately relieve short-term capital needs, and the interest rate is relatively economical. In 2025, there were 7,239 applications, with 2,775 successfully processed, resulting in a success rate of 38%. As of the end of 2025, a total of 8,577 cases had been approved, with a cumulative loan disbursement balance of NT$472,122,093.

Product Name		2022	2023	2024	2025
"Quick Repayment" Limited Amount Loan	Accounts Number	7,536	8,068	7,508	8,577
	Balance (NT$)	231,270,911	335,603,203	406,823,254	472,122,093

Note: Figures represent approved accounts and outstanding loan balances at year-end.

Loans to Start-ups in Key Industries and Micro-Business

To promote the stable development of the domestic economy, KGI Bank cooperates with government policies to provide loans for key start-up industries and loans for micro-enterprises. KGI Bank is committed to fostering the development of start-ups in key industries. In conjunction with government resources, KGI Bank has continued to target start-ups in green energy, Asia Silicon Valley, biomedicine, national defense, intelligent machinery, new agriculture, and circular economy sectors to provide a full range of financial services, and has assisted them in innovating by undergoing industrial transformation through the Small & Medium Enterprise Credit Guarantee Fund of Taiwan. For micro- businesses with smaller revenue, KGI Bank screens target customers systematically and grants micro loans quickly based on their credit ratings and standard operating procedures.

Unit: NT$ Million

Product Name		2022	2023	2024	2025
Small and Micro Business Financing Note	Balance	1,772	1,640	2,158	2,091
	Accounts Number	806	573	432	438

Note: "Small and Micro Business " are defined as enterprises whose annual revenue has not exceeded NT$300 million in the most recent two years.

In 2021, the Executive Yuan approved the "Core Strategic Industries Promotion Program" as a bridge solution for "Startup Key Industries Loan Program." The program was implemented starting in April 2022, focusing on six core strategies including information and digital, cybersecurity, precision health, green and renewable energy, national defense and strategic. KGI Bank expects to support social inclusion and sustainable development in more extensive industries and will continue to cooperate with government policies to provide professional financial services and act as the pushing hand for industry upgrade.

Charitable Trust Product

KGI Bank actively uses professional financial tools as the support for social welfare organizations. As of 2025, KGI Bank has been entrusted to manage 6 public welfare trust funds with a total management amount of more than NT$25.21 million. We aim to help individuals or legal persons implement their social welfare goals, and assist in social welfare affairs and account management.

Online Medical Payment Facilitates the Popularization of Telemedicine

KGI Bank continues to promote financial inclusion through innovative service models by integrating its core capability of “KGI inside” into KGI Medical Payment and connecting it with the Taiwan Primary Clinic Telemedicine System (health-online). After completing online consultations, patients can directly pay medical fees online via credit card, effectively resolving the payment gap in telemedicine services. This creates a seamless and convenient payment scenario that supports the expansion of telemedicine and helps residents in remote areas or those with limited access to medical care receive more timely and convenient healthcare services. In 2025, KGI Bank further extended digital payment applications into the long-term care sector, enabling family members to complete care-related payments online in real time. This reduces complex procedures and time costs while enhancing the convenience and security of fund management. Beyond improving payment accessibility in both the healthcare and long-term care sectors, the service also helps families allocate care-related expenses more effectively through flexible and trusted financial tools. By leveraging financial innovation to advance inclusive finance, KGI Bank enhances social well-being and translates its corporate social responsibility into concrete actions, continuing to contribute to a more sustainable future.

Payroll Transfer Service for Non-profit Organizations

In order to fulfill the responsibilities of financial institutions in assisting social services, KGI Bank has launched integrated service solutions such as dedicated salary transfers, demand deposits, and donation platforms for schools and foundations. In addition to assisting non-profit organizations in serving the public, KGI Bank has also increased the opportunities for non-profit organizations to increase their income.

Product Name	Project Content	Service Results in 2025
Campus Payroll Transfer Service Project	· Provide faculty and staff with better than market salary transfer conditions, such as free number of transfers, demand deposit interest rates…etc. · Simplify the collection and payment process of tuition and miscellaneous fees. Assist schools in printing payment slips, convenience store payment processing fee exemptions, and a credit card payment platform for tuition and miscellaneous fees. · Provide flexible and attractive high-interest demand deposit accounts for corporate clients, effectively enhancing schools’ overall income.	Serving 7 schools, 58 kindergartens, and 85 infant care centers.
Foundation Payroll Transfer Service Project	· Provide employees with better than market salary transfer conditions, such as free number of transfers, demand deposit interest rates…etc. · Reduce the fee expenses of the foundation, provide a collection and payment platform, and only charge a fixed fee (minimum NT$6) for each donation, which is better than the original 2% fee incurred on the donation amount. · Provide flexible and attractive high-interest demand deposit accounts for corporate clients, effectively enhancing foundations’ overall income.	Serving 16 foundations

Support the Cultural and Creative Industries

Continue to cooperate with government policies to promote the development of cultural and creative industries and build a social environment with rich cultural and creative connotations. KGI Bank combines government resources with the assistance of the SME Credit Guarantee Fund to provide various financing services for the cultural and creative industries to meet the funds needed by corporate clients at various stages of development.

Product Name		2022	2023	2024	2025
Cultural and Creative Industry Loan	Balance (NT$ million)	5,572	5,446	2,673	7,684
	No. of Cases	194	189	131	106

Micro Insurance

KGI Life In 2025 continued to advance financial inclusion through tripartite partnerships with six local governments—Kaohsiung City, Tainan City, Yunlin County, Yilan County, Hualien County, and Taitung County—and social welfare organizations. Through these collaborations, microinsurance premium income reached 20.59 million TWD. Based on the annual targets approved by the competent authority, the achievement rate reached 215%, ranking first in the industry. Approximately 100,000 individuals benefited from the microinsurance programs, including low-income and middle-to-low-income households, individuals with mild to moderate disabilities (inclusive), and seniors or their family members receiving middle-to-low-income living allowances in accordance with the Senior Citizens Welfare Act. These initiatives enable economically and socially vulnerable groups to access essential insurance protection, strengthening social safety nets and promoting inclusive financial protection. In addition, KGI Life Insurance actively collaborates with banking partners, government agencies, and civil society organizations to further extend microinsurance services to underserved communities, ensuring that financial protection reaches those most in need.

Indicator	Number of Beneficiaries	Target Achievement Rate	Premium Revenue	Number of Policies
2025 Microinsurance Promotion Status	99,127 people	215%	NT$20.59 million	433

3.4 Customer Experience

KGI Financial Holding Group has established a Client Relations WG at the group level to centrally coordinate and promote action plans for customer rights protection and customer relationship management. The action plans of each major operating subsidiary focus on the following areas:

1. Leveraging digital technologies to enhance service convenience and security, while continuously optimizing the overall customer experience.
2. Strengthening service quality and complaint management mechanisms by establishing clear processes for complaint handling, response timelines, and continuous improvement loops.
3. Building and operating customer feedback and continuous improvement processes to incorporate customer insights into operational procedures, systems, and training programs.
4. Enhancing the accessibility and inclusiveness of financial services, with particular attention to the needs of the elderly, persons with disabilities, and other vulnerable groups.

Through these action plans, the Group ensures consistent implementation of customer rights protection measures and continuously strengthens customer relationships and service experiences.

3.4.1 Digital Finance

Digital Finance Strategy

KGI Financial Holding adopts the “ONE KGI” strategy as its core, deeply integrating digital resources across subsidiaries to build a seamless and efficient digital financial ecosystem. Through innovative technologies, we enhance customer satisfaction and transform digital transformation into a driver of sustainability. This not only strengthens our market competitiveness but also advances our vision of low-carbon operations and financial inclusion.

KGI Bank implements the “KGI inside” strategy by leveraging its capabilities in the fragmentation, modularization, and APIization of financial services. This approach establishes an innovative collaboration model between FinTech companies and banks. As the first in the financial industry to adopt an open banking concept, KGI Bank provides plug-and-play financial service components (Open APIs) to realize embedded finance across various scenarios.

In recent years, the “KGI inside” strategy has been applied to services such as social housing rent payments and the “Express Donation” platform. KGI pioneered the use of credit cards for rent payments, improving convenience for socially vulnerable groups (e.g., low-income households). In addition, the zero-cost, easily integrated API modules enable small and medium-sized social welfare organizations to establish donation channels, supporting groups with relatively limited social resources in effectively utilizing financial tools.

To further implement the “ONE KGI” strategy, KGI Securities and KGI Bank have collaborated to optimize the online account opening process. Through integrated data connectivity, customers can complete account binding for both banking and securities services by filling out their information only once, facilitating two-way customer acquisition. Furthermore, both entities jointly launched the “Quick e-Subscription” service, enabling investors to quickly secure funding for equity subscriptions. From stock subscription to financing, customers can complete cross-system operations with a single click, thereby enhancing participation opportunities for retail investors in stock lottery mechanisms.

To provide real-time visibility into asset allocation, KGI Bank customers can view their stock holdings and market value purchased through KGI Securities via the mobile banking app without logging into a separate securities app. Customers without a KGI Securities account can also open one directly through the app, enabling a seamless investment journey. Likewise, KGI Securities customers can access their bank balances through the “e-Strategy” app, delivering uninterrupted financial management services. To further enhance customer experience and create a digital bridge between KGI Bank and KGI Securities, diverse account opening options are offered. KGI pioneered bi-directional digital identity verification between banking and securities services, leveraging group synergies. For new customers, a “three-in-one” account package (Taiwan equities, U.S. equities, and mutual funds), combined with sub-account functionality, allows users to complete the opening of Taiwan stock accounts, offshore brokerage accounts, and wealth management accounts without visiting a branch, significantly improving convenience and efficiency.

For customers who prefer settlement account deductions, a digital process enables the transfer of securities account data to the bank, allowing simultaneous opening of local and foreign currency digital accounts. Customers can complete the setup of Taiwan stock accounts, offshore brokerage accounts, and digital currency accounts with a single data entry. KGI Securities customers can also complete identity verification through a simplified process and use their securities holdings as proof of financial capacity when applying for credit cards, significantly reducing online application steps and creating an integrated financial experience.

In addition, insurance policy summaries and details for KGI Life policies purchased through KGI Bank are integrated into the asset overview within the KGI mobile banking app, providing customers with a more comprehensive and holistic view of their financial planning.

KGI Life has also partnered with KGI Bank to launch an "Electronic Authorization for Premium Payment Deduction" service. Through the online banking verification mechanism, customers can complete the authorization for insurance premium deductions without the need for physical seals or signatures, and receive real-time authorization results, delivering a convenient and efficient digital financial experience.

KGI Securities actively leverages widely used social media platforms such as LINE and Facebook to enhance customer engagement and provide more accessible financial services, thereby promoting financial inclusion. It has introduced digital service modules such as "Digital Business Card" and "My Account Manager," and is the first securities firm to collaborate with LINE to launch a LINE MINI APP. This enables users to conveniently access personalized information and professional market insights directly through LINE, reducing fraud risks and enhancing the accessibility of financial information.

In addition, KGI Securities' AI-powered chatbot utilizes multi-turn conversational capabilities and sentiment detection mechanisms to promptly respond to customer inquiries regarding products and services. In 2025, it attracted approximately 147,100 users and handled a total of 227,800 inquiries.

KGIF Group's Digital Finance Achievements

Big Data Analysis/Digital Services

Subsidiary	Products / Services	Contents
KGI Life	Sales representative AI assistant 'Alfred'	· AI assistant for sales agents – "A-Fu": "A-Fu" is an AI-powered assistant tailored by KGI Life for its sales agents, enabling them to access essential information for policy services in real time, including product details, survey forms, and a wide range of FAQs. Through API integration with internal systems, it also connects to agent tools such as underwriting and claims status inquiries, greeting card generation, and document reissuance, thereby providing comprehensive sales support. In addition, A-Fu is designed based on real-world service scenarios, with a focus on proactive engagement. By combining human care with digital services, it assists agents in serving socially vulnerable groups and digitally disadvantaged customers, supporting them in completing digital insurance services and advancing a customer-centric financial inclusion approach. · Customer-facing AI assistant – "KGI A-Fu": In 2025, KGI Life officially launched its customer-facing AI chatbot, "KGI A-Fu," to establish an accessible and efficient communication channel. The service integrates over 100 FAQ knowledge items, real-time self-service inquiries, and redirect services, guiding policyholders to quickly obtain the information and services they need. Within three months of launch, "KGI A-Fu" served more than 25,000 users and resolved over 64,000 inquiries, demonstrating strong digital scalability, service efficiency, and quality. Through an AI-driven real-time response system, customer waiting time is significantly reduced, while continuous data feedback is leveraged to further enhance user experience.
	Big data analytics	· Comprehensive customer 360° view: By integrating internal and external data, the Company establishes a comprehensive 360-degree customer view, breaking down data silos. Leveraging AI models for in-depth data mining, we accurately identify customer preferences, potential needs, and risk profiles. This enables a shift in service model from product-centric to customer-centric, allowing us to anticipate customer needs and proactively deliver personalized solutions, thereby advancing digital transformation and enhancing overall customer experience excellence. · Target customer lists for protection-oriented products: Through big data analytics and machine learning models, the Company identifies target customer segments for protection-oriented products, enabling sales agents to prioritize outreach activities effectively. These initiatives have been implemented particularly for health, medical, and long-term protection products, supporting more precise and efficient customer engagement strategies
KGI Life	AI-assisted voice narration for elderly customers	· In response to regulatory initiatives on financial inclusion and to further implement the principle of fair customer treatment, KGI Life has piloted an AI-assisted voice recording support system for elderly customers. This initiative addresses key pain points faced by senior customers during the insurance application process. By leveraging digital technology, the system aims to reduce information asymmetry in financial services and alleviate communication barriers arising from sensory changes or the digital divide, thereby ensuring the accuracy and transparency of information disclosure. · The system connects to a standardized voice recording template platform, where system-generated narration replaces traditional verbal explanations by sales agents. This effectively mitigates issues such as inconsistent speaking speed, verbal errors, and misinterpretation of technical terms. Through a human-machine collaboration model, sales agents are able to focus more on emotional support and in-depth consultation for elderly customers, embodying a human-centered digital transformation and enhancing service satisfaction among senior customers. - **Operational efficiency improved:** Recording duration per case has been reduced to approximately 7 minutes, while preparation time for digital applications has decreased by 80%. - **Enhanced quality control:** Under system guidance, the success rate of recording reviews increased significantly from 62% to 84%. - **High adoption among elderly customers:** The service achieved a usage rate of 66% among senior customers.
KGI Bank	Big Data Analytics	· In cooperation with Open Air Auction and PChome Pay, the "Big Data Loan for Open Air Auction Seller" was launched, using commonly developed credit rating and other data modules to provide sellers with exclusive solutions and optimization of the application procedures so to add more convenience to the procedures of online loan application. · In cooperation with C2C Shopee, the "Shopee Easy Loan" was launched to connect API with e-Commerce data so that the system will be linked to the sellers' data and orders, which will be determined as in conformity with standards, so that sellers with outstanding management can receive the "personal credit" bonus, thereby solving the disadvantages of traditional financial proof for loan application in the past. · The cooperation for launch of "Taxi Driver Loan" includes the number of passenger riders, mileage and other data; it is the first driver credit rating model in financial industry with practical cases. Currently the program is expanded to personal business and well-known taxi fleets for application, so that more people will benefit from the program.
	Donation platform	Provided more than 103 charitable groups with fundraising through the cooperation with KGI Inside's various scenarios at a lower handling cost, and launched a quick-connect API module suitable for small and medium-sized social welfare organizations with zero serial connection costs.
KGI Securities	Lower digital barriers, expand the service customer base	· Provide real-time US stock market quotes to enhance customer trading experience · launch a dividend hub and dividend reinvestment service, enabling customers to reinvest in the stock market with a single click. This allows retail investors to benefit from compound growth and enhances their wealth accumulation potential.

APP Upgrade

Subsidiary	Products / Services	Contents
KGI Life	KGI Life app	· KGI Life launched the **"KGI Life app"** in 2022, integrating policy services, notifications, health management, and exclusive benefits into a one-stop digital platform. The app enhances customer convenience through self-service functions and real-time policy management, supporting the integration of insurance services into daily life. · The app provides comprehensive online services, including policy inquiry and changes, premium payment, claims application and tracking, policy loans, and service reservations, enabling efficient and user-friendly digital interactions. · As of the end of 2025, the app recorded over 8 million user visits. Through cross-domain collaboration, it further integrates partner hospital services and health programs, extending coverage from insurance services to health and lifestyle management.
KGI Bank	Ongoing upgrades to mobile and online banking applications	· In 2025, a total of 132 new features and service enhancements were delivered for online banking, strengthening digital accessibility and customer experience. · Continuous upgrades to the mobile banking app improved service efficiency, with over 20% annual growth in active users and transactions, enhancing customer engagement and financial inclusion. · A pre-login preview function enables access to key information without login, supporting user-friendly design and improved service accessibility. · A large-value FX service allows transactions above NTD 500,000 to be completed fully online, enhancing digital convenience and reducing reliance on physical branches. · The introduction of Mobile Identity (MID) and advanced security mechanisms strengthens digital security, including fraud detection and prevention, ensuring a safer digital banking environment.
KGI Securities	Trading app services continue to upgrade	KGI Securities completed multiple app enhancements in 2025, including · The launch of features such as a dividend hub, dividend calculator, dividend inquiry, dividend reinvestment, and stock lending for subscription rights, improving customer experience and investment accessibility. · A keyword-based "feature search" function was introduced, allowing customers to quickly locate relevant services, enhancing user-friendly design and digital accessibility.

Diversified Products/services

Subsidiary	Products / Services	Contents
KGI Life	Digital insurance application support services	· Consent verification for insurance application: For products covering critical illnesses under National Health Insurance regulations, applicants are required to write "consent to apply" in the designated consent field. To address frequent input errors (e.g., signing a name instead), KGI Life developed an AI model trained on signature image data to detect and prompt corrections during mobile application. Launched in May 2025, the model achieves approximately 95% accuracy and has supported around 18,000 digital policy applications, enhancing digital accuracy, compliance, and customer experience. · Occupation code prediction support: To improve efficiency and accuracy in selecting occupation codes during the application process, KGI Life introduced an AI-assisted prediction model. Based on the customer's employer and job description, the system recommends the top five most relevant occupation codes, reducing manual search efforts and avoiding overly generalized classifications. Launched in November 2025 for paper-based processing systems, the model currently supports over 70% of cases with accurate predictions and will be further integrated into mobile application tools, enhancing operational efficiency and data-driven decision-making.
KGI Bank	Wealth management services	In 2025, the mobile banking app introduced multiple wealth management features, including large-value foreign exchange declarations (over NTD 500,000), Hong Kong stock trading, online applications for increasing transfer limits, bond redemption, personal trust account inquiries, and enhanced price alert notifications for foreign stock subscriptions/redemptions. These services improve digital accessibility and reduce reliance on physical branches.
	Providing 24/7 digital loan application services	· The Company continues to optimize and promote digital loan applications, including RPA-enabled automation for credit application intake and loan disbursement, enhancing operational efficiency and digitalization. · In 2025, online loan applications reached approximately 63,000 cases, with a digital application ratio of 99%, supporting digital accessibility and financial inclusion. · Total loan applications amounted to NTD 90.2 billion, with loan disbursements reaching NTD 22.1 billion, demonstrating strong scalable digital capabilities and data-driven financial services.
KGI Securities	Promotion of digital financial education platforms	The Company actively operates digital media channels, including **"KGI Go Go Rise"** and **"Finance Talk with Ya-Wen."** Subscriptions to "KGI Go Go Rise" increased from 33,200 in 2024 to 152,200 in 2025, representing growth of over 358%, while "Finance Talk with Ya-Wen" grew from 21,200 to 24,200, an increase of over 14%. Through professional and timely financial content, the Company enhances financial literacy and supports investor education.

3.4.2 Customer Privacy Rights and Protection

Privacy Protection

Privacy Protection Standards

To protect our customers' privacy, KGIF and its subsidiaries have regulations governing personal information protection in place, which expressly stipulate that personal information should be collected, processed, and used in accordance with laws and regulations and that all employees, partners, vendors, and Privacy Policy applies to the entire operations, including suppliers. We uphold a strict adherence to the protection of customers' privacy and personal data security.

KGI Bank has revised and issued updated internal regulations to strengthen its control procedures for the external transmission of personal and sensitive data. The Bank has also disclosed on its official website the → Client Data Protection and Confidentiality Statement, → Privacy Policy, and → Personal Data Notification Statement. KGI Securities has likewise revised its internal regulations to clearly specify the reporting procedures that branches must follow in the event of a suspected personal data security incident, and to ensure the completeness of internal handling and processing records. It has also disclosed on its official website the → Client Data Protection and Confidentiality Statement, → Privacy Policy, → Personal Data Notification Statement, and the → Statement of Use of Personal Information. KGI Life has also disclosed on its official website the → Privacy Statement, → Personal Data Management Policy Statement, and → Client Data Protection and Confidentiality Statement.

To enable stakeholders to understand how the Company, its subsidiaries, and third-party suppliers collect, process, use, and protect personal data, and to provide customers with smooth and effective communication channels, KGI Financial Holding has disclosed relevant information on its corporate website. This includes the → Personal Data Notification Statement, → Privacy Policy, → Client Data Protection and Confidentiality Statement, and the → Supplier Sustainability Responsibility Undertaking.

Privacy Protection and Risk Management Mechanism

KGIF attaches great importance to the customers' privacy and the personal data security. In order to effectively control the operation risks of the customers privacy protection and the personal data usage, the Group has set up a " → Personal Data Protection and Management Policy" (Approval by Board of Directors) as the group-wide privacy protection guidelines. The Company and subsidiaries have built a most appropriate privacy protection risk management mechanism and set up a personal data protection task force (the "Task Force"), responsible for evaluating and planning the personal data protection risk management structure and supervising related implementation to optimize the resources allocation required for privacy protection risk management, improve the operational efficiency of the management mechanism, and fully protect the rights and interests of customers. As the business unit of the Task Force, Compliance Dept. is responsible for convening and presiding over the Task Force meetings and synthesizing the matters that the Task Force takes charge of in the preceding paragraph. The members of the Task Force representing the departments are the contacts of the departments for matters in relation to personal data protection and management. In addition to raising concerns and proposing in the Task Force meetings, the members are responsible for following up the progress of personal data protection and management in the departments.

The company's Compliance Dept. has completed the Business Process Identification and Personal Data Inventory Operation and Risk Assessment Operation for the year 2025 in accordance with "Procedures for Security Plan for the Protection of Personal Data Files and Guidelines for is posing Personal Data Following Business Termination." Based on the inventory and assessment results, the company's management of personal data risks remains within an acceptable range, and appropriate protective measures have been implemented for higher-risk business processes. To further enhance personal data protection, the company will undertake appropriate risk management for business processes with a risk ranking of 5% or higher. After review, it has been confirmed that each department has completed the Personal Data Process Operation Risk Assessment Form as specified in the aforementioned guidelines. The "Task Force" has conducted a risk ranking and assessed the company's acceptable risks. Personnel from the business unit of the "Task Force" have prepared a Personal Data Management Risk Self-Assessment Report based on the assessment results, which was submitted for discussion and approved by the President and CEO in August 2025. The company is now effectively controlling the personal data management risks associated with the aforementioned business processes.

Privacy Protection Security Incident Handling and Audit Mechanism

The Company has announced the names and contact numbers of subsidiaries on the website that interactively use customer information, as well as a customer service hotline (02-2763-8800). If customers have concerns in privacy or other personal data rights, they can notify us at any time. The Company will assist in contacting subsidiaries that interactively use customer data for subsequent processing operations. The personnel of the Company and subsidiaries will immediately report to the "Task Force", designated person or department responsible for personal data protection. If they find a suspected personal data security incident, appropriate contingency measures will be taken immediately. The litigant will be notified with the fact of leaking the personal information and the corresponding measures and consultation service hotline taken by the Company. The "Task Force" shall also serve as the coordinating unit for handling customer complaints. If the personal data security incident constitutes a Serious Personal Data Security Incident, the receiving unit will also carry out notification procedures and initiate emergency response plans in accordance with the major incident response procedures.

After a personal data security incident has been resolved, the administrative unit of the Task Force may convene a post-incident review meeting to analyze the causes of the incident and develop corresponding corrective and preventive measures. Such measures shall be submitted for approval by the President before implementation, in order to prevent recurrence or mitigate potential future incidents. In the case of a significant personal data security incident, an impartial, independent, and duly certified expert will be engaged to conduct a comprehensive assessment and review, and to propose corrective and preventive measures.

- KGI Securities maintains multiple communication channels with stakeholders who may utilize the privacy protection complaint mechanism, including communications with competent authorities through designated company liaisons, customer feedback received via customer service platforms, and periodic exchanges with industry peers. External feedback collected through these channels is consolidated and incorporated into the design of privacy protection processes.
- KGI Life convenes regular meetings of its Personal Data Protection Management Committee to discuss feedback from stakeholders related to personal data protection, comments from competent authorities, and the outcomes of personal data complaint and grievance handling.

The Company's Privacy policy system embedded in group-wide risk/compliance management and incorporates the personal data management into its internal control and audit system. When conducting regular self-checks, all units strictly review their business handling situations involving the collection, processing and utilization of personal data. Regulations and external standards are implemented and checked. The Company adopts a zero-tolerance approach to violations: Employees violating these regulations will be punished as per "Employee Reward and Discipline Policy" and other relevant reward and punishment regulations. Regarding the Audit of privacy policy compliance, the Company incorporates personal data protection into the compliance self-evaluation, and conducts regular evaluations to ensure compliance with relevant laws and regulations.

Collection, Processing, or Utilization of Personal Data and Client Rights Exercise

1. Personal Data Collection

The personal data of clients obtained by the Group is because the clients are already existing clients of any subsidiary of China Development Financial. The provision of services is based on the client's consent or expressly agreed upon in various types of documents or contracts, in accordance with relevant laws and regulations, publicly available information, disclosed by government agencies, or legally provided by third parties.

2. Storage and Maintenance Methods of Personal Data

The Group will strictly conform with the principles of security and confidentiality to safeguard clients' personal data. As a general rule, the retention period for personal data shall be five years; however, where applicable laws or regulations provide otherwise, where the Company establishes a different retention period based on operational needs, or where a different period is agreed upon in individual contracts, such provisions shall prevail.

In addition to maintaining secure control equipment and mechanisms for clients' personal data, the Group also stores backup data at off-site locations so that, in the event of emergencies or disasters, complete client data can still be preserved and uninterrupted, high-quality services can continue to be provided.

3. Methods for Securing and Protecting Personal Data

After obtaining the clients' data, the Group will file and store them in the database in accordance with the relevant operation standards. The access and use of the database shall be managed by a designated person pursuant to its authority and function of business, and the firewalls have been set up to prevent the invasion of external messages and to control the transmission of internal messages in order to protect the clients' data from any unauthorized or illegal acquisition or any destruction.

4. Purposes of Personal Data Utilization

The Group only utilizes clients' personal data within the scope of specific purposes as permitted by laws or regulations or with clients' consent, and only discloses, refers to, or exchanges such data for the purposes of providing services, marketing (including cross-selling), entrusting a third party to handle business-related affairs, or complying with the requirements of the competent authority for supervision or management, as permitted by laws, regulations, or clients, in order to provide comprehensive and diversified financial products and services to clients. The Group shall conscientiously and carefully manage the personal data to ensure that it is well-protected.

5. Personal Data Disclosure

The clients' data will be used and disclosed in compliance with the "Financial Holding Company Act," "Regulations Governing The Cross-selling by and among Subsidiaries of Financial Holding Company," "Self-Disciplinary of Financial Holding Company and its Subsidiaries," and "Personal Data Protection Act" by the Group for the purpose of conducting cross-selling. Except as required by relevant laws, with clients' consent, or by parties commissioned by the Group to collect, use, and process the clients' data under the authority of and on behalf of the Group, the personal data will not be disclosed to any other third party.

6. Amendment, Correction, and Opt-Out of Personal Data

To assist the Group in maintaining the completeness and accuracy of clients' personal data, if any personal data requires amendment, clients may apply for changes directly at the business locations with which they have dealings, or request such changes through the Group's business personnel or customer service representatives. If a client no longer wishes to receive any financial, wealth management, or promotional communications from the Group, the client may notify the Group at any time. Upon such notification, the Group will cease sending relevant information and will discontinue the cross-utilization of the client's personal data within a reasonable period required for system processing and operations.

Privacy Protection Practices

1. Report to the Dedicated Unit →
- Notify the member of the "Task Force" of any suspected information security incidents for identification
- Confirm the incident and notify Compliance Dept.
- Convene the "Task Force" meeting to clarify the responsible unit

2. Take Response Measures →
- Take appropriate response measures according to the nature of the incident
- Retain the handling process and records
- Notify the person of the breach and response measures taken, along with providing a consulting hotline.

3. Review Incident Elimination →
- Report incident elimination and follow up the handling process
- Convene a review meeting as needed to analyze the cause of the incident and discuss relevant corrective and preventive measures Implement audit mechanisms

4. Implement Audit Mechanisms
- Incorporate personal information management into internal control and audit systems
- Regularly review business activities involving the collection, processing, and use of personal information
- Take disciplinary actions against employees violating these regulations as per "Employee Reward and Discipline Policy"

When collecting personal information, KGIF and subsidiaries inform customers of the following in accordance with the Personal Data Protection Act:

1. The purpose of the collection, processing, use, and international transmission of personal data.
2. Categories of the collected personal data.
3. Time period, territory, recipients, and methods of which the personal data is used.
4. According to Article 3 of the Personal Data Protection Act, the party involved has the right to request the following rights regarding their personal data held by this group, using the contact methods provided by the group (email: ir@kgi.com; phone: (02)2763-8800):

(1) Make an inquiry or request to review or obtain copies of personal data, for which KGIF may charge a fee to cover necessary costs by law.

(2) Supplement or correct personal data, for which appropriate explanations should be provided by law.

(3) Demand cessation of the collection, processing, use of and removal of personal data.

(4) Demand processing restrictions.
(5) Request data portability.
(6) Reject automated profiling.
(7) Reject the processing of personal data for direct marketing purpose

5. Rights and interests of the persons involved that will be affected if they elect not to provide their personal data.
6. When providing customer's personal data to a third party, the following conditions should be met: The customer's data is handled in accordance with the "Financial Holding Company Act", "Regulations for Joint Marketing Management among Subsidiaries of Financial Holding Companies", "Self-discipline Regulations of Financial Holding Companies and their Subsidiaries", "Personal Data Protection Act" and other relevant laws and regulations. The data is only used and disclosed within the group for joint marketing as permitted by law. Except as required by law, with the customer's consent, or when the group entrusts the processing of related business, the customer's personal data will not be disclosed to any other third party.

KGIF discloses the following in the "Client Data Protection and Confidentiality Statement" on the corporate website:

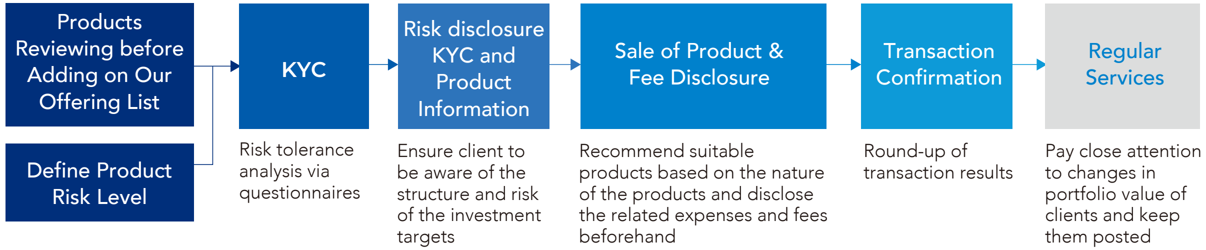
1. How customer information is collected.
2. How customer information is stored and safeguarded.
3. Methods for securing and protecting customer information.
4. Classification, scope and items for use of customer information.
5. Purpose of using customer data.
6. Disclosure of customer data (KGIF will not disclose customer personal data to any third parties unless required by law, with the customer's written consent, or commissioned by KGIF to conduct business affairs on behalf of the Group).
7. Methods for change and modification of customer data.
8. Ways to withdraw.
9. Names and contact numbers of companies within the group that sharing customer data.

KGIF and its subsidiaries are striving to implement customer privacy protection, and take appropriate personal data protection and management actions based on the business type, risk level and resource integration utilization of each subsidiary. The Company and subsidiaries of KGI Securities, KGI Life Insurance, KGI Bank and KGI SITE have passed the ISO 27001 (the certificate remains valid till 2025) information security management system verification, in order to continuously improve the personal data protection and management capabilities. Subsidiaries including KGI Securities, KGI Life Insurance and KGI Bank have also appointed credible external verification agencies to conduct the BS 10012:2017 (the certificate remains valid) Personal Information Management System standard third-party verification review.

- ☑ KGI Bank has promoted the use of MY DATA for customer data utilization, which helps reduce the time required for customers to prepare financial supporting documents or provide authorization letters, and lowers the risks of impersonation or human error. As of December 31, 2025, the utilization rate reached 70.07%.
- ☑ KGI Securities has engaged a third party to conduct 24/7 website anti-phishing monitoring and protection for its websites and mobile applications, in order to promptly identify and prevent phishing threats, reduce the risk of customers being subject to phishing fraud, and provide regular threat intelligence reports.
- ☑ There was no secondary data use by the Company and its subsidiaries in 2025.
- ☑ Neither the Company nor its subsidiaries were penalized by regulatory authorities in 2025 for incidents involving information leakage, theft, or loss of customer data.
- ☑ During 2025, KGI Securities reported one personal data security incident, which involved documents containing personal data of 43 customers being mistakenly treated as recyclable waste. After the incident, the branch office promptly recovered and destroyed the documents, reviewed and improved the relevant operational procedures, and notified the affected parties in accordance with regulations. KGI SITE experienced one personal data security incident, which was determined to be caused by an internal system configuration anomaly. Following the incident, corrective and remedial actions were promptly completed. A total of nine beneficiaries were affected, and no sensitive personal data was involved. KGI Life Insurance experienced a total of four personal data security incidents, affecting 173 customers. KGI Life Insurance promptly initiated its response procedures, implemented appropriate control measures as well as corrective and preventive actions, and notified the affected individuals in accordance with the Personal Data Protection Act to safeguard their rights and interests.
- ☑ In 2025, KGI and its other subsidiaries did not experience any personal data security incidents involving breaches of customer privacy or loss of customer data.

Principle of Treating Clients Fairly and Consumer Protection

We are fully aware that customers are the foundation of business development. To safeguard customers' rights and interests and to foster a corporate culture that emphasizes financial consumer protection, the Company established the "Fair Customer Treatment Principles" in 2023. In addition, KGI Bank, KGI Securities, KGI Life Insurance, and KGI SITE have each adopted corresponding policies, such as the "Principles of Fair Customer Treatment," along with related internal regulations, to enhance employees' awareness of financial consumer protection. When customer complaints or financial consumer disputes arise across business operations, such cases are handled in a timely and appropriate manner in accordance with relevant regulations. Reviews are conducted to assess whether there are any violations of the fair customer treatment principles or applicable financial consumer protection regulations. The results are reported to senior management meetings for review and further submitted to the Board of Directors to strengthen oversight and ensure the effective protection of customer rights and interests.



Met Hods of Implementation

KGI Life

Policies and Procedures	1. In order to implement the principles of financial-friendly services and to further strengthen the culture and practices of fair customer treatment, KGI Life Insurance revised its "Principles of Treating Customers Fairly Policy," "Strategies for Treating Customers Fairly," and "Guidelines for the Implementation of Treating Customers Fairly" in 2025. These revisions ensure that clear standards are in place, from overarching policies and strategic direction to practical implementation. 2. Implementation status: (1) KGI Life Insurance has established a "Fair Customer Treatment Committee," which regularly consolidates relevant measures on fair customer treatment and submits them to the Board of Directors for review. (2) KGI Life Insurance has designated a responsible unit, led by a senior executive at the Vice President level, to oversee the affairs of the Fair Customer Treatment Committee and to organize activities involving all employees, thereby strengthening the corporate culture of fair customer treatment. 3. The self-assessment criteria for directors include evaluation items such as "emphasis on ESG issues" and "active promotion of the Principles of Treating Customers Fairly."
Communication Method and Mechanism	1. KGI Life Insurance has established dedicated sections on its official website to disclose information related to fair customer treatment and financial-friendly services in a transparent manner, including: Fair Customer Treatment Section, Financial Accessibility and Friendly Service Section. 2. To strengthen financial-friendly services, KGI Life Insurance has established a toll-free financial-friendly service hotline. This hotline, launched in 2021 ahead of industry peers, simplifies the interactive voice response process and enables service personnel to provide vulnerable customers with faster and more considerate services. In 2025, the hotline handled a total of 35,376 calls, with an additional 10,393 calls utilizing the automated voice response service. Furthermore, in 2023, KGI Life Insurance introduced a follow-up SMS service to assist customers with information retention. When elderly policyholders contact the hotline for inquiries, customer service personnel may, based on their needs, send follow-up messages summarizing key consultation points, facilitating easier recall and reference. In 2025, a total of 5,967 such care messages were sent. 3. KGI Life Insurance provides sign language interpretation services, allowing hearing-impaired policyholders to make reservations for assistance from sign language interpreters. 4. KGI Life Insurance provides multilingual interpretation services, enabling policyholders whose native language is not Chinese to arrange for assistance from professional interpreters. 5. In 2025, KGI Life Insurance collaborated with local police authorities and welfare organizations for elderly care and disadvantaged groups to conduct basic financial and insurance anti-fraud awareness campaigns targeting financially vulnerable groups, including students, senior citizens, persons with disabilities, new immigrants, and indigenous peoples. A total of 65 awareness sessions were held throughout the year, reaching 3,273 participants. 6. In 2025, the average processing time for cases accepted by the Financial Ombudsman Institution was one day. In the evaluation of the Principles of Treating Customers Fairly, under the "Complaint Protection Principle," KGI Life Insurance received a full score of 1 point for responding to complaint cases within 30 days (with a response rate exceeding 100%). For other evaluation items (Items 1 through 6 and 8 through 10), the overall score exceeded 8 points, with a rate of cases resolved through mediation or with claims deemed wholly or partially unfounded reaching 99.8%, demonstrating KGI Life Insurance's effectiveness in protecting financial consumers' rights and promptly resolving disputes.
Awards and Recognitions	· KGI Life Insurance has long upheld its corporate philosophy of "treating customers fairly and with empathy," and continues to strengthen fair customer treatment and financial-friendly measures with a customer-centric approach. In 2025, it was recognized by the competent authority as one of the top 25% performers in the life insurance industry in the evaluation of the Principles of Treating Customers Fairly, and also received the Best Progress Award. It is among the very few insurance companies in the industry to have received such recognition six times. · KGI Life Insurance pays close attention to the language needs of new residents and has pioneered the introduction of in-person multilingual interpretation services. It has also introduced an innovative training program for new resident interpreters in the insurance field, promoting financial inclusion and equal access. In 2025, KGI Life Insurance received multiple domestic and international recognitions for diversity and inclusion, including the "Insurance Asia Awards – Insurance Inclusion Initiative of the Year" and the "Asia Responsible Enterprise Awards (AREA) – Social Empowerment Award."

KGI Bank

Policies and Procedures	1. KGI Bank has established the "Principles of Treating Customers Fairly," "Consumer Protection Guidelines," and "Customer Complaint and Dispute Resolution Standards." These initiatives aim to enhance customer satisfaction and uphold customer rights as part of the bank's corporate social responsibility. The content of these regulations is adjusted as needed based on regulatory requirements and internal operational processes. 2. In accordance with KGI Bank's "Principles of Treating Customers Fairly" and the "Regulations Governing the Organization of the Fair Customer Treatment Committee," the Board of Directors has assigned the President to designate senior executives at the level of Vice President or above, as well as responsible units, to plan and implement the Principles of Treating Customers Fairly. The responsible units oversee the implementation of these principles across all departments, identify potential areas of non-compliance, and propose specific improvement measures. These matters are reviewed and addressed at the Fair Customer Treatment Committee, with regular reports submitted to the Board of Directors. In accordance with KGI Bank's "Principles of Treating Customers Fairly" and the "Organizational Regulations of the Committee on Fair Treatment of Customers," the Board of Directors has assigned the President the responsibility of designating executives at the level of Vice President and above, as well as specialized departments, to oversee the planning and implementation of the "Principles of Treating Customers Fairly." These specialized departments will manage the execution of the "Principles of Treating Customers Fairly" across all departments, identify potential violations of these principles, propose specific solutions, and present reviews and responses to the Committee on Fair Treatment of Customers. They will also provide regular reports to the Board of Directors.
Communication Method and Mechanism	1. The Customer Service Department continuously conducts customer satisfaction surveys across various touchpoints, including branch account opening, deposit and remittance transactions, wealth management transactions, outbound calls by relationship managers, consumer finance product applications, digital online applications, inbound customer service calls, credit line drawdowns, telemarketing loan retention, and online customer inquiries. A total of 35,000 valid questionnaires were collected, and the overall service satisfaction rate reached 96.7%. 2. In recent years, KGI Bank has introduced the Net Promoter Score (NPS) indicator and implemented automated platforms to continuously gather customer feedback for improvement and tracking, with the aim of enhancing customer experience. As of 2025, the overall Net Promoter Score has reached a stable level of 78. 3. Customer complaints and feedback management: · In 2025, there were a total of 304 customer complaint cases, of which 92% were resolved within three business days, exceeding the target rate of 85%. · The customer service units continue to analyze the types and root causes of complaint cases, review and implement improvement measures, including process optimization, enhancement of website and voice platform functions, system performance improvement, and employee training, totaling 52 improvement initiatives.
Awards and Recognitions	KGI Bank ranked among the top 50% of banks in the Financial Supervisory Commission's 2025 evaluation of the Principles of Treating Customers Fairly, and has also received other recognitions related to fair customer treatment: · Recipient of the "Best Customer Trust Award" in the wealth management evaluation conducted by Business Today. · Recipient of the "Gold Award for Banking Industry" in the Taiwan Contact Center Evaluation presented by the Taiwan Customer Service Audit Association. · Recipient of the "Service Excellence Award" in the CTWANT Financial Awards. · Recipient of the "Silver Award for Banking Industry" in the Taiwan Service Industry Excellence Awards organized by the Commercial Times. · Recipient of the "Special Award – Friendly Service" in the Taiwan Service Industry Excellence Awards organized by the Commercial Times.

KGI Securities

Policies and Procedures	To ensure that the Principles of Treating Customers Fairly and financial consumer protection become shared values and codes of conduct across the Company, KGI Securities has established the following key regulations, policies, and procedures: 1. "Principles of Treating Customers Fairly": To establish a corporate culture that emphasizes financial consumer protection, and to formulate policies, strategies, and implementation guidelines for fair customer treatment, in order to enhance employees' awareness and ensure that financial consumers are treated in a fair and reasonable manner. 2. "Regulations Governing the Fair Customer Treatment Committee": To embed the Principles of Treating Customers Fairly as a company-wide value system and code of conduct, KGI Securities has established a Fair Customer Treatment Committee to oversee the planning and supervision of related matters. 3. "Organizational Charter of the Sustainability and Ethical Management Committee": To achieve sustainable development goals, strengthen sustainability governance, enhance ethical management, and develop mitigation and adaptation measures related to climate risks and opportunities. A task force under this committee, the "Customer Rights Protection Task Force," is responsible for promoting customer service and safeguarding customer rights, implementing the Principles of Treating Customers Fairly, and advancing financial innovation to provide comprehensive financial services. (Revised on June 20, 2025) 4. "Sustainability Development Guidelines": To fulfill corporate social responsibility and promote economic, environmental, and social progress, thereby achieving sustainable development objectives. (Revised on January 8, 2026) 5. "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct": To continuously promote a corporate culture of ethical management and ensure sound development. (Revised on November 18, 2025) 6. "Regulations Governing Board Performance Evaluation": To include directors' attendance, participation, and contributions in proposal discussions as part of board and member performance evaluation, thereby enhancing board effectiveness and aligning with the ethical spirit of fair customer treatment. (Revised on December 19, 2025) 7. "Regulations Governing the Scope of Responsibilities of Independent Directors": To enable independent directors to effectively perform their functions in relation to the Board and company operations, thereby strengthening corporate governance in line with the ethical principles of fair customer treatment. 8. "Customer Complaint and Dispute Handling Policy" and "Guidelines for Customer Complaint and Dispute Handling": To strengthen the management of customer complaints and disputes, establish and implement clear handling procedures, and ensure fair, reasonable, timely, and effective resolution, thereby safeguarding customer rights and enhancing customer satisfaction. 9. "Guidelines for Know-Your-Customer (KYC) and Product Classification": To fully understand customers' investment profiles and risk tolerance and to protect financial consumers' rights and interests. (Revised on March 27, 2025) 10. "Guidelines for Engaging in Financial Product Transactions with Vulnerable Customers (Including Elderly Customers)": To enhance the protection of the rights and interests of vulnerable and elderly customers. (Revised on January 14, 2026) 11. "Corporate Governance Best Practice Principles": To promote KGI Securities' transformation towards sustainable development. 12. "Branch Service Star Selection Guidelines": To enhance customer service satisfaction at branch offices and ensure the implementation of standardized service etiquette procedures through the selection of outstanding service personnel. 13. "Guidelines for the Management of Advertising, Business Solicitation, and Promotional Activities": To ensure that all advertising, business solicitation, and promotional activities conducted by KGI Securities comply with relevant regulations. (Revised on April 10, 2025) 14. "Business Continuity Policy," "Business Continuity Plan," and "Guidelines for Business Continuity Management": To minimize the impact of major disasters or information system failures on operations and to ensure that critical business functions continue to operate and are adequately protected. (The Business Continuity Management Guidelines were revised on August 18, 2025) 15. "Guidelines for Official Website Content Management": To establish a mechanism for periodic review and updates of website content, ensuring customers' right to information. 16. "Implementation Guidelines for the Accountability System of Material Issues": To strengthen corporate governance and sustainable development practices.
Communication Method and Mechanism	Communication Mechanisms and Performance Related to the Principles of Treating Customers Fairly and Financial Consumer Protection 1. Enhancing digital capabilities and data-driven management of customer service personnel: KGI Securities values customer feedback and continuously provides training programs. The response content of the customer service center is regularly reviewed, and objective and quantifiable targets are established. Cases of dissatisfaction are continuously tracked and improved. In 2025, the first-call resolution rate of the customer service center reached 99.6%. 2. Establishment of a senior-friendly service hotline: KGI Securities addresses the needs of elderly customers by providing a toll-free "Senior-Friendly Hotline," offering a simple and efficient communication channel for customers aged 65 and above. Customer service representatives are able to communicate using the language preferred by customers. In 2025, the hotline handled over 8,000 calls. 3. Focus on Net Promoter Score (NPS) and customer satisfaction: KGI Securities continues to enhance customer experience and service quality by introducing performance measurement mechanisms at key service touchpoints (such as the official website, digital trading applications, branch services, account opening processes, and customer service center). Customer feedback is systematically translated into actionable improvement measures. In the first half of 2025, the primary reference metric was the Net Promoter Score (NPS), with an average score of 86 from January to June. In the second half of the year, due to system migration, Customer Service Satisfaction (Computer Telephony Integration, CTI) scores were adopted as the primary metric, with an average score of 4.98 from June to December.

Awards and Recognitions	March	· Received the "Best Smart Wealth Management Award" in the 2025 Excellence Securities Evaluation by Excellence Magazine. · Received the "Best Mobile Brokerage App – Taiwan" in The Asset Triple A Digital Finance Awards. · Received the "Best Wealth Management Award," "Best Service Award," and "Best Digital Intelligent System Award" from the Wealth Management Awards by Wealth Magazine.
	June	· Received the "Innovation Platform Award (Securities Industry)" in the CTWANT Financial Excellence Awards.
	September	· Received the "Gold Award (SDG 10 – Reduced Inequalities: Treating Customers Fairly and Inclusively)" at the Taiwan Sustainability Action Awards (TSAA) organized by the Taiwan Institute for Sustainable Energy.
	October	· Received the "Best Product Award" at the National Brand Yushan Award (product: e-Strategy platform). · Received the "Outstanding Digital Service Award" at the Digital Finance Awards organized by the Commercial Times. · Received multiple awards at the 19th Wealth Management Banking and Securities Awards by Business Today, including Best Wealth Management Brokerage (Excellent), Best Customer Satisfaction, Best Sales Team, Best Smart Wealth Management, Best Senior-Friendly Service, and Best AI Application.
	November	· Ranked among the top 25% of large integrated securities firms in the FSC evaluation of the Principles of Treating Customers Fairly. · Received the "Silver Award (Securities Industry)" in the Taiwan Contact Center Evaluation organized by the Taiwan Customer Service Audit Association.

KGI SITE

Policies and Procedures	KGI SITE completed the submission of a report to the Board of Directors on March 4, 2025, regarding the implementation status of the 2024 Principles of Treating Customers Fairly, demonstrating its continued commitment to these principles. In response to organizational adjustments, the Company revised the relevant regulations under the Principles of Treating Customers Fairly to reflect changes in organizational unit names. Such revisions were approved by the Board of Directors to ensure a high level of alignment between the design of the framework and the organizational structure.
Communication Method and Mechanism	· In accordance with the requirements set forth in the "Corporate Governance Best Practice Principles for Securities Investment Trust Enterprises and Securities Investment Consulting Enterprises," the Company continues to report material issues, including fair customer treatment, information security protection, and regulatory compliance, on a quarterly basis. Through strengthening communication mechanisms, the Company enhances the transparency of information disclosure and the efficiency of customer services, thereby ensuring the protection of consumers' rights and interests. · On a quarterly basis, the Company reviews the implementation results and future objectives of the Principles of Treating Customers Fairly as part of the Sustainability Working Group reports. It also evaluates the performance of communication channels and mechanisms to ensure sound corporate governance, further strengthen the implementation of financial consumer protection, and demonstrate the Company's commitment and accountability to the Principles of Treating Customers Fairly.

Educational Training

Subsidiary	Topic			Mode	Number of Classes	Hours	Training Attendance
KGI Life Note	Fair Customer Treatment and Financial Accessibility			in-person and online	4	-	33,477
	Disability-Friendly and Diversity & Inclusion Training				5	-	15,957
KGI Bank	all employees	2025 First Half-Year Training on the Principles of Treating Customers Fairly			-	1	2,890
		2025 Second Half-Year Training on the Principles of Treating Customers Fairly	Financial-Friendly Services for Senior Customers		-	1	2,791
			Financial Accessibility for Persons with Disabilities	online course	-	1	2,845
			Case Analysis of Financial Consumer Disputes		-	1	2,790
		2025 Training on the Principles of Treating Customers Fairly	Insurance Agent Training		-	3	896
		Online legal compliance training courses	Consumer protection, ethical management, and whistleblowing system	online course	-	2	-
		2025 second half-year legal compliance training	Personal data protection, ethical corporate management and whistleblowing system		-	2	-
KGI Bank	all board members	Financial Supervision and Treating Customers Fairly in the Era of AI / From CRPD to Corporate Governance – Building Diversity and Inclusion in Financial Groups		either in-person or online	-	3	-
		2025 Ethical Management (including Whistleblowing System) Training		provided to directors via email	-	-	-
KGI Securities	Financial Consumer Protection and Principles of Treating Customers Fairly				-	3	2,787
	ISO 10002:2018 Complaint Management System			in-person seminar	-	1	2,736
	Mandatory Anti-Fraud Training Course				-	3	3,119
	2025 Personal Data Protection Training Course				-	1	3,270
	Personal Data Protection, Information Security Protection, and Financial Business Development in the AI Era			in-person seminar	-	2.5	70
KGI SITE	2025 Principles of Treating Customers Fairly in the Financial Services Industry			Workday online	-	3	154
	2025 Personal Data Protection Training				-	2	138
	2025 KGI SITE Anti-Fraud Training Program				-	2	159
CDIB Capital	New Employee Training – Compliance Training for New Employees (including the Personal Data Protection Act				-	1	33
	Personal Data Protection Act and Company Data Security			online course	-	0.33	34
	Corporate Practices under the Amended Personal Data Protection Act – Including Data Sharing Guidelines for Financial Institutions				-	2	35

Note: Educational training programs are provided based on practical needs, tailored to different levels of responsibility and roles. The content covers topics related to fair customer treatment, including the protection of financial consumer rights, the latest regulatory trends, training on dementia-friendly financial services, and disability-inclusive (CRPD) education. In 2025, a total of nine training sessions were conducted, with 49,434 participants trained.

Violations

The disclosure of material violations is based on Article 2 of the "Regulations Governing Public Disclosure of Material Sanctions by the Financial Supervisory Commission." In 2025, there were no material violations related to the Principles of Treating Customers Fairly.

For general violations, KGI Life Insurance recorded five cases, KGI Bank recorded one case, and KGI Securities recorded one case. For each case, the respective subsidiaries conducted appropriate investigations and implemented necessary remedial actions based on the nature of the violations.

In addition, the subsidiaries strengthened internal control mechanisms, enhanced operational procedures, and reinforced education and awareness programs to safeguard customers' rights and interests.

3.4.3 Quality Services Tailored to Customer Needs

Optimized Products and Services

In response to the rise of financial technology, the traditional financial industry is gradually changing its operating model. That is, the full use of financial technology to eliminate distance and time constraints. KGI Financial is no exception, and our hope is that the use of technology will make financial services more convenient and will significantly increase the availability of services to serve wider demographics. KGI Bank and KGI Securities are committed to offering "in-your-shoes and better services." The design and optimization of products and services are based on "customer needs" and aim to fulfill goals as "knowing customer needs, achieving their financial goals, and lifecycle services." KGI Bank and KGI Securities provide a diversity of online and offline services through its professional financial planning team and advanced digital finance technologies.

KGI Life

In line with its business philosophy of “Digital, Innovation, Sustainability, and Finance,” KGI Life Insurance continuously optimizes its administrative processes and provides a wide range of service channels. This includes developing digital platforms and continuously expanding service offerings, enabling customers to conduct online insurance purchases, policy changes, and inquiries through the KGI Life Insurance corporate website. In addition to establishing six customer service counters across Taiwan to provide localized services, the Company also offers a toll-free 0800 service hotline and a financial-friendly hotline to facilitate communication between customers and the Company. Furthermore, home visit services are provided, with dedicated staff assisting elderly individuals residing in remote areas or those with limited mobility in handling policy administration and claims. To better understand customers’ needs and expectations, KGI Life Insurance regularly conducts customer satisfaction surveys to optimize service processes and enhance customer satisfaction.

In terms of accessibility services for persons with disabilities, KGI Life Insurance continues to implement diversified financial-friendly service measures. Its official Website Financial Inclusion Services Section has obtained the highest AAA accessibility certification. To bridge the information gap for hearing- and speech-impaired customers, the Company has introduced sign language interpretation services in collaboration with the Chinese National Association of the Deaf, and has developed sign language videos on important policyholder rights and anti-fraud awareness to strengthen financial literacy and fraud prevention knowledge. In addition, KGI Life Insurance has taken the lead in launching a Braille identification service for insurance policies designed for visually impaired customers, enabling them to scan QR codes and listen to important policyholder information and reminders, thereby safeguarding their right to information. For new residents, the Company has introduced multilingual interpretation appointment services, developed multilingual insurance documents and anti-fraud materials, and further pioneered the “New Resident Customer-Friendly Service Guide” and multilingual “Communication Assistance Cards” to support frontline staff in providing more appropriate services, fully embodying the principle of “treating customers fairly and with empathy.”

With a commitment to exceeding customer expectations, KGI Life Insurance actively, promptly, and properly handles customer complaints. In 2025, the Company completed the implementation of the ISO 10002:2018 Complaint Management System and successfully passed verification by the British Standards Institution (BSI) with zero non-conformities. Moving forward, the Company will continue to adopt a customer-centric approach to enhance service quality.

KGI Bank

Product/Services	Content	2025 Performance
Credit Card	Customers can choose installment payment plans for credit card purchases through Internet banking/mobile banking/e-statements/official website/24-hour customer service center/intelligent customer service chatbot.	The number of transactions has increased by 13.8% compared to 2024.
Transaction Services	Continuously diversify product services and trading channels, while enhancing convenience features and product information · Fund: Provided transaction services through over-the-counter, customer service, online banking, and mobile banking channels, while expanding available products to enhance customer choices; offered fee discounts for fund purchases via digital platforms. · **Bonds:** Offer mobile banking and customer service ordering services to expand customer transaction channels. · **Insurance:** Implementing a paperless application process not only reduces paper usage but also enhances process accuracy. · **Foreign stocks/ETF:** We offer online banking and mobile banking order placement services for purchasing foreign stocks and ETFs. We strive to continuously expand our product offerings and provide a wide range of options to our customers. · **Structured products:** Provide more structured products that are linked to diverse targets. · **Deposits:** Launched online applications for Karry digital accounts and introduced high-interest deposit plans tailored to customer needs.	Continued to expand diverse financial services. · **Insurance:** The mobile insurance application process has resulted in a 96% reduction in paper usage. · **Bonds:** Offered small-scale bonds with a minimum investment threshold starting at $1,000.
Credit Card Bill Service	The electronic billing system has been revised on June 25, 2024, with four key features: "KGI Account Payment," "Other Bank Account Payment," "Installment Application," and "KGI Bank App Notification Settings." Additionally, PDF versions of the bill and card statement, identical to the paper format, have been integrated to encourage customers to switch to electronic billing.	The percentage of e-bill increased to 67.3%.
KGI Mobile Banking APP	· KGI Bank has implemented agile development and NPS customer feedback mechanisms to enhance the customer's digital channel experience and expand the range of services offered. Comprehensive financial products and services include deposits, credit cards, loans, bill payments, investments, and QR code transfers, with 132 new features and optimizations. · Leverage data analytics and remarketing to deliver differentiated services and optimize traffic and conversion. Personalized offers are recommended based on customer behavior and preferences, with tailored promotions, fee discounts, and benefits provided by segment and asset tier to enhance overall customer experience.	The mobile banking app has been continuously upgraded, the number of daily logins has increased by 21% compared to 2024.

KGI Securities

KGI Securities upholds a customer-centric philosophy as its core value, leading innovation in digital services and continuously aligning with market investment trends. We consistently enhance our trading platforms, investment tools, and content to improve investors' digital investment journey at KGI Securities. In addition, we aim to build an AI-powered virtual securities agent. Through AI, we provide real-time, systematic data insights and a wide range of services, including intelligent customer support, customer feedback handling, and personal password management, offering investors convenient general consultation services. For investment and wealth management, we develop tailored solutions based on different investor needs. These include the "Market Insight Assistant," which combines AI-driven data analytics with the expertise of KGI Investment Advisory analysts, and the stock selection tool "AI Winning Picks." Furthermore, for investors who prefer programmatic trading, our mobile strategy platform offers the exclusive "Strategy Stock Selection" feature, enabling users to easily backtest historical performance and identify strategies with higher success rates. Lastly, for dividend-focused investors, we provide services such as the "Dividend Hub," "Dividend Calculator," and "Dividend Reinvestment" tools. These features, along with themed stock selections and dividend calendars, make it easier for investors to build passive income through long-term investing. By delivering tailored stock selection tools for different types of investors, we streamline the investment process, promote inclusive finance, and address the needs of younger investors.

More Proactive Social Media Engagement

KGI Life, KGI Bank, and KGI Securities have all established official LINE accounts and Facebook fan pages to connect with the younger digital generation through social media. These platforms also broaden communication channels with customers across different consumer segments, helping to foster sound financial literacy among younger audiences while providing diverse financial information. KGI Life further adopts a customer-centric approach by delivering creative, lifestyle-oriented content that conveys care and connection. Through these efforts, it actively increases brand exposure and engagement, enhancing overall brand affinity.

Subsidiaries	Social Media	2025 Status of Operations	2026 Goals
KGI Life	Facebook Fan Page Instagram Official Account	Number of posts during the year: 511 Post engagement: approximately 1.65 million likes Total post interactions: approximately 290,000	· Enhance social media operations with a customer-centric approach, leveraging official social media platforms to expand brand exposure and visibility, while providing users with rich financial protection knowledge. · Commit to promoting themes such as sustainable finance, fair customer treatment, support for vulnerable groups, fraud prevention awareness, health protection, and festive greetings, embodying the spirit of "We Share We Link" and sharing value with customers.
	LINE Official Account	Total friends: 1.34 million	
KGI Bank	Facebook Fan Page	Number of fans: 116,000 Number of posts during the year: 222 Post reach: approximately 3.30 million Post interactions: approximately 110,000	Strengthen KGI Bank's professional brand image in wealth management, while continuously enhancing brand influence, customer engagement, and service value · Focus on wealth management as the core theme, emphasize long-term expertise and professional capabilities in content to build a trustworthy brand image. · Adopt a lifestyle-oriented approach to content, integrating financial expertise to better connect with target segments across different life stages, while optimizing segmented communication strategies to attract high-value customers. · Simplify financial content presentation by transforming complex financial concepts into clear, easy-to-understand social media content, thereby lowering comprehension barriers and improving customer interaction and engagement.
	Instagram Official Account	Official account reaching over 1 million potential customers	
	LINE Official Account	Number of friends: approximately 67,000	
KGI Securities	LINE Official Account	Number of friends: 2 million Number of bound accounts: 82,527	· Promote financial inclusion and investment education to enhance social impact: Continue advancing inclusive finance by leveraging diverse digital communities and social media platforms to systematically deliver accessible yet professional financial knowledge. This lowers investment barriers, improves financial literacy and participation across different age groups, and increases public awareness of securities services. By utilizing digital technologies and AI for content optimization and reproduction, and operating platforms such as "KGI Go Go Stock," "US Stock Show," and "Winner Stock Selection," the Company provides more timely and comprehensive investment insights and trend analysis, driving both domestic and offshore trading momentum while expanding knowledge dissemination, fostering sound investment behaviors, and strengthening long-term impact in financial education and social responsibility. · Develop a sustainable digital customer engagement model to enhance user experience and create value: Integrate social platforms and digital touchpoints to build a "knowledge hub" that not only delivers diverse content but also incorporates interactive formats such as offline forums and online courses, creating a customer-centric omnichannel experience. By strengthening LINE community customer journey management and establishing robust digital mechanisms and service processes, the Company enhances operational efficiency and market trust, supporting stable growth and long-term value creation.
	Facebook Fan Page	Number of fans: 41,000 Number of followers: 41,000 Number of posts during the year: 141 Post reach: approximately 1.85 million Post interactions: approximately 14,000 Number of shares: approximately 564	

More Popularized Financial Education Seminars

KGI Life

Fraud prevention for elderly and vulnerable groups has become a key focus of KGI Life Insurance's efforts in promoting the principles of Treating Customers Fairly and advancing friendly financial services. Recognizing that high-risk groups may unknowingly fall victim to fraud due to factors such as geographic isolation, physical limitations, or information gaps, KGI Life has established the online "Smart Aging School" platform, offering financial literacy and anti-fraud resources tailored for seniors. The platform uses simple, easy-to-understand visuals and animated videos to enhance awareness. In 2025, with guidance from the Criminal Investigation Bureau of the Ministry of the Interior, KGI Life further developed a series of 14 anti-fraud animated videos in Mandarin and Taiwanese, including Taiwan's first Taiwanese-language fraud prevention rap ("Anti-Fraud Song") and upgraded subtitles to Mandarin "Zhuyin" phonetics to improve accessibility for elderly users. Since 2022, KGI Life has continuously expanded its collaboration network—from local governments to Central Taiwan partner alliances, integrating resources from local authorities, vulnerable group service organizations, schools, and police units—to promote anti-fraud education. Its outreach now covers indigenous elders, rural disadvantaged communities, people with disabilities, teenagers, financially disadvantaged individuals, new immigrants, and people with dementia and their families, helping to enhance financial literacy and fraud awareness while narrowing the urban-rural gap. In 2025, KGI Life conducted a total of 65 financial literacy and fraud prevention seminars, benefiting 3,273 participants, particularly those from financially vulnerable groups.

KGI Bank

KGI Bank organizes financial seminars across Taiwan to enhance customers' understanding of products such as insurance and funds, while sharing the latest market trends to help customers identify suitable financial solutions.

Since September 2021, the Bank has promoted the "Protect Your Wealth Security" anti-fraud initiative to address rising fraud risks, reaching 11,204 participants by the end of 2025. Through public events and the use of real fraud cases and simple illustrated materials, the Bank strengthens fraud awareness. It has also served as a guest lecturer for the Eden Social Welfare Foundation to enhance social workers' fraud prevention capabilities. In 2025, KGI Bank continued organizing anti-fraud seminars for new immigrants to support their financial well-being. The Bank collaborates with external organizations to deliver targeted programs for different groups:

- **New immigrants:** Partnered with schools and associations to deliver dedicated anti-fraud seminars.
- **Youth:** Conducted campus outreach to raise awareness of financial risks.
- **Middle-aged groups:** Collaborated with alumni associations to provide in-person anti-fraud education.
- **People with disabilities:** Delivered fraud prevention education at care institutions for individuals and their families.

KGI Securities

In response to the increasing number of investment fraud cases, KGI Securities established a dedicated anti-fraud unit to develop comprehensive policies and awareness initiatives. Anti-fraud hotlines and contact channels are prominently displayed across the official website, social media, and trading app to assist customers. In 2025, a total of 64 anti-fraud awareness events were held, reaching 8,180 participants, with 38,383 elderly and vulnerable individuals engaged through various channels. KGI Securities also received the "Outstanding Award" in the Taiwan Stock Exchange's anti-fraud evaluation in November 2025.

To promote inclusive finance and fair treatment while strengthening financial literacy among young investors, KGI Securities partnered with Taiwan's largest campus social platform, Zuvio, launching the "Zuvio Financial Zone" in March 2024, which attracted 520,000 views by March 31, 2025.In addition, the company enhances service quality by providing professional training for staff and organizing themed seminars for customers, improving investors' understanding of financial products and markets.

2025 Finance Seminars

Subsidiaries	Target	Content	Sessions	No. of Participants
KGI Life	Elderly, indigenous, rural disadvantaged, disabilities, youth, financially disadvantaged, new immigrants, dementia families	Financial literacy & fraud prevention	65	3,273
KGI Bank	Customers	Insurance small-scale seminars	115	1,495
		Insurance large-scale seminars	6	342
		Fund seminars	46	1,046
	Community & institution	Anti-fraud – Protect Your Wealth Security	578	11,204
	New immigrants	Fraud prevention	8	299
KGI Securities	Universities	Campus outreach	6	153
	Customers	Offline seminars	9	1,812
	Customers	Online seminars	49	6,215
Total			882	25,839

Friendly Financial Service Mechanism

<table>
<tr><th>Subsidiaries</th><th>Counter-friendly Facilities</th><th>Accessibility Facilities</th><th>Non-counter Friendly Facilities</th></tr>
<tr>
<td>KGI Life</td>
<td>

· Friendly Service Counters: Provide dedicated service counters for policyholders who are elderly, have mobility impairments, or require assistance, offering priority handling and considerate support for various insurance services.
· In 2025, the Taipei Customer Service Center received recognition from the Taipei Association for the Promotion of Welfare for the Disabled for its efforts in improving accessibility for daily living and transportation, achieving the highest level of accessibility certification. Subsequently, Taoyuan and Kaohsiung locations were also certified.

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Installation of Accessibility Facilities at All Service Locations

<table>
<tr><th>Accessible Facilities/ Customer Service Center</th><th>Taipei</th><th>Taipei Taoyuan/ Hsinchu</th><th>Taichung</th><th>Chiayi</th><th>Tainan</th><th>Kaohsiung</th></tr>
<tr><td>Accessible Ramps (including Movable Ramps or Step-Free Access)</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td></tr>
<tr><td>Barrier-Free Restrooms</td><td>•</td><td>•</td><td>•</td><td>-</td><td>•</td><td>•</td></tr>
<tr><td>Accessible Parking Spaces</td><td>•</td><td>•</td><td>•</td><td>-</td><td>•</td><td>•</td></tr>
<tr><td>Service Bells</td><td>•</td><td>•</td><td>•</td><td>-</td><td>-</td><td>•</td></tr>
<tr><td>Presbyopic Glasses</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td></tr>
<tr><td>Magnifying Glasses</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td></tr>
<tr><td>Elevators</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td></tr>
<tr><td>Elevator Braille Panels</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td><td>•</td></tr>
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· Accessible Website:The accessibility section of the corporate website has passed multiple assessments and obtained the highest-level AAA certification.
· Accessible APP Optimization: Enhanced the insurance APP to better meet the needs of visually impaired users. The APP has received accessibility certification from the Taipei Parents' Association for the Visually Impaired, becoming the first insurance company in Taiwan to obtain this certification.
· Sign Language and Multilingual Interpretation Reservation Service: Reservation services are available via multiple channels, including APP, official website, email, and dedicated service lines. Sign language interpreters are arranged to provide real-time video interpretation and multilingual translation services during branch visits.
· Financial Friendly Service Hotline (0809-006868): A dedicated hotline is established for elderly and disadvantaged customers. By simplifying the voice navigation process and providing personalized assistance, the hotline delivers faster and more caring services. In 2025, a total of 7,400 consultation services were provided through the senior service hotline. Additionally, 5,967 promotional and care-related messages were delivered to elderly customers.
· Home Care Services: Continue to provide at-home services for disadvantaged groups, including individuals with visual, hearing, or speech impairments, physically or mentally disabled persons, those with mobility difficulties, and seniors aged 65 and above .Services include assistance with claims processing, customer service applications, document collection, and delivery. In 2025, a total of 233 cases were assisted.

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<td>KGI Bank</td>
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· On-site professional support and assistance can be provided by branch managers.
· For account applicants with visual impairments or other disabilities who are unable to sign in person: If a seal is used in place of a signature, it must be certified by one witness; If a fingerprint, cross, or other mark is used as a substitute for a signature, it must be certified by two witnesses. The witnesses must be relatives or friends of the applicant, personnel from social welfare organizations, or bank staff not directly involved in the account-opening process. Such certification shall carry the same legal validity as a handwritten signature.
· Heart number calling system: priority calling function.
· Enlarged A3 versions of forms are provided on site for customers with visual impairments. QR codes are added to the forms, allowing customers to access the official website and use accessibility apps or built-in mobile assistive functions to listen to the form content.
· Easy-to-read documents and visual guides for over-the-counter and ATM services are available at branch counters and on the official website, enabling persons with disabilities to conveniently access information.
· Accessible ATMs for visually impaired users have been enhanced with deposit transaction functions.

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Branches have established barrier-free environments in accordance with the "Barrier-Free Facility Design Specifications" issued by the Ministry of the Interior.
In response to the aging population trend, all 51 branches across Taiwan have installed service counters equipped with seating, providing seated services and creating a customer-friendly environment.

<table>
<tr><th>Item</th><th>Coverage Ratio</th></tr>
<tr><td>Accessible Ramps (including Movable Ramps) or Step-Free Access</td><td>100</td></tr>
<tr><td>Service Bells</td><td>100</td></tr>
<tr><td>Presbyopic Glasses</td><td>100</td></tr>
<tr><td>Service Counters</td><td>100</td></tr>
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Note: A total of 51 branches are established across Taiwan.

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· Financial Friendly Zone Accessible Webpage: In 2024, the webpage obtained the highest level of accessibility certification from the Ministry of Digital Affairs, achieving the "Accessible Webpage AAA Mark.
· Smart Customer Service – "Pocket Assistant": Uses TTS/STT voice technology, allowing users to ask questions and receive answers through voice interaction.
· To enhance service quality for elderly customers and those who primarily speak Taiwanese, the customer service hotline offers direct access to dedicated staff. Language support has also been strengthened. In 2025, total calls from elderly customers reached 18,772, while calls from Taiwanese-speaking customers totaled 2,658.

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<td>KGI Securities</td>
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· Sign language interpretation service stickers are displayed at the entrances of all service locations nationwide to support customers in need. For customers with hearing or speech impairments, certified sign language interpreters can provide real-time interpretation via video conferencing based on service needs. Advance online reservations are also available for on-site interpretation services at branches.
· Following the Hukou Branch becoming the first securities firm location to obtain accessibility certification in 2023, the Xinfeng Branch became the second in 2025 to receive barrier-free environment certification from the Duofu Care & Transportation Development Association, with multiple enhancements made to accessibility facilities and the service environment.

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In addition to providing presbyopic glasses to meet the needs of elderly customers, branches have established various customer-friendly facilities. Relevant information is disclosed on the "Financial Friendly Service Zone" of the official website, with coverage as follows (and continuously improving):

<table>
<tr><th>Item</th><th>Coverage Ratio</th></tr>
<tr><td>Accessible Ramps</td><td>56</td></tr>
<tr><td>Accessible Elevators</td><td>49</td></tr>
<tr><td>Service Bells at Ground-Floor Locations</td><td>100</td></tr>
<tr><td>Account Opening Counters at or below 120 cm in Height</td><td>99</td></tr>
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Note: A total of 71 branches are established across Taiwan.

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· The first securities firm to launch a fraud intelligence inquiry service, helping investors identify fraudulent information and reduce the risk of scams.
· Introduced services such as "Dividend Reinvestment," "Dividend Inquiry," and a "Dividend Zone," enhancing the power of compounding and providing a one-stop platform for stock selection and simulation.
· The "e-Strategy Mobile" app has obtained accessibility certification from the Taipei Parents' Association for the Visually Impaired.
· Toll-free Senior Hotline: A dedicated toll-free hotline is available for customers aged 65 and above. In 2025, total calls reached 8,390, providing seniors with convenient one-touch access to customer service representatives.

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3.4.4 Customer Recognition

KGI Financial has adopted " Caring for What You Value Most"." as its core corporate philosophy. Through diverse channels and a comprehensive service system, the Company actively collects customer feedback. We value every customer experience and continuously optimize service processes through surveys and other mechanisms to better understand customer needs. KGI Financial is committed to delivering services that are both convenient and caring, ensuring that every customer feels valued and well cared for.

Customer Satisfaction Survey

Subsidiaries	Satisfaction Survey Statement	Satisfaction Score
KGI Life	· Counter Service Satisfaction Survey: To understand policyholders' satisfaction with counter services and to serve as a basis for service improvement, policyholders visiting the counters are invited to rate their satisfaction with both the "General Service Counter" and the "Accessible Service Counter" on a 1–5 scale (with 5 being the highest score), with a target of maintaining an average satisfaction score of 4 or above. · Telephone Service Satisfaction Survey: In response to an aging society, KGI Life is committed to a customer-centric approach by enhancing the Taiwanese (Hokkien) language proficiency and professionalism of its telephone service staff. This enables smoother communication with elderly customers or those who prefer Taiwanese, thereby improving the overall service experience. In 2025, 99.03% of telephone service satisfaction scores reached 4 or above (out of 5).	See table below
KGI Bank	To understand customer satisfaction with various products and services and to serve as a basis for service and process improvements, KGI Bank continuously conducts satisfaction surveys across key customer touchpoints. These include branch account opening, deposit and remittance transactions, wealth management services, relationship manager outbound calls, consumer finance product applications, digital online applications, inbound customer service, credit line loan drawdowns, loan retention by telemarketing teams, and online messages. In 2025, a total of 35,000 questionnaires were collected, with an overall customer satisfaction rate of 96.7%.	See table below
KGI Securities	· To continuously optimize service processes, enhance service quality, and improve the customer experience, KGI Securities uses Net Promoter Score (NPS) as a key service indicator (on a yearly basis). Following each completed service, customers receive a survey invitation via SMS. Based on customer feedback, improvement actions are implemented. In the first half of 2025, the Net Promoter Score (NPS) was adopted, with a total of 3,368 respondents from January to June. Overall satisfaction for in-branch services reached 97%. · In 2025, customer service calls were transitioned to a post-call survey mechanism using CTI scoring. The KGI Securities Customer Service Center conducts satisfaction surveys immediately after service completion via phone. Based on the survey results, customer service quality is monitored and improved. From July to December, 5,126 survey responses were collected, with a satisfaction rate of 99.75% and an average score of 4.98. Note: NPS uses a 10-point scale, with scores of 8–10 defined as "satisfied." CTI uses a 5-point scale, with a score of 4 defined as "satisfied" and 5 as "very satisfied."	See table below

KGI Life – Satisfaction Score

Year		2022	2023	2024	2025
General Service Counter	Satisfaction Rate (%)	99.9	99.9	99.9	100
Accessible Service Counter	Satisfaction Rate (%)	100	100	100	100
Telephone Service	Satisfaction Rate (%)	99.06	99.2	99.15	99.03
	Number of Completed Surveys	39,750	34,334	13,465	9,633

Notes: 1. A score of 4 or above (out of 5) is defined as "satisfied."
2. In 2025, the number of questionnaires collected: general service counter: 37,761, accessible service Counter: 3,016

KGI Bank – Satisfaction Score

Year	2022	2023	2024	2025
Number of Completed Surveys	22 thousand	35 thousand	35 thousand	35 thousand
Satisfaction Rate	96.7	97.2	97.2	96.7

Notes: 1. The 2025 target satisfaction rate is 95%.
2. Satisfaction is measured on a 10-point scale, with scores of 7–10 defined as "satisfied."
3. The survey covers all customer segments, with 100% coverage.

KGI Securities – Satisfaction Score

Year	2022	2023	2024	2025	
				First Half	Second Half
Number of Completed Surveys	7 thousand	12 thousand	13 thousand	3,368	5,126
Satisfaction Rate (%)	85	96	98	97	99.75

Optimize Service Experience

Since 2022, KGI Financial has implemented the Net Promoter Score (NPS) to conduct surveys at key touchpoints and continuously analyze customer feedback. Through this feedback, the Company optimizes processes and enhances service quality, ensuring that all customers can enjoy the best service experience.

Subsidiaries	Key Achievements
KGI Life	· Actively listens to customer feedback: Based on 2025 survey results, KGI Life's Net Promoter Score (NPS) increased by 16% compared to 2024, reflecting strong customer recognition of service quality. · Dedicated service recovery mechanism: Since 2022, a Customer Experience Task Force has been established to follow up on survey feedback, proactively contacting customers to address issues and enhance service. In 2025, over 1,500 customers were reached, and 21 improvement initiatives were implemented in collaboration with relevant units, further enhancing customer experience.
KGI Bank	· KGI Bank conducts surveys after customer transactions or service experiences to promptly collect feedback and actively address issues. In 2025, the Net Promoter Score (NPS) reached a stable 78. · KGI Bank held NPS reward activities, issuing a total of 539 appreciation cards to service staff, and displaying positive customer feedback on branch LCD screens to encourage higher service quality, demonstrating the brand promise, "Caring for What You Value Most." · To enhance customer experience, KGI Bank regularly holds customer care meetings to proactively collect and value customer feedback and suggestions, identify customer pain points and needs, and implement optimizations and improvements across operational processes, online application platforms, and mobile apps. A total of 53 improvement initiatives were carried out to strengthen customer satisfaction and service quality.
KGI Securities	· KGI Securities has strengthened customer experience and service quality by implementing the Net Promoter Score (NPS) across key service touchpoints, including its official website, trading app, counter services, account opening, and customer service center. In the first half of 2025, the NPS reached 86. · In the second half of 2025, the Company's customer service center collected 5,126 satisfaction responses, of which 99.75% were rated 4 or 5. The average satisfaction score was 4.98. · To enhance customer experience, KGI Securities held internal and external app user workshops in 2025, inviting three user groups—new entrants to the workforce, middle-aged users, and seniors. Through one-on-one interviews, scenario-based tasks, and interactive prototypes, user behavior and journeys were analyzed to inform future enhancements of its mobile strategy.

Multi-Channel Feedback and Complaint Handling Process

KGI values customer feedback and has established comprehensive complaint channels and dedicated units to ensure timely responses, proactively engaging customers and providing effective solutions.

1. Multiple Feedback and Complaint Intake Channels → Various channels, including customer service hotlines, email, official websites, in-person services and AI-based chatbot have been established to promptly receive complaints, contact customers, and confirm receipt of their feedback.

2. Case Registration and Classification → Cases are formally registered in the system and categorized by nature. They are then assigned to responsible units for handling. In accordance with the complaint and dispute resolution procedures of each subsidiary, and under the ISO 10002 complaint management framework, cases are resolved and responded to within 7 days, or no later than 30 days depending on the case nature.

3. Case Investigation and Handling → Through fact-finding and data analysis, the root causes of complaints are thoroughly examined, and concrete and feasible solutions are developed.

4. Progress Tracking and Closure → Continuous communication is maintained with customers to track the progress of complaint handling. Cases are formally closed once the issues have been properly resolved and confirmed with the customer.

5. Improvement and Preventive Measures Based on complaint cases, comprehensive improvement plans and preventive measures are developed and incorporated into future product and service enhancements to reduce the risk of recurrence.

KGI Life

Actions	· KGI Life Insurance adopts a multi-faceted approach to safeguard financial consumer rights. In addition to providing multiple complaint channels and a well-established handling mechanism, a dedicated representative contacts policyholders within one business day of complaint receipt, formulates a resolution within 30 days, and provides regular updates via phone, SMS, or written notification. Weekly cross-departmental meetings, chaired by senior management, are held to review complaint cases and determine resolution plans. Since November 2023, regular complaint review meetings have also been convened to analyze key issues, propose corrective actions, and share relevant dispute resolution cases as references for internal training. · To enhance the handling of public complaints, KGI Life Insurance has further strengthened its existing mechanism by referencing international standards and practices to improve efficiency and effectiveness. The Company has established the "Consumer Dispute Handling and Complaint Process Improvement Cycle Mechanism," approved and periodically reviewed by the Board, as the basis for handling consumer disputes. This mechanism covers dispute scope, organizational structure, intake channels, handling procedures, timelines, progress tracking, audit and follow-up, periodic reviews, case categorization, continuous improvement cycles, and training. It also includes guidelines for handling cases involving elderly persons, persons with disabilities, and other vulnerable groups, as well as a simplified dispute resolution process. Dedicated personnel are assigned during weekends and holidays to handle urgent complaints, ensuring fair and timely resolution and safeguarding consumer rights.

(Continue)

Actions

- Upholding a customer-centric service philosophy, KGI Life implemented the ISO 10002:2018 complaint management system in November 2024, certified by BSI, and obtained certification in February 2025. The certification was successfully renewed on December 10, 2025, demonstrating its ongoing commitment to customer-centric service.
- A Complaint Committee has been established, chaired by the President or a designated senior executive, with senior representatives from relevant functions. The committee reviews complaint cases and trends, providing recommendations for improvement. Monthly and quarterly analyses are conducted to track progress, while significant cases are escalated to the Fair Customer Treatment Committee for Board-level oversight.
- Significant complaint or dispute cases are escalated to the Policyholder Complaint Committee for review and improvement planning. Cases with material developments are promptly reported to senior management, and those involving media attention are coordinated with the Public Relations Department. Aggregated case analysis supports management decisions on resource allocation, process enhancements, and standardization.
- In 2025, all relevant units handled complaint and dispute cases with a customer-centric approach, achieving target improvements in complaint rate, case volume, and resolution timeliness.

Key Achievements

In 2025, KGI Life handled a total of 1,168 customer complaint and dispute cases

- Including 225 cases related to sales solicitation and service disputes, 1 case involving suspected misappropriation or fraudulent lending, 683 claims-related disputes, 23 underwriting disputes, 224 policy service/premium disputes, 4 personal data disputes, and 8 other cases.
- A total of 161 cases have been finalized by the Financial Ombudsman Institution, achieving a 98.48% resolution rate, outperforming major industry peers.
- All complaint cases were responded to within 30 days (100%). KGI Life ranked in the top tier under the complaint protection principle, achieving the full score. The complaint rate was 0.13‱, ranking among the top five out of 21 life insurers. Both the number and ratio of ombudsman applications decreased year-on-year, while the resolution rate remained above 90%. Among the 161 cases, 118 were claims-related and 43 were non-claims, with 98.48% resolved.
- The dedicated complaint unit conducts statistical analysis and, since September 2023, has included complaints from bancassurance, agency channels, and call centers. Quarterly reports are provided to relevant units for follow-up. Since November 2023, regular complaint case review meetings chaired by senior management review cases, analyze key issues, and share case studies for training.
- The complaint unit continuously provides feedback to responsible units to support improvements. In 2025, a total of 46 improvement recommendations were proposed to reduce operational risks and enhance service quality.
- KGI Life has implemented the ISO 10002:2018 complaint management system, establishing comprehensive procedures including customer service guidelines, risk and opportunity management, document and record control, training management, complaint handling, service quality monitoring, customer satisfaction resolution, internal audits, and corrective actions, in line with international complaint handling standards and practices.

In addition to establishing a comprehensive complaint handling framework, KGI Life has set quality control standards for complaint processing. Monthly call reviews are conducted to ensure service quality, and responsible staff are required to respond to customers within 30 days regarding case progress or outcomes. Regular training is also provided to strengthen professional capabilities in complaint handling. Furthermore, an annual target satisfaction resolution rate of over 90% is maintained, along with at least one internal review per year, to continuously enhance service quality and operational efficiency.

Under the guidance of the Board of Directors, KGI Life successfully passed BSI certification with zero non-conformities in February 2025, and completed recertification on December 10, 2025. The Company remains committed to its long-term promise to customers by embedding a customer-centric approach across all aspects of service.

Functional Department	Feedback Items on Improvement Recommendations	2025
In-House Business Unit	Training on solicitation practices and case study sharing	11
	Awareness programs on sales representative service conduct	1
Broker/Agent Management	Awareness programs on management of sales representative conduct	3
Underwriting Unit	Strengthening the underwriting operations system	4
Policyholder Service Unit	Operating system updates and optimization	4
	Optimization of counter service processes and staff service attitude training	2
	Timely updates to contract change regulations	5
	Recommendations for handling court-ordered enforcement cases	1
Claims Service Unit	Recommendations for optimization of the claims system	2
	Strengthening the review and approval workflow	2
	Training on policy terms and operational guidelines	1
	Improvement of service processes	2
	Enhancing control mechanisms for claims processing timeliness	1
Group Insurance Business Unit	Improvement of service processes	2
	Improvement of system workflow processes	1
Call Center Unit	Enhancing capabilities in consultation and customer response	2
	Further optimization of system processes	2
Total Feedback Items on Improvement Recommendations		46

KGI Bank

Actions

To promote a customer-centric culture based on fair treatment, KGI Bank has established the Customer Complaint and Dispute Handling Guidelines, creating a consistent bank-wide framework for complaint management.

- Upon receiving a complaint, a dedicated staff member is assigned immediately to investigate the case. Customers are contacted within three business days via phone or written communication to explain the handling status or proposed resolution. For cases attributable to the Bank, improvement measures are implemented and tracked until closure to prevent recurrence.
- Complaint cases are compiled and analyzed monthly, with results reported to the President and senior management. Major cases are reported to the Board on a quarterly basis. A customer care meeting is also held to actively address disputes and implement improvement measures, ensuring effective resolution and enhancing customer satisfaction. Quarterly summaries are submitted to the Fair Customer Treatment Committee and reported to the Board for review.
- KGI Bank has implemented the ISO 10002:2018 complaint management system, establishing procedures in line with international standards. These include document and record management, complaint handling standards, training management, service quality monitoring, risk and opportunity management, customer satisfaction resolution, internal audits, and corrective actions, further optimizing complaint handling processes.

Key Achievements

- In 2025, KGI Bank recorded a total of 304 customer complaint cases, of which 92% were resolved within three business days, exceeding the target of 85%.
- For the 50 complaint cases attributable to KGI Bank, most were related to staff service attitude and proficiency, operational processes, and system issues. The responsible units implemented 52 improvement measures to address these issues, categorized as shown in the table below.

Type of Improvements Made	2025
Education and Training/Sampling/Case Advocacy	35
Current Workflow Adjustment	7
Improvement of Enhancement of System Functionality	5
Adjustment of Official Website/Voice Mail/ Text Message	4
Adjustment of the Operative Manual/Education Training Materi	-
Adjustment of The Form Style or Notification Content	-
Testing or Replacement of Machine/ATM	-
Adjustment of Manpower	1
Total Improvements Made	52

- For the 254 complaint cases not attributable to KGI Bank, an additional 34 customer care measures were provided to ensure effective resolution of complaints and disputes, continuously enhancing customer service.
- In November 2025, KGI Bank successfully obtained the ISO 10002:2018 complaint management system certification with zero non-conformities, reinforcing its commitment to a customer-centric service approach.

KGI Securities

Actions

KGI Securities has established comprehensive Guidelines for Handling Customer Complaints and Disputes and a complaint reporting mechanism:

- After the customer service center or branches receive customer feedback, complaint details are recorded in full and reported on the same day. Branch managers promptly contact customers to understand their concerns, provide appropriate service, and report complaint handling results in a timely manner.
- The Brokerage and Wealth Management Channel Department holds monthly complaint review meetings, where supervisors of the complained regions attend, and branch managers review and explain each case individually.
- After completion of telephone services, the customer service center randomly invites customers to participate in satisfaction surveys via phone input as a reference for service improvement. Regular case sharing and staff training are also conducted to continuously enhance customer service. In addition, KGI Securities provides dedicated service channels, including customer service hotlines (02-2389-0088 and toll-free 0800-085-005) and an online intelligent customer service platform.
- Since 2023, the Company has implemented and continuously operated the ISO 10002 Customer Complaint Management System, systematically institutionalizing the processes of complaint intake, handling, improvement, and feedback. The Company successfully passed a surveillance audit by the British Standards Institution (BSI) again in 2025. Through regular complaint quality assessments, review of key issues, and the convening of cross-departmental complaint management review meetings, the Company continues to enhance and optimize its complaint handling mechanisms, thereby strengthening overall management effectiveness.

Key Achievements

- In 2025, KGI Securities handled 143 brokerage-related complaint and dispute cases, of which 99 cases (69%) were resolved within 7 days, exceeding the target of 60%.
- A total of 61 customer complaints have been appropriately addressed and resolved.

Classification of Complaint Cases	2025
Personnel Service	31
Operational Procedures or Standards	1
System Anomaly	24
Web Information Disclosure	5
Total	61

- For personnel-related complaints, cases are linked to employee performance, and managers strengthen training accordingly. Complaints related to processes, policies, and systems are addressed through listed improvement measures, with monthly progress tracking until completion to effectively reduce complaint cases.
- In the second half of 2025, 5,126 CTI customer satisfaction responses were collected, of which 5,113 were rated 4 or above, with an average score of 4.98 and an overall satisfaction rate of 99.75%. The overall satisfaction score for online text-based customer service was 4.35.
- KGI Securities began implementing the ISO 10002 complaint management system in Q4 2023, establishing a risk-based escalation and reporting mechanism to enhance oversight by senior management and better protect customer rights. The system was certified by BSI in 2024 and successfully completed recertification in July 2025, demonstrating its high service quality and strong external recognition.

4 Talent Development

Talent is the cornerstone of sustainable development for enterprises. KGI Financial Group is dedicated to attracting, developing, motivating, and retaining talent. We strive to become the "Employer of Choice for Talent Sustainability" by promoting diversity and inclusion, providing competitive compensation and benefits, employing diverse resourcing methods, enhancing training and development, and ensuring a safe and healthy work environment.

In 2025, our initiatives received internal and external recognition.

External Recognition

KGI FINANCIAL

- Taiwan High Compensation 100 Index
- Happy Enterprise - Gold Award
- TCSA* Talent Development Leadership Award
- TCSA* Gender Equality Leadership Award
- CommonWealth Talent Sustainability Award Top 100 Companies
- SESD** Talent Development Award
- SESD** Workplace Friendliness Award
- Workplace Gender Equality Certification - Gold Award
- Sports Enterprise Certification
- Workplace Health Promotion – Self-Assessment Certification

KGI Life

- Happy Enterprise – Gold Award
- TCSA* Talent Development Leadership Award
- Sports Enterprise Certification
- Healthy Workplace Certification – Health Promotion Mark

KGI Bank

- Happy Enterprise – Gold Award
- National Talent Development Award – Best Practice Award
- HR Management Transformation Model & AI Application Award
- Workplace Health Promotion – Self-Assessment Certification

KGI Securities

- Happy Enterprise – Gold Award
- Securities and Futures – Outstanding Talent Development Award
- Age-Friendly Enterprise Certification
- Healthy Workplace Certification – Health Promotion Mark

KGI SITE

- Happy Enterprise – Silver Award

CDIB Capital Group

- Happy Enterprise – Silver Award
- Workplace Health Promotion – Self-Assessment Certification

* TCSA: Taiwan Corporate Sustainability Awards
** SESD: Social Enterprise Sustainability Development

Internal Recognition

With 98% participation in the 2025 Employee Engagement Survey, the engagement level remains steady at 77%, exceeding the annual target of 75% and reflecting continued employee positivity towards KGI Financial Group. The survey includes both permanent and contract employees. Refer to → 4.4.3 Employee Engagement Survey for detailed survey results.

Key Strategies & Goals

Strategy	Relevant Material Topic	2025 Goal	2025 Progress	2026 Short-Term Goal	2027-2028 Mid-Term Goal	2029 – 2031 Long-Term Goal
Diversity, Equity & Inclusion	Labor Protection & Workplace Inclusion and Equity	· Enhance DEI initiatives · Conduct regular training with completion rate >90% · Promote awareness of DEI and human rights · Expand the target group covered by human rights risk assessment	· Set up gender-friendly restrooms · Launched three mandatory courses on human rights and DEI, with a completion rate of 100%. · Revised the Human Rights Policy to enhance commitment to labor rights. · Group senior management communicated to all personnel (employees and dispatched personnel) the Group's zero-tolerance policy toward workplace violations, emphasizing the importance of a respectful, friendly, and safe workplace. · Included dispatched personnel in the human rights risk assessment.	· Arrange DEI and human rights training with completion rate >90% · Promote awareness of DEI and human rights · Expand training courses applicable to dispatched personnel	· Optimize DEI and human rights measures · Periodically promote awareness of DEI and human rights	
Talent Resourcing & Development	Diverse Talent Resourcing & Development	· Expand diverse recruitment channels to attract young talent · Build succession and high potential talent pipeline · Average training hours per employee exceeds 45 hours	· Expanded campus recruitment efforts, recruiting 29 MAs and 39 summer interns, and also hired 116 interns for industry-college collaboration programs. · Completed a comprehensive succession talent review and obtained board approval; evaluated MA graduates to identify high-potential talent. · Average training hours per employee achieved 67.2 hours, an increase of 28.2%.	· Deepen campus collaboration to attract young talent and enhance employer brand · Strengthen the succession and high potential talent pipeline · Average training hours per employee exceeds 50 hours	· Expand the recruitment of fresh graduates, with the number of fresh hires increased year on year · Achieve a retention rate of over 80% for key talents · Average training hours per employee exceeds 55 hours	
Compensation & Wellbeing	Competitive Compensation & Benefits	· Maintain status as a constituent of the "Taiwan High Compensation 100 Index" · Introduce up-to-date employee benefits	· Continued to be selected as a constituent of the "Taiwan High Compensation 100 Index" in 2025. · Enhanced employee health check-ups and group insurance benefits.	· Continue to be selected as a constituent of the "Taiwan High Compensation 100 Index" · Introduce up-to-date employee benefits	· Continue to be selected as a constituent stock of the "Taiwan High Compensation 100 Index" · Introduce up-to-date employee benefits	
Workplace Safety and Health	Workplace Safety and Health	· Achieve a 90% completion rate for the annual occupational safety and health training · The percentage of employees with normal BMI value in health checkups exceeds 50%	· Achieved a 100% completion rate for the annual occupational safety and health training. · The percentage of employees with normal BMI values in health checkups achieved 51%	· Achieve a 90% completion rate for the annual occupational safety and health training · The percentage of employees with normal BMI value in health checkups exceeds 55%	· Min. 3 hours of occupational safety and health training every 3 years for each employee · The percentage of employees with normal BMI value in health checkups exceeds 55%	

4.1 Diversity, Equity and Inclusion

4.1.1 Diversity and Inclusion

KGI Financial Group is dedicated to being the employer of choice by cultivating a diverse and inclusive workplace where individuals of all backgrounds - including different nationalities, ethnicities, social classes, genders, ages, and abilities - can thrive. As of the end of 2025, we employed 9,476 staff in Taiwan, 673 overseas, and 16,142 non-employee workers, totaling 26,291 personnel—similar to last year. Our workforce consists of 39.4% full-time, 15.1% part-time, and 45.5% non-guaranteed-hour personnel, with 55.8% aged 30 to 49, supporting the Group's steady growth.

The Group is committed to a diverse, equitable, and inclusive workplace, reflected in fair recruitment, promotion, and compensation, and reinforced through mandatory DEI training. International Women's Day events are held annually to promote gender equality, and the introduction of multi-gender friendly restrooms in 2025 further demonstrates our dedication to becoming the employer of choice.

Workforce Classification

		2023	2024	2025			
				Taiwan	Overseas	Total	
		No. of People	No. of People	No. of People	No. of People	No. of People	Ratio (%)
Employee	Male	3,726	3,822	3,743	343	4,086	40
	Female	5,694	5,750	5,733	330	6,063	60
	Sub. Total	9,420	9,572	9,476	673	10,149	100
Non-Employee	Male	5,606	5,497	5,368	231	5,599	35
	Female	10,190	10,194	10,427	116	10,543	65
	Sub. Total	15,796	15,691	15,795	347	16,142	100
Total	Male	9,332	9,319	9,111	574	9,685	37
	Female	15,884	15,944	16,160	446	16,606	63
	Total	25,216	25,263	25,271	1,020	26,291	100

Note: 1. Employees consist of permanent and contract employees, whereas non-employees encompass dispatched, contracted, and dual-contract personnel. Individuals on leave without pay are not included in these counts. The number of people is calculated as of December 31 each year.
2. This chapter (Chapter 4) primarily addresses employees, including those in Taiwan and abroad, unless otherwise noted.
3. KGI Securities contracted personnel are field financial advisors engaged in solicitation, brokerage trading, and customer service related to overseas finance and wealth management product platforms.
4. KGI Life contracted and dual-contract personnel are field agents who serve as frontline representatives, engaging with policyholders and the general public in product solicitation and related services.

Workforce Employment Type

		No. of People	Ratio (%)	% to All Workforce
Full-Time	Male	4,157	40	39.4
	Female	6,191	60	
	Sub. Total	10,348	100	
Part-Time	Male	1,265	32	15.1
	Female	2,707	68	
	Sub. Total	3,972	100	
Non-Guaranteed-Hour	Male	4,263	36	45.5
	Female	7,708	64	
	Sub. Total	11,971	100	
Total	Male	9,685	37	100
	Female	16,606	63	
	Total	26,291	100	

Note: The above includes employees and non-employees.

Employee by Age and Level

		Non-Management	Management	Total		% of this Age Group to All Employees
				No. of People	Ratio (%)	
≤29	Male	590	1	591	46	12.6
	Female	691	1	692	54	
	Sub. Total	1,281	2	1,283	100	
30~49	Male	1,966	315	2,281	40	55.8
	Female	3,048	335	3,383	60	
	Sub. Total	5,014	650	5,664	100	
≥50	Male	793	421	1,214	38	31.6
	Female	1,571	417	1,988	62	
	Sub. Total	2,364	838	3,202	100	
Total	Male	3,349	737	4,086	40	100
	Female	5,310	753	6,063	60	
	Total	8,659	1,490	10,149	100	

Employee by Level and Gender

		Male		Female		Total	
		No. of People	Ratio (%)	No. of People	Ratio (%)	No. of People	Ratio (%)
Non-Management		3,349	82.0	5,310	87.6	8,659	85.3
Management	Junior Management	246	6.0	335	5.5	581	5.7
	Middle Management	398	9.7	348	5.7	746	7.4
	Top Management	93	2.3	70	1.2	163	1.6
Total		4,086	100	6,063	100	10,149	100

Note: Top management refers to executives graded 15 and above.

Guided by the vision of “Becoming a Leading Financial Enterprise in Asia”, the Group actively recruits talents from diverse nationalities and ethnicities across our domestic and international operations to strengthen our competitive edge. By the end of 2025, we employed 648 foreign nationals, accounting for 6% of the employee population. These employees represent 16 countries, including China, Southeast Asian nations, and the United States. Non-Taiwanese executives comprise 9% of our leadership team, while local residents hold 95.1% of top-level management positions. Furthermore, we support the employment rights of indigenous people and individuals with disabilities, employing 208 employees from these groups .

Employees by Nationality, Ethnicity and Minority

Nationality	Non-Management		Management		Total	
	No. of People	% to All Non-Management Employees	No. of People	% to All Management Employees	No. of People	% to All Employees
Taiwan	8,145	94.1	1,356	91.0	9,501	93.6
China (incl. HK)	307	3.6	80	5.4	387	3.8
Singapore	88	1.0	21	1.4	109	1.1
Indonesia	51	0.6	14	0.9	65	0.6
Malaysia	37	0.4	3	0.2	40	0.4
U.S. & Others	31	0.3	16	1.1	47	0.5
Total	8,659	100	1,490	100	10,149	100

Ethnicity		Non-Management		Management		Total	
		No. of People	% to All Non-Management Employees	No. of People	% to All Management Employees	No. of People	% to All Employees
Asian	Taiwanese	8,149	94.11	1,358	91.14	9,507	93.67
	Non-Taiwanese	504	5.82	125	8.39	629	6.20
Caucasian		4	0.05	2	0.13	6	0.06
Other Ethnicity Groups		2	0.02	5	0.34	7	0.07
Total		8,659	100	1,490	100	10,149	100

Minority	No. of People	% to Taiwan Employees
Disabled Employee	102	1.1
Indigenous Employee	106	1.1

Note: The above only covers employees in Taiwan.

4.1.2 Fair Treatment

KGI Financial Group is committed to gender equality by treating all employees (permanent and contract) fairly in employment, compensation, benefits, talent development, and promotion or transfer opportunities. By the end of 2025, women represent nearly 60% of employees, close to 51% of management, over 47% of sales management, and 43% of STEM roles. Through ongoing efforts, all female-related indicators in 2025 continued to meet the targets set for 2027, and external recognition was received through gender equality awards.

2025 Female Employee Indicators

	Ratio (%)	2027 Target (%)
Share of Women in Total Workforce	59.7	≥50
Share of Women in All Management Positions	50.5	≥50
Share of Women in Junior Management Positions	57.7	≥50
Share of Women in Middle Management Positions	46.6	46
Share of Women in Top Management Positions	42.9	39
Share of Women in Management Positions in Revenue-Generating Functions	47.4	45
Share of Women in STEM-Related Positions	43.0	34

2025 Internal Transfers and Promotions

Dedicated to gender equality, the Group prioritizes employee competencies, relevant qualifications, educational and professional backgrounds, and performance in all internal transfer and promotion decisions. As a result of this merit-based approach, in 2025, female employees achieved higher rates of transfers and promotions compared to their male counterparts.

	Internal Transfer		Promotion		Total	
	No. of People	% to the Employees of the Gender	No. of People	% to the Employees of the Gender	No. of People	% to the Employees of the Gender
Male	608	46	428	41	1,036	44
Female	721	54	609	59	1,330	56
Total	1,329	100	1,037	100	2,366	100
% to Employees	13	-	10	-	23	-

2025 Comparison of Compensation between Female and Male

The Group offers an average salary above the market level for all employees, regardless of gender, to ensure market competitiveness. At the same time, we continuously monitor and strive to reduce the gender pay gap at different levels to achieve gender equality. Refer to → 4.4.1. Competitive Compensation.

4.2 Human Rights and Employee Communication

4.2.1 Human Rights

KGI Financial Group is committed to upholding human rights values and adheres to various international human rights conventions, including but not limited to “Universal Declaration of Human Rights”, “UN Global Compact”, and “International Labor Office Tripartite Declaration of Principles”. We have established a "Human Rights Policy" to eliminate any acts of infringement or violation of human rights. We strictly comply with the human rights protection regulations in all the locations where we operate. The Policy encompasses six major human rights commitments: no discrimination, no bullying, no harassment; no forced labor; freedom of association, labor-management communication, and labor rights; workplace safety and health; work-life balance; information security and privacy protection. The Policy was amended in 2025 to reinforce the protection of labor rights. The policy applies to the overall operational activities and new business activities (such as mergers and joint ventures) of KGI Financial and its subsidiaries. Based on this, a "Supplier Sustainability Responsibility Letter of Commitment" and a Sustainable Finance Commitment have been established, requiring partners (including corporate entity contractors), investment and financing targets, and clients to adhere to the same standards. Any acts of infringement or violation of human rights are prohibited. There is a shared focus on human rights risk management, and human rights due diligence should be conducted in accordance with the Human Rights Policy.

A comprehensive management mechanism has been established to protect human rights, which includes conducting regular human rights risk assessments and implementing improvement measures. This mechanism also encompasses continuous promotion and training on key issues such as workplace inclusion, gender equality, prevention of sexual harassment, personal data protection, and workplace safety. The goal is to enhance employees' awareness and understanding of human rights.

The Group integrates human rights issues with the commitments specified in the Human Rights Policy. An annual assessment is conducted for all employees (including permanent, contract, and intern staff) to monitor the implementation of human rights-related initiatives and identify potential risks to prevent violations. Following the inclusion of dispatched personnel as subjects of non-discrimination, non-bullying, and non-harassment assessments in 2024, in 2025 the scope was further expanded to include dispatched personnel as subjects for assessment under more human rights topics. For human rights risk assessment of suppliers (including corporate entity contractors), please refer to → 5.2.1 Supplier Sustainability Management.

Human Rights Due Diligence Process

Human Rights Policy
Establish and publish a human rights policy in line with international standards.

Issue Identification
Based on the commitments outlined in the Policy, human rights assessment is conducted annually for employees and suppliers. Assessment is conducted promptly for new business activities (e.g., mergers and acquisitions).

Risk Assessment
Conduct risk assessments to determine the degree and likelihood of impact that issues may have on stakeholder groups.

Monitoring and Improvement
Propose risk mitigation and remediation measures and establish a mechanism for monitoring improvements.

Regular Review
Regularly track the effectiveness of improvements, and conduct reviews and assessments.

2025 Human Rights Assessment Results and Management Measures

A human rights risk assessment was conducted in 2025, covering 100% of employees and dispatched personnel. The results show that the number of people at human rights risk accounts for 0.31% of the total. The number of people at human rights risk refers to the sum of affected individuals calculated based on the “issues assessed" and “assessment method” listed in the table below. All mitigation measures and remediation actions have been implemented across all sites, covering 100% of employees.

Issues Assessed	Targets Covered	Assessment Method	Assessment Results	Mitigation Measures	Remediation Actions
No Discrimination, No Bulling, No Harassment	All employees (permanent and contract) / females / indigenous people / migrant workers / dispatched personnel	No. of cases related to workplace discrimination, illegal infringement, and sexual harassment	Low Risk	· Establish “Guidelines for Prevention, Appeal and Disciplinary of Sexual Harassment at Workplace", and “Preventive Management Program for the Prevention of Unlawful Infringement on the Performance of Duties” to strictly prohibit all forms of unlawful behavior in the workplace. · Establish a dedicated grievance channel to allow all personnel to safely raise complaints. · Regularly conduct educational training, making human rights and diversity inclusion mandatory courses each year. The curriculum covers unconscious bias, prevention of sexual harassment and unlawful infringements, aimed at strengthening all personnel’s awareness of human rights.	· Formulate “Handling Procedures for Sexual Harassment Prevention, Compliant and Investigation". · Form a Sexual Harassment Complaint Review Committee, ensuring that at least half of its members are female. Additionally, recruit external professionals who possess strong gender awareness. · For the respondent against whom the case is established, disciplinary action will be taken in accordance with the Guidelines for Employee Reward and Disciplinary. · Provide or refer the complainant to counseling, medical or psychological consultation, social welfare resources, and other necessary services. · For personnel injured due to workplace violence, on-site health service physicians and nurses offer support by providing health guidance, recommending adjustments or changes to work duties, and conducting assessments to ensure appropriate measures for physical and mental wellbeing. · Provide enhanced training for specific units as needed.
No Forced Labor / No Human Trafficking	All employees / interns / child labor / dispatched personnel	· The salaries of all employees, interns and dispatched personnel are not below the legal regulations · No employment of child labor	Extremely Low Risk	· The “Work Rules” explicitly state that, in compliance with labor laws, employees' compensation for regular working hours must meet or exceed the minimum wage. · Review the resumes and information of applicants to ensure they are not underage workers. Upon the arrival of new employees, examine their original identification documents to verify once more that they meet the age requirements. · Require the dispatch company to comply with applicable labor laws and ensure that the salaries for dispatched personnel are not lower than the statutory minimum wage. Additionally, a monthly payroll statement must be provided as supporting documentation. · Require the dispatch company to refrain from employing child labor and to provide the basic information of dispatched personnel (including age), at the time of dispatch to verify that they are not minors.	· Ensure interns receive lawful and fair compensation. If an intern falsifies their age, violating the Group's policy on employing underage workers, they will be terminated in compliance with legal regulations. · If the dispatch company offers salaries below the minimum wage, immediate corrective action will be required. Should any dispatched personnel falsify their age, the dispatch company will be requested to terminate their employment in accordance with legal requirements. Any violations by the dispatch company will be taken into account in the suitability assessment.

(Continue)

Issues Assessed	Targets Covered	Assessment Method	Assessment Results	Mitigation Measures		Remediation Actions
Freedom of Association/Collective Bargaining, Labor-Management Communication, and Labor Rights	All employees	· Protection of freedom of association · No. of labor-management communication	Low Risk		· Develop diverse personnel policies and guidelines that align with labor laws to safeguard employee rights. · Labor and management representatives convene quarterly to thoroughly address a range of issues including policies, working conditions, employee opinions, etc. · The "Human Rights Policy" explicitly commits to the protection of employees' right to join a union. · Proactively and transparently communicate with employees ahead of any measures that may impact on their rights and interests. In the event of mass layoffs, a 60-day advance notice will be given in accordance with the law. · Offer employees a variety of communication channels and ensure prompt responses to their inquiries.	· Address employee complaints promptly by clarifying the root causes, providing solutions for valid concerns, and focusing on the issues that matter most to them. · When an employee submits a formal mediation request, assess its validity, develop a mediation plan for reasonable requests, and implement the plan mutually agreed upon by both labor and management.
Workplace Safety and Health	All employees, dispatched personnel	No. of occupational accidents reported	Extremely Low Risk		· Develop a comprehensive occupational safety and health management program by formulating and implementing four key initiatives: "Ergonomic Hazard Prevention and Management Program", "Preventive Management Program for the Prevention of Unlawful Infringement on the Performance of Duties", "Workplace Maternal Health Protection Program", and "Disease Prevention and Management Program for Abnormal Workloads". · Offer employees health checkup benefits along with designated health check leave. · Regularly conduct educational sessions, encompassing safety and health training for all employees (new and existing, including dispatched personnel), alongside specialized first aid and disaster prevention training for designated personnel. The safety and health training for new dispatched personnel shall be conducted by the dispatch company in accordance with legal regulations. · Consistently promote health information and organize health consultation services.	· Develop a robust mechanism for reporting and addressing occupational accidents. Ensure immediate assistance and consultation are provided following an incident and offer compensation and relief for occupational injuries in alignment with the "Work Rules".
Work-Life Balance	All employees, dispatched personnel	No. of employees with average monthly overtime hours exceeding 45 hours	Extremely Low Risk	Overtime	· The "Work Rules" clearly stipulate the working hours and overtime limits. The combined total of regular working hours and overtime must not exceed 12 hours in a single day, and overtime is capped at 46 hours per month. · The "Work Rules" require employees to obtain manager approval prior to working overtime. · The attendance system is configured to alert employees and managers about the daily maximum working hours (12 hours) and the monthly overtime limit (46 hours). · Provide managers with tools and reports for managing working hours, allowing them to monitor and address employees' attendance and overtime, and prevent employees from being overworked for extended periods. · Request the dispatch company to comply with overtime-related labor laws and review the overtime hours of dispatched personnel every month to ensure compliance. · Introduce flexible working arrangements by providing employees with adaptable scheduling options (e.g. flexible work schedules and reduced working hours).	· Employees have options to apply for either overtime pay or compensatory time off for extended working hours. · Evaluate abnormal workloads and, if necessary, coordinate with on-site physician services for consultation and guidance to adjust and implement improvement measures at the work site.
				Paid Annual Leave	· Paid annual leave is provided, and various measures are used to encourage employees to make full use of this benefit. These include regular reviews and tracking of annual leave usage, providing managers with tools to monitor team leave, and periodic reminders for employees to take time off. While employees cannot be compelled to take leave in accordance with legal requirements, everyone is encouraged to use their paid annual leave each year to promote a healthy work-life balance. · The dispatch company is required to comply with all regulations regarding paid annual leave and to regularly review the usage of such leave. While employees cannot be compelled to take leave according to the law, everyone is encouraged to use their paid annual leave each year.	· Unused annual leave can be deferred to the following year or converted into cash.

Note: 1. Five risk levels: Extremely Low Risk, Low Risk, Medium Risk, High Risk to Extremely High Risk.
2. Dispatched personnel have been included as the assessment targets for more human rights issues since 2025.

Prevention of Violence and Harassment

KGI Financial Group is committed to the prevention of workplace violence and sexual harassment, adopting a zero-tolerance policy towards any acts of violence or sexual harassment. Forms of workplace violence include physical violence (such as hitting or scratching), psychological violence (such as threats or bullying), and verbal violence (such as bullying or insults). To create a friendly working environment free from violence and harassment, KGI Financial has published a "Human Rights Policy" and "Anti-Discrimination and Harassment Statement" on its official website.

Internally, "Guidelines for Prevention, Appeal, and Disciplinary of Sexual Harassment at Workplace" and a “Preventive Management Program for the Prevention of Unlawful Infringement on the Performance of Duties" have been established, clearly defining the responsible units, educational training, and grievance procedures for various related issues. The internal website details the employee grievance procedures, including the personnel responsible for handling complaints, the scope of complaints, and the complaint process. Additionally, complaint hotlines, including phone numbers, fax numbers, and email addresses, are provided on both the official website and the internal website.

Grievance Handling Procedure

	1 Reporting	2 Investigation	3 Case Closure
Sexual Harassment Complaint	The complainant may file a complaint verbally or in writing via a dedicated phone line, fax, or email.	· Submit the case to the Sexual Harassment Complaint Review Committee and form a complaint investigation team to conduct the investigation. · When the Complaint Review Committee holds a meeting, the parties involved and related people may be notified to attend and provide explanations. The parties should be given sufficient opportunity to express their opinions and defend themselves, and a written resolution with reasons should be made. · The investigation process is carried out confidentially.	· Upon receiving a sexual harassment complaint, the case should be resolved within two months. If necessary, a one-month extension may be granted, with all parties involved being duly informed. · Should the investigation substantiate claims of sexual harassment, the offender will be reported to the personnel evaluation committee for appropriate disciplinary measures. Psychological support and other essential resources will also be extended to the complainant. · If the complainant feels that the issue has not been adequately addressed by organization or is dissatisfied with the investigation or disciplinary measures, they have the right to file a complaint with local authorities as per Article 32-1 of the Act of Gender Equality in Employment.
Workplace Unlawful Infringement Complaint	Fill out the "Report and Handling Form for Unlawful Infringement While Performing Duties" and submit it to unit manager or the Human Resources department for reporting or filing a complaint.	· Upon receiving a report or complaint promptly assign appropriate personnel or form an investigation team to investigate or address the issue. · Throughout the investigation process, maintain strict confidentiality to protect the rights and privacy of both the victim and the individual reporting the complaint. Additionally, ensure that the reporter or complainant is safeguarded against any form of retaliation.	The personnel assigned to handle the case should initiate the investigation within seven days of receiving the complaint or referral and aim to complete it within one month. If required, the investigation period may be extended by an additional month. (The timeline for closing the case may vary based on the internal regulations of KGI Financial and its subsidiaries; the timeline mentioned above aligns with KGI Financial's specific regulations.)

KGI Financial and its subsidiaries have respectively formed a Sexual Harassment Complaint Review Committee, chaired by the head of the Human Resources, with the chief compliance officer/head of compliance or head of legal serving as an ex-officio member. The committee also includes either qualified employees with gender awareness or external professionals, ensuring that at least half of the members are women. Upon receiving a complaint, an investigation team is assembled, incorporating external professionals with gender awareness. The investigation is conducted with objectivity, fairness, and professionalism, while safeguarding the privacy and personal rights of all parties involved. If the investigation confirms sexual harassment, the case will be referred to the Personnel Review Committee for deliberation. The committee's disciplinary or handling outcomes will then be reported to the local authorities. Should criminal responsibility be involved, the relevant company will assist the complainant in filing charges. Additionally, the complainant will be provided or referred to consultation services, medical or psychological counseling, social welfare resources, and other necessary support.

Training and Education

Beyond the above measures, education and training are crucial components of our approach. In 2025, the Group continued to offer mandatory courses for all employees, including "Human Rights Policy & a Safe and Friendly Workplace" and "A Workplace of Diversity, Equity and Inclusion". Additionally, new courses on "Prevention of Unlawful Workplace Infringement" were introduced for both managers and employees, with a 100% completion rate. Furthermore, we actively disseminated related policies to our managerial team during leadership meetings to strengthen their understanding and vigilance in preventing unlawful infringement and sexual harassment, thereby further eliminating improper conduct.

2025 Complaints and Handling

In 2025, KGI Financial and its subsidiaries had a total of 6 substantiated complaints: 3 cases involved sexual harassment, 2 involved unlawful infringement while performing duties, and 1 involved employment discrimination. Upon receiving the complaints, investigations in line with relevant regulations and procedures were promptly initiated. The investigation was conducted with adherence to objectivity, fairness, and confidentiality, ensuring the protection of the complainants' rights throughout. With the complainants' consent, caring measures were offered, including isolation measures, job adjustment evaluations, and psychological counseling services. All 6 cases have been closed, and the individual involved have been disciplined in accordance with relevant regulations. Additionally, training on these topics has been enhanced (as outlined in the previous section), and Group senior management has reiterated to all employees the Group’s zero-tolerance policy toward unlawful conduct in the workplace, emphasizing the importance of a respectful, friendly, and safe work environment. In response to the employment discrimination case, the relevant department has optimized the criteria for performance evaluation, provided productivity reports to employees on a regular basis, and organized labor law education and training sessions for managers.

4.2.2 Employee Communication

The Group is dedicated to nurturing effective communication and harmonious labor relations. We utilize diverse channels to ensure employees receive timely and accurate information, while actively encouraging them to express their thoughts and opinions. Furthermore, KGI Financial and its respective subsidiaries regularly conduct labor-management meetings and engage with the corporate union with respect and sincerity. In 2025, a total of 43 meetings were conducted. In the event of major incidents that may impact employee rights, it is our commitment to notify employees and the union in advance, in full compliance with legal regulations.

Channel	Content
Internal Website/ Internal Email	· Important business information of the company · Amendments to the company's regulations and standard operating procedures · Promotion of important compliance matters (such as legal compliance and information security awareness) · Information on training courses · Information on annual performance management activities · Notifications of various employee activities · Information on health and consultation services
Labor-Management Meetings	Quarterly labor-management meetings are convened to communicate key policies and offer a platform for colleagues to voice their opinions.
Employee Suggestion Box	Employees can utilize this platform to share their suggestions and ideas for the ccompany.
Grievance Channels	A dedicated phone line, fax, and email address have been established to report complaints and sexual harassment grievances. These channels are prominently displayed on the official website and staff intranet, ensuring accessibility for all personnel. A specialized unit is responsible for handling these cases.
Whistleblowing Channels	Establish multiple channels for whistleblowing, including written reports, email, and telephone, to ensure accessibility and confidentiality. Regularly promote these channels among internal personnel. A dedicated unit is responsible for handling whistleblowing cases.

Freedom of Association

KGI Financial's Human Rights Policy explicitly states: "The Company respects and supports its employees and ensures that its employees enjoy the freedom to join or form trade unions that are legally recognized as well as the right to collective bargaining. Regular labor-management meetings are held to promote effective communication and foster harmonious labor relations.". In practice, KGI Financial and its subsidiaries adhere to relevant laws and the contents of collective agreements (if any) when executing various labor-management activities.

KGI Bank and its corporate union first entered into a collective agreement in June 2019. The agreement was renewed for the first time in June 2022, and a second renewal was completed on June 11, 2025. The new agreement is effective for a three-year term. The 2025 renewal maintains the full provisions of the existing agreement. Employees who are not union members are also covered by the collective agreement, ensuring that all regular employees of KGI Bank are afforded its protection. In 2025, approximately 25.1% of KGI Bank's employees are members of the corporate union, and KGI Bank's employees covered by the collective agreement represent 27.4%[Note] of the entire employee workforce of the Group. All labor and management interactions at KGI Bank adhere to the terms of collective agreement, fostering open communication channels and ensuring a harmonious and positive relationship between labor and management.

In addition, the corporate unions of KGI Financial with its subsidiaries, as well as KGI Securities, have not initiated negotiations for a collective agreement; therefore, no collective agreements are in place.

Note: The ratio of Group employees covered by the collective agreement, 2022: 18.3%, 2023: 26%, 2024: 27%.

4.3 Talent Attraction and Development

4.3.1 Talent Attraction

KGI Financial Group is committed to "Becoming the Employer of Choice for Talent Sustainability". As part of our efforts to expand diverse business landscapes and become a leading financial enterprise in Asia, the Group continues to enhance the breadth and depth of the talent pool. We actively invest resources to attract potential talent through various channels, including implementing diverse industry-college collaboration programs, deepening campus collaborations, integrating online and offline social media, encouraging cross-company employee referrals, and facilitating intra-Group talent mobility. The focus is on bringing in young talents and financial professionals to the organization. In 2025, the Group recruited a total of 2,040 new employees, with the proportion of fresh graduates increasing by 1.5% compared to the previous year, and the percentage of female employees remaining above 50%.

2025 New Employee Count and Distribution

		Taiwan	Overseas	Total	
		No. of People	No. of People	No. of People	Ratio (%)
Gender	Male	884	72	956	46.9
	Female	991	93	1,084	53.1
Age	≤29	834	44	878	43.0
	30 ~ 49	903	111	1,014	49.7
	≥50	138	10	148	7.3
New Employee Type	Experienced Talent	1,396	148	1,544	75.7
	Fresh Graduate	450	17	467	22.9
	MA	29	0	29	1.4
Total		1,875	165	2,040	100

New Employee Statistics

	2022	2023	2024	2025
No. of New Employees	4,493	1,496	1,677	2,040
Ratio of New Employees (%)	32.9	15.6	17.5	20.1
Avg. Hiring Cost per New Employee	4,818	18,983	19,499	24,354

Note: 1. Ratio of new employees = total no. of new employees / no. of employees as of December 31 of each year.
2. The avg. hiring cost has been increased since 2023 due to a decrease in the no. of new hires caused by the shift of dual-contract workers from employee to non-employee.

Implementing Industry-College Collaboration Programs

Company	Content
KGI Financial Group	· Signed industry-college cooperation programs with 8 universities to cultivate entry-level talent in finance, successfully recruiting 116 interns to participate in six-month and one-year programs, allowing them to experience the workplace and transition to employment early. · Collaborated with National Taiwan University on the "Interdisciplinary Internship Taiwan Pathfinder Program", encouraging students to gain early workplace experience through interdisciplinary internships, recruiting 5 interns from non-financial backgrounds. · Participated in the FinTech Innovation Park's "FinTech Campus Successor Program" and the Ministry of Economic Affairs' "AI Talent Program", recruiting a total of 7 fintech interns. After completing initial training, these interns transitioned to hands-on roles at subsidiaries to gain practical experience.
KGI Bank	· Collaborated with 5 universities to launch internship programs for branch and IT talent, recruiting a total of 65 interns. The program offered comprehensive professional training and hands-on experience. · To cultivate future corporate banking talent, partnered with National Chengchi University to recruit 4 interns through open selection process. These interns engaged in core areas such as credit analysis and industry research, bridging academic theory with practical application. · Partnered with a university to hire 2 interns for the "Financial Fraud Prevention Task Force" AI model optimization project to enhance fraud detection efficiency and accuracy. This initiative enabled students to gain hands-on experience in financial practice.
KGI Securities	· Teamed up with a university to create a new-generation financial advisory course. By integrating practical experience with professional expertise, the course helped students define their future career paths and professional roles, while also promoting the principle of fair treatment for clients. · Launched the Wealth Management Advisor (BMA) Recruitment and Training Program in partnership with 7 universities and colleges. A total of 67 students participated in the program, which was designed to prepare them for a successful transition into the workforce.

Deepening Campus Collaborations

Program	Company	Content
Ma Program	KGI Financial Group	Conducted information sessions online and on-site at 6 universities attracting a total of 1,181 participants. These sessions provided young students with insights into KGI Financial Group's business, fintech trends, and the Management Associate (MA) development program. As a result, 29 outstanding young talents were successfully recruited.
Summer Intern Program	KGI Financial Group	Offer junior and first-year master's students from local and international universities with the opportunity to gain hands-on experience in the company's operations over the summer. This program allows students to participate in important projects and explore career paths, and helps the organization to discover future talent for the financial industry. In 2025, we recruited 39 outstanding students as summer interns and helped them broaden their financial perspectives.
Corporate Mentor	KGI Financial Group	· CIO served as an industry mentor for a university's Global Symposium, guiding multinational student project teams and providing professional advice. · Participated in a university business school's career month, where an outstanding alumnus from KGI Group delivered a business and career sharing session to 50 students.
	KGI Life	Took part in a resume workshop co-hosted by a university's Securities Research Club and Fund Research Club, assisting 26 students with resume writing and interview preparation.
	KGI SITE	Offered a course titled "Modern Financial Practices: Asset Management in Practice and Challenges" to 62 university students, demonstrating a strong commitment to financial education and hands-on learning.
	CDIB Capital	Acted as an industry mentor for a university's "Ask the Master" course, helping 225 students gain insights into industry trends and career development opportunities.
Corporate Visit	KGI Life	Hosted a company visit for university finance students, helping 40 students gain insight into digital finance trends and better understand their individual career strengths. Additionally, organized visits for risk management and insurance students, assisting 20 students in learning products for elderly clients and financial-friendly service mechanisms, further enhancing their career development.
	KGI Securities	Arranged a company visit for 31 finance graduate students, providing practical experience in professional and digital finance to broaden their understanding of industry practices and career opportunities.

Integrating Online and Offline Social Media

To strengthen employer brand and effectively reach potential candidates, KGI Financial and its subsidiaries leverage diverse channels – including social media platforms (LinkedIn, Instagram, Facebook), online recruitment events, and digital job platforms – to communicate key messages on KGI Group's digital innovation, sustainability, corporate values, and career opportunities. By adopting online assessment tools and offering both virtual and in-person interviews, we overcome geographical barriers and attract talent from both domestic and international markets.

Encouraging Cross-Company Employee Referral

To address increasing talent demands and broaden recruitment channels, the Group introduced an industry-leading Cross-Company Employee Referral Reward Program in 2025, enabling internal referrals across subsidiaries and establishing a vital pathway for attracting talent.

Facilitating Intra-Group Talent Mobility

To foster internal talent mobility and support diverse career development, the Group regularly reviews its talent pool, proactively promotes or transfers employees, and issues monthly job postings to encourage internal applications across departments, subsidiaries, and locations. In 2025, 2,366 employees (permanent and contract) advanced or transferred internally, achieving an internal placement rate of 51.0%.

Internal Replacement Statistics

	2022	2023	2024	2025
Total No. of Job Openings	2,290	1,866	2,122	4,637
No. of Internal Replacements	398	377	250	2,366
Internal Replacement Rate (%)	17.4	62.8	54.4	51.0

Note: 1. Internal Replacement Rate=No. of Internal Replacements / Total no. of Job Openings. Internal replacement includes both transfers and promotions.
2. Starting from 2025, employees who are transferred or promoted without external job postings were included in the calculation of internal employee replacement numbers and rates, providing a more comprehensive view of the Group's internal talent mobility. The methodology is applied retroactively to the previous two years.

4.3.2 Talent Development

Talent is essential to corporate's sustainable growth. To cultivate professionals with diverse capabilities, KGI Financial Group has developed a unified Competency Framework grounded in four corporate values, outlining key actions for both managers and employees as benchmarks. This framework informs talent selection, development, deployment, and retention. KGI Academy, anchored in the Group's corporate values and core competencies, has been established to offer a comprehensive training and development structure. It encompasses four learning programs and four development streams, applicable to all employees (both permanent and contract), and fosters a robust talent pipeline equipped to meet future challenges and drive long-term success.

Four Learning Programs	
Leadership and Management Program	Learning priorities are set according to the responsibilities of each level of management: top managers—shaping the future of the organization; middle managers—embedding culture and driving strategy execution; junior managers—delivering execution excellence. Based on these priorities, leadership and management courses are introduced to empower leadership teams at all levels.
Competency-Based Program	Structured around the Group's six core competencies, this program offers courses designed to progressively develop the essential knowledge, attitudes, and skills colleagues need for organizational success.
Functional and Regulatory Program	Offers specialized training tailored to regulations and work requirements, featuring courses on regulatory compliance, information security, occupational safety, and more.
Culture and Trends Program	Designed to shape corporate culture and address market trends, enhancing employees' competitiveness. Offerings include courses on DEI, AI empowerment, and sustainability.

Four Development Streams	
Employee Development Stream	Offers a diverse array of learning resources, performance management tools, opportunities for two-way career discussions, and internal job transfers, empowering employees to enhance their skills and actively pursue growth opportunities.
Manager Development Stream	Implements a structured training program for different manager levels, offering tailored leadership development resources and conducting regular assessments to ensure ongoing improvement and success.
Talent Development Stream	Annually selects employees with high potential for focused development; regularly review the performance of management trainee graduates and continuously track their development.
Successor Development Stream	Regularly assesses potential succession candidates for senior positions and continuously nurtures future senior leaders for the organization.

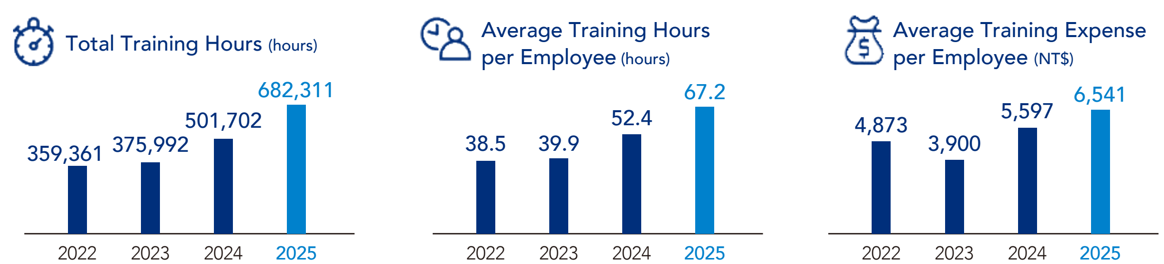
In 2025, KGI Financial and its subsidiaries continued to receive external recognition for talent development initiatives.

KGI Life — TCSA Talent Development Leadership Award

KGI Bank — National Talent Development Award Best Practice Award

KGI Securities — Securities and Futures Outstanding Talent Development Award

2025 Training Effectiveness



The Group is dedicated to developing employee capabilities. In 2025, KGI Academy achieved 100% participation, with 429,791 course enrollments and average training hours rising 28.2% to 67.2 per employee, reflecting steady growth for 3 consecutive years. Training expenses per employee increased by 16.9%. We subsidized 2,297 instances of professional certification, with emphasis on sustainability-related certifications. 1,616 employees across the Group obtained such certifications - a more than 20-fold increase over the previous year. Mandatory courses for managers and employees were also introduced to strengthen essential skills. Going forward, we will continue to invest in employee development and promote sustainable growth.

Human Capital Return on Investment (HC ROI)

Year	2022	2023	2024	2025
HC ROI	5.09	1.42	2.62	2.15

Note: Human Capital Return on Investment (HC ROI)=(Revenue- (Operating Expenses- (Compensation+ Benefit Cost)))/ (Compensation+ Benefit Cost)

Training Hours and Expenses

2025	Training Hours		Training Expenses (NT$)	
	Total Hours	Avg. Hours	Total Expenses	Avg. Expenses
Male	258,247	63.2	29,754,611	7,282
Female	424,064	69.9	36,634,436	6,042
Age ≤29	91,083	71.0	8,884,567	6,925
Age 30-49	363,893	64.3	35,665,432	6,298
Age ≥50	227,335	71.0	21,839,048	6,818
Non-Management	570,216	65.8	47,927,713	5,534
Management	112,095	75.3	18,461,334	12,407
All Employees	682,311	67.2	66,389,047	6,541

Note: Training expenses include expenses for a digital learning platform, training venue fees, and certification subsidies.

Additionally, the Kirkpatrick Model is used as an evaluation tool. The effectiveness of training is assessed across five levels for a comprehensive evaluation. The effectiveness of various training resources is regularly reviewed, and training programs are continuously optimized.

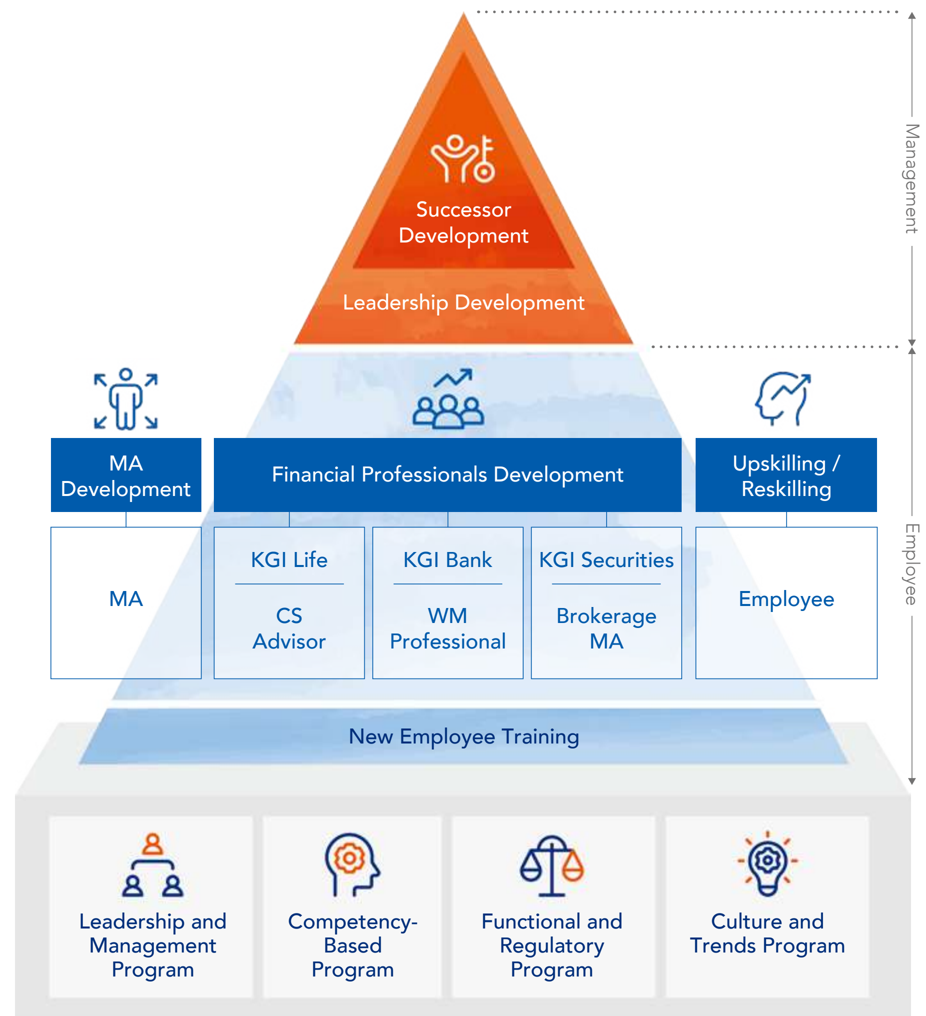
Kirkpatrick Scale	L1 Reaction	L2 Learning	L3 Behavior	L4 Results	L5 ROI
Description	Measures participants' immediate response to the training experience	Assesses the extent to which participants acquire knowledge and skills	Evaluates the extent to which participants apply their newly acquired knowledge and skills in their work	Examines the impact of training on organization performance and economic benefits	Human Capital ROI
Index	Training Satisfaction	Training Completion or Pass Rate	Employee Engagement Survey	Contribution per Person[Note]	Net Profit after Tax

Note: Contribution per Person=Net Profit after Tax / No. of Employee

Key Talent Development Initiatives

Succession and Talent Pipeline

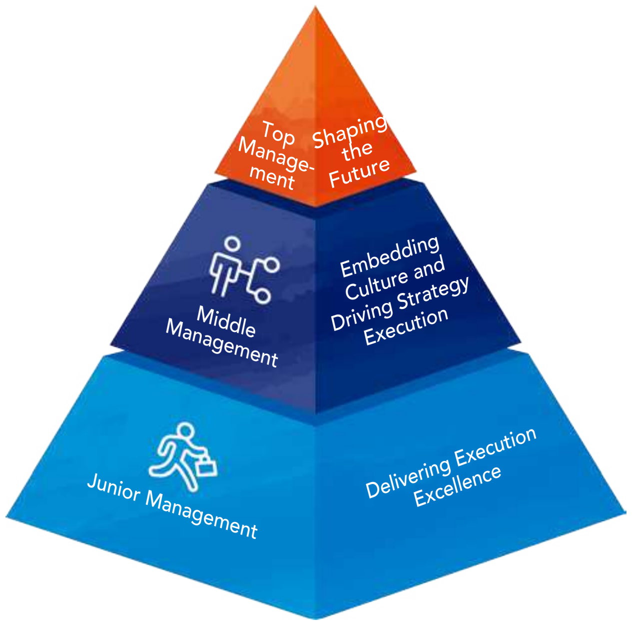
Purpose	Cultivate a robust pipeline of leadership and professional talent across all levels and functions through structured talent selection and diverse development programs, thereby strengthening organizational resilience and supporting the achievement of the Group's short-, medium-, and long-term goals.	
Description	Successor Development for Key Roles	Succession planning is conducted for key roles across the Group. · **Successor Selection Criteria:** Potential successors are selected based on outstanding performance, high potential, and strong alignment with Group's values. These individuals are identified as future leaders for key positions of the Group. · **Individual Development Plan (IDP):** Tailored IDPs are designed for each successor, encompassing leadership and diverse functional training, project assignments, job rotations, participation in important meetings, and opportunities to assist or act in key management roles. These initiatives are intended to accelerate the development and readiness of successor talent. · **Competency Assessment Indicators:** Successors are regularly evaluated through performance management cycles, 360-degree feedback, and team's employee engagement survey results, ensuring a comprehensive assessment of their capabilities.
	Leadership Development	Leadership development is key to building a leadership pipeline. Through training and skill enhancement, management talents with leadership potential are continuously cultivated, ensuring a stable pool of successors for the organization and enhancing competitiveness and sustainable growth. For detailed development initiatives, refer to the → "Leadership Development" topic in this section.
	Management Associate (MA) Development	An MA development ecosystem is being established to nurture future leaders with strategic vision and cross-disciplinary potential through 18 months of intensive training and practical experience, ensuring a sustainable supply of young talent for the Group. · **Systematic Development:** Joint training, job rotations, and project assignments deepen expertise and problem-solving skills. · **Dual-Track Guidance:** The Buddy system offers peer support, while the Mentor system connects talents with senior leaders, fostering a collaborative learning culture. · **Executive Forums:** Regular dialogues with top management broaden perspectives and accelerate leadership thinking. · **Dynamic Talent Mapping:** Tagging and tracking talent performance and potential provide insights into the development of MAs.
	Financial Professionals Development (Job-specific Development Programs)	The Group designs job-specific training and development programs tailored to business area and, through coordinated efforts from its subsidiaries, has established a long-term and robust ecosystem for nurturing financial professionals. · KGI LIFE - Customer Service Advisor Build a pool of customer service professionals and develop their capabilities in underwriting, claims, and leadership through systematic training, licensing incentives, and ongoing knowledge transfer. · KGI BANK - Wealth Management Professional Cultivate a pool of wealth management professionals and enhance their expertise and capabilities by implementing structured training programs, offering targeted development initiatives, and supporting the acquisition of relevant professional certifications. · KGI SECURITIES - Brokerage Management Associate (BMA) Recruit top talent and support their growth through comprehensive professional training, a structured mentorship program, and competitive training allowances, thereby fostering the development of future leaders in brokerage services.
	Employee Skills Upskilling/Reskilling	By continually enhancing and broadening employees' professional abilities and diverse skill sets, we nurture talent with high development potential, preparing qualified candidates for future management and key professional roles. For detailed development resources, refer to the topics of → "Digital Transformation", → "Sustainability and DEI", and → "Diverse Employee Development Resources" in this section.
Business Impact	· A total of 183 successors for key roles have been developed, with a retention rate of 100%. · Current-year MAs successfully completed an 18-month rotational development program and have smoothly transitioned into new roles. · Among MA graduates who remain with the Group, 86.4% demonstrate promotion potential, and 74.8% are identified as high-potential talent. · 648 financial professionals have been trained, with cumulative training hours reaching 7,078.	



Note:
. MA: Management Associate
. Brokerage MA: Brokerage Management Associate
. CS Advisor: Customer Service Advisor
. WM Professional: Wealth Management Professional

Leadership Development

Purpose	Enhance managers' leadership and management skills to effectively support the achievement of organizational goals.		
Description	Top Management	**Shaping the Future** · Mandatory courses such as Excellence in Leadership, Innovative Strategic Thinking, and Multi-generational Communication Leadership have been introduced to continuously enhance senior executives' abilities in developing vision and strategy, driving innovative transformation, and empowering the next generation of successors. · In 2025, two flagship leadership courses— "Innovation Is Not What You Think" and "Unlocking the Key to Cross-Generational Leadership"—were launched, with senior managers actively participating under the leadership of the Group CEO and subsidiary presidents, achieving a participation rate of 70.2%. The "Unlocking the Key to Cross-Generational Leadership" course was designed to explore the values, work styles, and communication preferences of different generations. This initiative has significantly enhanced cultural understanding and inclusion within the organization, while promoting effective collaboration across generational boundaries.	Participation Rate: 76.3%
	Middle Management	**Embedding Culture and Driving Strategy Execution** "High-Performance Trust", "Adaptive Leadership", and "The Six Key Elements of Team Leadership" have been transitioned from elective to mandatory courses. This adjustment aims to comprehensively strengthen middle managers' capabilities in agile leadership, cross-functional project collaboration, vision alignment, and leading organizational change.	Participation Rate: 47.1%
	Junior Management	**Delivering Execution Excellence** The scope of foundational leadership development has been expanded to incorporate practical modules such as competency-based interviews, performance management, and team development, complemented by advanced courses in coaching leadership and team communication. These programs are designed to strengthen leadership capabilities, enhance managerial and team effectiveness, ensure accountable execution, and promote efficient communication.	Participation Rate: 59.9%
Business Impact	· The after-tax profit for the full year of 2025 was NT$30.013 billion. Excluding the provision for the foreign exchange price fluctuation reserve and other one-off factors from previous years, profit performance in 2025 reached a historic high. · The overall employee turnover rate in 2025 was reduced to 10%. · In the 2025 employee engagement survey, the overall employee engagement level remained at 77%. Of the respondents, 80% agreed with the Group's "strategic focus," and 84% responded positively regarding "immediate manager effectiveness".		



Digital Transformation

Purpose	Empower employees—both permanent and contract— with digital capabilities, foster a mindset of digital innovation, and strengthen practical application skills in response to the digital wave and rapid advancement of AI technology, thereby improving efficiency and customer satisfaction, driving business growth, and building a continuously evolving and resilient intelligent organization.
Description	Initiatives were implemented to enhance employees' digital capabilities through a top-down approach, unify digital empowerment programs across the Group, and strengthen senior managers' digital transformation mindset and leadership skills. · **Mandatory Digital Training for All Employees:** Six compulsory digital courses were introduced, covering topics on "Overview of Digital Transformation", "From User-Centric Thinking to Value Creation", "From Service Redesign to Experience Innovation", "AI Worldview", "Fundamental Applications of AI", and "AI Governance and Principles", These courses progressively strengthen employees' digital knowledge and skills, establish a shared digital language, and foster collaboration and knowledge sharing. The completion rate reached 100%, with an average of 3 training hours per employee. · **Diverse Seminars/Courses on Digital, Data, and Technology Transformation:** A variety of technology transformation seminars/courses were conducted, covering topics such as artificial intelligence for business communication, data-driven thinking, AI applications, M365 Copilot and Teams AI assistants, Power Automate, process simplification and business transformation, Google Cloud applications, and large language model. These seminars/courses are designed to enhance employees' proficiency in AI tools and boost workplace efficiency. Over the year, a total of 27,744 training hours were accumulated. · **Team and Network Collaboration:** By leveraging the power of teamwork, discussion platforms and technical exchange groups were established on Teams, fostering a self-learning environment for employees. This enables cross-company teams to share knowledge and experiences in real time.
Business Impact	· Launched a series of digital innovation initiatives, including but not limited to the comprehensive rollout of the "AI Assistant", a secure internal AI generative tool designed to help employees work more efficiently. · In the 2025 employee engagement survey, 81% of respondents agreed with the statement, "We embrace technology to improve the way we do things", representing a 1% increase from the previous year. Additionally, 84% agreed with the statement, "I am encouraged to think of new ways to do my job more effectively". · External recognition: KGI Financial Holdings has been recognized by Business Weekly as one of the "Top 100 AI Innovators" for outstanding achievements in human resources, risk management, and compliance/internal controls.

Sustainability and DEI

Purpose	Raise employees' awareness of sustainability and DEI (Diversity, Equity, and Inclusion) principles, foster a workplace culture of inclusion and respect, thereby strengthening corporate social responsibility and supporting the organization's sustainable growth. The initiative covers both permanent and contract employees.	
Description	New Employee Mandatory Training	Integrate ESG and DEI concepts into the onboarding curriculum to foster awareness of sustainability and an inclusive workplace culture from day one.
	Sustainability Training	· Launched an annual mandatory three-hour course on climate change and sustainable finance, as well as a diverse series of ESG courses. The total training hours in 2025 achieved 38,103 hours, with a completion rate of 100%. · Encouraged employees to participate in sustainability-related certification exams, with subsidies provided for registration and certification fees.
	DEI Friendly Workplace Training	· All employees are required to take mandatory courses on human rights and DEI every year. These courses cover essential concepts and provide practical workplace examples related to unconscious bias and embracing diversity across backgrounds, cultures, experiences, and perspectives. · In 2025, 2 existing mandatory courses were optimized: "A Workplace of Diversity, Equity and Inclusion" and "Human Rights Policy & a Safe and Friendly Workplace". In addition, a new mandatory course, "Prevention of Unlawful Workplace Infringement", was introduced, with separate versions for managers and employees. Practical case studies are used to raise awareness of a healthy workplace among all staff. · The completion rate for all three mandatory courses is 100%
Business Impact	· By the end of 2025, a total of 1,616 employees across the Group have obtained sustainability-related certifications, marking a more than 20-fold increase compared to the previous year. This significant growth has greatly enhanced the Group's professional capabilities and competitiveness in sustainable development. · In the 2025 employee engagement survey, 80% of the respondents supported the "Diversity, Equity, and Inclusion" dimension. Specifically, 87% of respondents agreed with the statement: "My company treats employees fairly, regardless of their age, family/marital status, gender, disability, race/skin color, religion, or sexual orientation". · **External recognition: The Group received the "TCSA Taiwan Corporate Sustainability Award – Top 100 Corporate Sustainability Model", the "TCSA Gender Equality Leadership Award", the Taipei City Government's "Workplace Gender Equality Certification – Gold Award". and the "Social Enterprise Sustainable Development Award – Friendly Workplace Award".**	

Diverse Employee Development Resources

Purpose	Offer a wealth of diverse and flexible learning resources and development opportunities for permanent and contract employees to foster a culture of self-directed learning, supporting the long-term growth of employees' skills and career paths.		
Description	Self-Learning Platform	The "Hahow" online learning platform enables employees to learn anytime and anywhere, providing a more autonomous and convenient learning experience. With over 900 diverse courses available, the platform caters to a wide range of learning styles and preferences. In 2025, the Hahow platform achieved a participation rate of 30.1%, with a total of 75,008 learning hours recorded.	
	KGI Academy's Four Learning Programs	Leadership and Management Program	Refer to the → "Leadership Development" topic in this section for details. In 2025, the participation rate was 58.5%, with a total of 13,155 learning hours.
		Competency-Based Program	Employees can select from a comprehensive range of training courses aligned with their individual development plans and required competencies. In 2025, the participation rate was 11.5%, with a total of 8,901 learning hours.
		Functional and Regulatory Program	The program is designed to enhance employees' professional skills while ensuring compliance with regulatory training requirements. In 2025, the participation rate reached 100%, with a total of 444,402 learning hours.
		Culture and Trends Program	Courses in this program aim to promote corporate culture and keep employees abreast of market trends, e.g. digital literacy, sustainability capability, and DEI. In 2025, the participation rate was 100%, with a total of 138,278 learning hours.
	Professional Certification Subsidy	To support employees' development across various professional fields, a certification subsidy program was implemented to encourage the attainment of professional certifications. In 2025, subsidies were offered for certifications related to sustainability and financial expertise. A total of 2,297 subsidies were granted, with a total investment of NT$8,007,036.	
	Internal Transfer Guideline	To promote career growth and development within the Group, an internal transfer guideline has been established, providing employees with opportunities to explore and expand their career paths.	
Business Impact	· **Increased Employee Satisfaction with Learning and Growth:** According to the 2025 employee engagement survey, 83% of respondents agreed with the statement, "In my company, I have opportunities for continuous learning and growth". · **Reduced Employee Turnover:** Overall employee attrition improved, decreasing to 10%. · **Internal Job Placement/Transfers/Promotions:** In 2025, 2,366 employees, representing 23% of the employee population, were involved in internal job placements, transfers, and promotions.		

4.3.3 Performance and Individual Development

The Group has implemented "Guidelines for Employee Performance Management", applicable to 100% permanent employees except for those hired in Q4. This guideline serves as a foundation for employee development. The annual performance management cycle encompasses the following key elements:

Beginning of the Year	Goal Setting & Individual Development Planning	Each department develops action plans and key objectives that are aligned with company's annual strategy and current major themes, following the SMART principles. These objectives are then cascaded down to establish employees' work goals and personal development plans. Managers and employees engage in discussions to achieve consensus on these objectives.
Mid-Year	Agile Management	The business team conducts performance reviews on a monthly or quarterly basis, timely providing incentives to facilitate dynamic adjustments, enhance motivation, and drive continuous improvement.
	Performance Improvement Plan	For employees with unsatisfactory performance, "Guidelines for Employee Performance Improvement" is followed to identify underlying causes, set clear action plans and timelines, and establish measurable goals. Regular feedback and timely coaching or training are provided to help employees strengthen their skills, improve efficiency, demonstrate core values, and adopt a positive work attitude.
	Mid-Year Performance and Development Review	At mid-year, the manager and employee collaboratively review the progress of work objectives and the execution of personal development plans. Through active listening and feedback, they realign their focus for the second half of the year. Beyond the mid-year review, the manager offers timely feedback and support through regular and ad-hoc reviews.
End of the Year	Year-End Evaluation and Performance Communication	· Year-end evaluations consist of self-assessments by employees alongside manager evaluations, integrating feedback from multiple perspectives. · Corporate Values and Behaviors: Beyond evaluating the achievement of performance objectives (what), there is a strong emphasis on how these goals are achieved (how). The demonstration of corporate values through individual behaviors is a mandatory component of the formal year-end performance document. · The year-end performance review not only involves communicating work results and values demonstration but also includes a two-way dialogue about personal career aspirations and reaching a consensus on personal development needs. This collaborative discussion forms the basis for crafting the individual development plan for the upcoming year. · The results of the year-end evaluation are crucial for determining performance bonuses, promotions, salary adjustments, career development opportunities, and identifying high-potential talents.
Teams	Cross-Team Evaluation	Specific governance and control metrics are assessed by the KGI Financial for its subsidiaries, alongside cross-team evaluations conducted by specialized units within each subsidiary. These evaluations are integrated into the annual performance assessment, impacting both team and individual performance outcomes.
Multi-Dimensional Evaluation	360-Degree Competency Assessment and Real-Time Feedback	· For key talents at the level of Executive Vice President and Senior Vice President and above, a 360-degree competency assessment is implemented to provide multi-faceted perspectives. This helps recognize individual strengths and areas for improvement, thereby enhancing leadership and management competencies. · The "Embrace Feedback!" online feedback platform is in place for managers and colleagues to actively invite and provide feedback. In 2025, a total of 617 colleagues sent out 2,452 pieces of feedback, recognizing 1,404 colleagues.

4.4 Talent Retention

In addition to robust talent development initiatives, KGI Financial Group also offers competitive compensation and benefits that bring a sense of wellbeing. These measures aim to motivate and retain talent, increase employee recognition, and ultimately improve talent retention.

4.4.1 Competitive Compensation

KGI Financial Group has always adhered to the principle of fair treatment in determining compensation, with rewards closely linked to performance, and market competitiveness taken into consideration. The business results are shared with employees, creating a win-win situation for employees, the organization, and shareholders. Starting salaries are determined based on employee's professional skills and the position they hold, following the principles of equal employment and market competitiveness. For new graduates, the starting salaries can reach up to 2.5 times the legal minimum wage. The compensation conditions for all personnel (including employees and non-employee workers) comply with the labor laws of the location where the business operates.

The employee compensation structure comprises base salary, allowances, and variable bonuses. Annual performance bonuses are closely tied to both business results and individual performance, ensuring that outstanding contributions are appropriately rewarded and employees benefit from the company's success. KGI Financial and its subsidiaries participate in market compensation surveys annually and adjust employee salaries based on market salary levels, economic trends, CPI and individual performance. Outstanding employees are promoted and rewarded accordingly, supporting robust career development. In 2025, the average domestic salary increase is 3%, with top performers receiving raises of over 10%.

Comparison with Market

The Group conducts regular reviews of employee compensation against market benchmarks to ensure that salary levels consistently exceed market standards and remain competitive, thereby enhancing employees' overall standard of living. In 2025, the average total compensation [Note 1] of all domestic employees of the Group exceeds 8 times the government-announced basic cost of living per person (NT$213,000), and is 2.3 times the market average salary [Note 2]. Additionally, by referencing the Value Balancing Alliance (VBA), an international organization, for a living wage survey, we confirm that all employee salaries surpass the living wage benchmark for Taiwan published by the VBA. Furthermore, the average starting salary for new entry-level employees in 2025 is 1.51 times the minimum wage [Note 3], with female entry-level employees at 1.52 times the minimum wage and male at 1.51 times. In 2025, KGI Financial Group continues to be selected as a constituent of the "Taiwan High Compensation 100 Index".

Note 1: Average total compensation includes base salary, bonuses, and other cash compensation items.
Note 2: The annual basic living expenses are announced by the Ministry of Finance; the average market salary is published by the Directorate-General of Budget, Accounting and Statistics.
Note 3: The minimum wage refers to the statutory minimum wage (NT$28,590 for 2025). The formula of the comparison= (entry-level staff's average salary – minimum wage) / minimum wage.

Salary for Non-management Full-time Employees

	2022	2023	2024	2025
Median Annual Salary (NT$ Thousand)	1,025	1,100	1,293	1,301
Average Annual Salary (NT$ Thousand)	1,243	1,359	1,652	1,640
No. of Non-Management Full-Time Employees	7,414	7,494	7,502	7,836

Note: The data calculation method aligns with that reported to the Taiwan Stock Exchange. The median annual salary rose by 0.6% compared to the previous year, while the average annual salary decreased by 0.7%.

Comparison of Annual Total Compensation

	2025
The Multiple of the Annual Total Compensation of the Highest-Paid Individual to the Median Annual Total Compensation of Other Employees Note 1	111
The Multiple of the Annual Total Compensation of the Highest-Paid Individual to the Average Annual Total Compensation of Other Employees Note 2	78
The Multiple of the Percentage Increase in the Annual Total Compensation of the Highest-Paid Individual to the Median Percentage Increase in the Average Annual Total Compensation of Other Employees Note 3	0

Note1: The annual total compensation of the highest-paid individual in the organization/ the median annual total compensation of all employees (excluding the highest-paid individual).
Note2: The annual total compensation of the highest-paid individual in the organization/ the average annual total compensation of all employees (excluding the highest-paid individual).
Note3: The percentage increase in the annual total compensation of the highest-paid individual in the organization / the median percentage increase in the average annual total compensation of all employees (excluding the highest-paid individual).

Compensation Ratio for Material Risk Taker (MRT)

	2025
The Ratio of Variable Compensation to Total Compensation	65%

Note: 1. Total compensation=fixed pay + variable pay
2. The ratio of variable compensation to total compensation=the cumulative variable pay of all MRTs / the cumulative total compensation of all MRTs

Comparison of Average Compensation between Female and Male

2025		Female : Male
Executive Level	Base Salary	98 : 100
	Base Salary + Other Cash Incentives	103 : 100
Management Level	Base Salary	100 : 100
	Base Salary + Other Cash Incentives	102 : 100
Non-Management Level	Base Salary	89 : 100
	Base Salary + Other Cash Incentives	95 : 100

Note: All domestic employees.

Long-Term Incentive Program

KGI Financial Group offers various long-term incentive programs to motivate employees to grow together with the Group and share in the business results, achieving a win-win outcome.

Program	Eligible Target	Description	% of Eligible Individuals
Employee Trust Shareholding Plan (ESOP - Employee Stock Ownership Program)	All Group employees who are either Taiwanese nationals or foreign nationals holding a Taiwan residence permit	· Employees contribute a set amount each month, and the Group matches this amount as an incentive to purchase KGI shares, which are then entrusted to a trust. This allows employees to share in the Group's success and enhance their wellbeing.	The participation rate has consistently remained above 90% since its launch.
Restricted Share Unit (RSU)	Key role holders of the Group, also individuals with high contributions and development potential (limited to Taiwanese nationals or foreign employees with Taiwan residence permits, per legal requirements)	· Restricted shares with a six-year term were issued in 2021. The first three years serve as the performance evaluation period, during which the overall performance achievement rate is calculated based on established performance indicators at the end of the period. This approach closely aligns employee goals with the Group's growth objectives. · Employees who have not violated the labor contract with the Company (or its subsidiaries) during the performance evaluation period, have not received any major disciplinary actions according to the Company's (or its subsidiaries') employee reward and punishment regulations, and have achieved a personal performance rating of 3 or above, will have their shares vested over a three-year period.	26%
Deferred Bonus	Group employees with performance bonuses exceeding a certain amount	· For performance bonuses exceeding a certain amount, a deferral mechanism is established, specifying the deferral ratio, method, and clawback mechanism. The deferred bonuses will vest over three years to align employee rewards with the Group's long-term performance.	100%
Special Deferred Bonus	Group employees who have been identified as high potential talents for key roles below a certain job level, and who have not yet been granted restricted share unit	· The program provides participants with funds to purchase company shares, which will be held in trust. Those unable to acquire shares will receive deferred payments in cash. Similar to deferred bonuses, the program establishes the deferral ratio, method, and clawback mechanism, with payments vesting over three years. This initiative closely aligns employee rewards with the Group's growth objectives. · Employees who, from the date of deferral, have not committed any major violations of laws, employment or appointment contracts, have not received any major disciplinary actions according to employee reward and punishment regulations, and have not violated the detailed rules of this plan or related contracts, will receive vested stock upon meeting the vesting conditions.	2.7%

4.4.2 Employee Wellbeing

Employee benefits are a vital contributor to overall wellbeing. KGI Financial Group focuses on mental care, physical health, financial wellness, family and parental support, work-life balance, and recognition/ rewards as its main pillars, providing a variety of non-pay benefits measures to comprehensively care for employees. Striving to be the "Employer of Choice for Talent Sustainability", the Group continuously enhances employee wellbeing and introduces benefits that exceed legal requirements. In 2022, the EAP (Employee Assistance Program) was upgraded. In 2023, the number of fully paid days for maternity, paternity, and volunteer leave was increased, and a flexible working program was launched. In 2024, fully paid health check-up leave was extended, and fully paid birthday leave was provided. Starting in 2025, the types and coverage amounts of group insurance were increased, and spouses and children also became eligible for company-paid group insurance coverage. In the 2025 employee engagement survey, 74% of employees agreed that " My Company takes a genuine interest in the wellbeing of its employees", an increase of 1% compared to the previous year, clearly demonstrating the employees' recognition of the Group's commitment to their wellbeing. All Group employees (including permanent and contract employees) are entitled to the following non-pay benefits.

Mental Care

Item	Employee Benefits
Employee Assistance Program (EAP)	Provide EAP - Employee Assistance Program to employees and non-employees (including dispatched/contracted/dual contract personnel). · Assistance in handling personal issues, including emotions, conflicts, stress, interpersonal relationships, communication, career, parenting, marriage, family, and legal consultation. · Individuals can access telephone consultation hotline for free, without any limit on the number of uses. Additionally, they are entitled to several free face-to-face psychological counseling or legal consultations annually. In 2025, there were 439 utilizations, marking an approximate 29% increase from the previous year.
Seminars and Workshops	Conduct mental health seminars and stress relief craft workshops. · In 2025, 5 mental health seminars and 5 stress relief workshops were held, with a total of 894 participations. Additionally, there were 215 participations in seminars conducted by the external psychological counseling institution in collaboration with KGI Financial.

Physical Health

Item	Employee Benefits
Health Checkup	Employees are entitled to company-sponsored health checkup benefit, which is superior to the regulatory requirements. In 2025, 7,553 employees completed health checks, accounting for 87% of eligible employees. Starting from 2025, the benefit is further upgraded to increase care for employee health.
Health Check Leave	All employees are entitled to fully paid leave for health checkups, exceeding the legal requirement. Among those who completed health checkups in 2025, 83% used health checkup leave.
Health Management	Actively manage employee health by organizing on-site services provided by doctors and nurses, with a total of 236 sessions conducted in 2025. Set a target for the proportion of employees with a normal BMI value in health checkups. The target for 2025 is above 50%, and the actual achievement rate is 51%.
Physical Activities Promotion	The KGI Walker walking competition is organized every year (In 2025, 5,800 people participated, up 168%, with over 1.78 billion steps walked), and there are over 40 regular sports clubs available to promote physical health. Additionally, exercise classes/seminars are irregularly conducted to actively promote a healthy workplace. All physical activities are open to both employees and dispatched personnel.
Staff Cafeteria	The cafeteria provides employees and dispatched personnel with delicious and nutritious quality lunches, along with a five-star dining environment. This free benefit is highly appreciated. Participation of dispatched personnel is subject to the policies of their respective companies.

Financial Wellness

Item	Employee Benefits
Employee Trust Shareholding Plan (ESOP)	The Employee Trust Shareholding Plan is designed to enhance the stability of employees' lives following retirement or resignation, while also allowing them to share in the Group's long-term success. Employees, regardless of position, can choose their monthly contribution from three predetermined amounts, and the Group also provides a 100% matching contribution as a reward. By the end of December 2025, over 90% of the employees are participating in this Plan.
Retirement Plan	· All employees are entitled to retirement benefits. The retirement plans are developed in accordance with the "Labor Standards Act" and the "Labor Pension Act" The plans specify the retirement conditions and pension payment methods and provide financial support to employees after retirement. - For employees covered by the "Labor Standards Act", KGI and its respective subsidiaries annually allocate retirement reserve funds to the Taiwan Bank pension account on a monthly basis, in accordance with the Act and based on actuarial reports, within the legal range of 2% to 15%. - For those covered by the "Labor Pension Act", KGI and its respective subsidiaries contribute 6% of the employee's monthly pensionable salary to their individual pension account, in accordance with the Act and based on the "Labor Pension Monthly Contribution Wage Classification Table". · Dispatched personnel are also entitled to retirement benefits provided by their employer in accordance with the "Labor Standards Act" and the "Labor Pension Act".
Group Insurance	· All employees are provided with comprehensive group insurance coverage which is not mandated by law. The benefit covers life insurance, accident insurance, accident medical insurance, hospitalization medical insurance, and cancer insurance, with all premiums fully borne by KGI Financial and its respective subsidiaries. Additionally, from 2025, the range of insurance coverage and the claim amounts have been expanded. · Employees' spouses and children are eligible for free enrollment in medical insurance, offering an additional layer of protection for both employees and their families.
Sickness Subsidies	Employees and dispatched personnel who are unable to work due to illness are entitled to take sick leave, with a maximum of 30 days of paid sick leave annually per person.
Disability Subsidies	· Employees and dispatched personnel who suffer from occupational injuries or diseases, resulting in partial or total loss of work capacity and an inability to earn their original salary, can apply for up to 2 years of injury and sickness benefits under the Labor Occupational Accident Insurance and Protection Act as wage compensation. If subsequently diagnosed with permanent disability, they are eligible to claim either a lump-sum disability payment or a disability pension. · Employees are also entitled to group insurance, offering disability coverage due to illness, accidental injury, or work-related incidents.
Financial Health Seminars	· Financial health seminars are organized on topics such as investment, taxation, and retirement planning, aiming to enhance employees' financial literacy and wealth management skills. These seminars also support employees in developing sound retirement planning concepts and encourage early preparation for their future. · In 2025, 2 series comprising 5 seminars were held, featuring topics such as "Abundant Future Starts Now", "Cross-Border Investment Taxation", "Investment Selection Strategies", "Super-Aged Society: Proactive and Secure Planning", and "Navigating Volatility: Balanced ETFs as New Investment Options". The seminars attracted a total of 1,050 participations, and were open to all employees and dispatched personnel.
Preferential Saving Deposits	KGI Bank offers employees preferential deposit limits with favorable interest rates, and interest is credited monthly.

Family and Parental Support

Item		Employee Benefits
Primary Caregiver	Parental Leave	A total of 36 weeks of paid parental leave encompassing maternity leave and baby care leave. · Maternity leave: 10 weeks of fully paid leave, exceeding the legally mandated 8 weeks · Baby care leave: 26 weeks for half a year, paid at 80% of insured salary. From 2026, employees can apply on a daily basis, with a maximum of 30 days, offering more flexibility for childcare.
	Pregnancy Checkup Leave	7 days of fully paid leave
	Tocolysis Rest Leave	Incorporated into 30 days of paid sick leave
	Breastfeeding (Lactation) Break	60 minutes every day with full pay
	Reduction of Working Hours	May reduce daily working hours by 1 hour or adjust work schedule to better accommodate childcare needs.
Non-Primary Caregiver	Parental Leave	A total of 27.6 weeks of paid parental leave encompassing paternity leave and baby care leave. · Paternity leave: 8 days of fully paid leave, exceeding the legally mandated 7 days · Baby care leave: 26 weeks for half a year, paid at 80% of insured salary. From 2026, employees can apply on a daily basis, with a maximum of 30 days, offering more flexibility for childcare.
	Reduction of Working Hours	May reduce daily working hours by 1 hour or adjust work schedule to better accommodate childcare needs.
Subsidies, Resources, and Support	Childbirth Subsidies	A childbirth subsidy policy has been established to encourage employees to have children. KGI Financial offers NT$20,000 for the first child, with each subsequent child receiving NT$10,000 more than the previous. In 2025, there were 97 newborns in the Group, with a total of over NT$1,450,000 in childbirth subsidiaries.
	Childcare Services Benefits	Sign contracts with external childcare institutions to provide discounted childcare services for employees' children.
	Breastfeeding (Lactation) Rooms	Set up warm, safe, comfortable, and well-equipped dedicated breastfeeding (lactation) rooms in various office locations to provide employees and dispatched personnel with a secure environment for milk expression. These rooms are regularly maintained to ensure high-quality space. Notably, KGI Bank Headquarter Building, KGI Securities' Dazhi Building and the Taiwan Land Building have received the recognition of Excellent Breastfeeding Room Certification – Special Excellence Rating.
	Children's Education Subsidies	Subsidies are provided to support the education of employees' children. In 2025, there were 2,740 applications, and over NT$5,800,000 was distributed in total.
	Others	Other forms of support are also available for employees, such as pregnancy subsidies, wedding gifts for employees and their children, funeral condolence payments for employees' relatives, and emergency assistance. A total of 463 applications were received, with more than NT$4,783,400 distributed.

Note: Employees and dispatched personnel are entitled to the above benefits, with employees enjoying benefits that exceed legal requirements.

Baby Care (Parental) Leave Statistics

	2024	2025		
		Male	Female	Total
No. of Eligible Applicants	136	38	78	116
No. Applied	56	11	51	62
No. Scheduled to Reinstate (a)	44	8	54	62
No. Reinstated (b)	28	4	41	45
Reinstatement Rate (%) (b/a)	63.6	50.0	75.9	72.6
No. Reinstated in Prior Year (c)	54	5	23	28
No. Reinstated in Prior Year and Remained for a Full Year (d)	44	4	17	21
Retention Rate of Employees Reinstated in Prior Year (d/c)	81.5	80.0	73.9	75.0

Note: No. of eligible applicants includes the total number of female employees taking maternity leave and male employees applying for childbirth subsidies in that year.

Work-Life Balance

Item		Employee Benefits
Flexible Working Program		· Offer flexible work schedules, reduced working hours, sabbatical leave, and remote/home working options to accommodate the special needs of employees. · In 2025, 211 employees utilized flexible work schedules, 1 opted for non-statutory reduced working hours, 19 took non-statutory sabbatical leave, and 28 worked remotely or from home.
Annual Leave		· Offer employees fully paid annual leave and progressively increase the number of days based on years of service, with the number of days even exceeding legal requirements. · Dispatched personnel are also entitled to fully paid annual leave as mandated by law. · Internal promotions are conducted to encourage employees to fully utilize their annual leave benefits and achieve a better work-life balance.
Special Leaves	Volunteer Leave	Employees are entitled to 4 days of fully paid volunteer leave, encouraging them to participate in altruistic activities. In 2025, 50.7% of employees applied for volunteer leave, totaling 9,610 days. For details on total and average volunteer hours, see → Chapter 6 Volunteer Service Project.
	Birthday Leave	Employees are entitled to a fully paid birthday leave, which can be taken during their birthday month. In 2025, 82.5% of employees across the Group utilized their birthday leave.

Recognition and Rewards

Item	Employee Benefits
Values Award	· Regularly select exemplary employees who demonstrate outstanding behaviors aligned with corporate values. This official award allows for nominations from all employees, including cross-departmental and cross-company nominations. · In 2025, a total of 161 employees received this award.
Volunteer Award	· The "Regional Revitalization Changemakers" Volunteer Award recognizes employees who mentor local revitalization teams and demonstrate professionalism, enthusiasm, and outstanding performance. · In 2025, 20 winners were recognized.
Embrace Feedback!	· Provide an online recognition platform, Embrace Feedback!, enabling employees to proactively give feedback and acknowledge positive behaviors at any time. · In 2025, 617employees submitted a total of 2,452 pieces of feedback, recognizing 1,404 colleagues.
Long-Service Award	Employee stability is a crucial foundation for sustainable business operations. The Group has established a long-service award to honor employees with over five years of service. Furthermore, veteran employees who have dedicated 20, 25, 30, 35, and 40 years to the Group are publicly recognized.

Dual Support System for Active Aging Employees

As the workforce ages and labor regulations evolve, the Group continually refines its talent strategies. With over 30% of KGI employees aged 50 and above, these experienced colleagues are crucial to organizational stability and the transfer of knowledge across generations. To support active aging employees to foster ongoing growth throughout extended careers, KGI Academy—comprising four learning programs and four development streams—offers a robust selection of personalized learning resources and platforms (refer to →4.3.2 Talent Development). This empowers employees to acquire future-ready skills and enhance their long-term competitiveness. In addition, the Group provides comprehensive financial planning support, such as employee trust shareholding plan (ESOP), retirement plan, and retirement-related financial health seminars (refer to →4.4.2 Financial Wellness) — to help employees build a secure financial foundation for career or life transitions. The Group is committed to providing holistic career support across every life stage, empowering mid-career employees (both permanent and contract) to make meaningful contributions within the workplace, explore new opportunities beyond it, and confidently embrace a sustainable and fulfilling future.

KGI Financial Group has been dedicated to the long-term care and support of its employees, continually striving to improve their wellbeing. Our efforts have been well recognized in 2025.

KGI Life	Happy Enterprise - Gold Award Sports Enterprise Certification
KGI Bank	Happy Enterprise - Gold Award
KGI Securities	Happy Enterprise - Gold Award
KGI SITE	Happy Enterprise - Silver Award
CDIB Capital Group	Happy Enterprise - Silver Award

4.4.3 Employee Engagement Survey

Employee engagement is one of the key indicators of employee retention. The Group conducts an annual, group-wide survey managed by the human resources department to collect employee feedback, providing valuable insights that guide ongoing improvements. In 2025, employee engagement reached 77%, surpassing the annual target of 75% and maintaining prior year's level. This marks a significant improvement from the initial survey result of 53% in 2020, highlighting the Group's sustained efforts and progress.

Employee Engagement

Year			2022	2023	2024	2025
No. of Eligible Participants			8,939	8,746	8,728	9,355
Actual No. of Participants			8,621	8,655	8,450	9,131
Survey Results	Participation Rate		96	99	97	98
	Overall Engagement Level		68	73	77	77
	Gender	Male	67	72	78	79
		Female	67	74	75	75
	Level	Management	72	77	86	86
		Non-Management	68	73	75	75
	Age	≤ 29	69	75	68	68
		30 ~ 49	68	74	76	77
		≥ 50	65	72	80	80

Note: The participants in the employee engagement survey are employees who have been with the Group for more than three months.

In the employee engagement survey, the questions related to employee retention are as follows:

Category	Questions
Job Satisfaction	· I would recommend my company as a place to work. · My work gives me a feeling of personal accomplishment.
Sense of Purpose	· I am motivated to go beyond what is normally expected to help my company be successful. · I feel empowered to influence the way we do things at work.
Level of Happiness	· I feel energized and enthusiastic in my current role at work. · I can maintain a reasonable balance between my personal life and work life. · My Company takes a genuine interest in the well-being of its employees.
Work Stress	· I am able to cope effectively with stress at work. · The amount of work expected of me is reasonable.
Resources	· I feel I have the right tools and resources to do my job properly. · I have received the training I need to effectively perform my job.

In the 2025 report, "collaboration and team spirit" received the most recognition from employees, while “tools, technology and resources” were identified as the area most in need of improvement or change. In response to the latter, we continue to promote the ONE KGI strategy to strengthen the integration of Group resources, accelerate AI applications and innovation, and focus on comprehensive intelligent development in four key areas: business applications, intelligent assistants, financial intelligence, and platform technology. These efforts drive the Group’s digital transformation in financial technology, providing more convenient and efficient internal and external experiences for both customers and employees.

4.4.4 Employee Turnover

Employee turnover is the second critical indicator of employee retention. Since 2022, the Group has seen a steady annual decline in turnover, with the 2025 rate down 1.7% from the previous year. While female turnover remains higher than male, the gap narrowed in 2025. Similarly, turnover among employees aged 30 to 49, though still higher than other age groups, also showed a reduced gap. These positive trends reflect the effectiveness of our recent initiatives in compensation, benefits, training and development, and the fostering of a supportive work environment.

2025 Employee Turnover

		No. of Leavers	Ratio to Employee (%)
Area	Taiwan	923	9.1
	Overseas	59	0.6
Gender	Male	457	4.5
	Female	525	5.2
Age	≤ 29	223	2.2
	30 ~ 49	547	5.4
	≥ 50	212	2.1
Level	Non-Management	907	9.0
	Junior Management	35	0.3
	Middle Management	32	0.3
	Top Management	8	0.1
Total		982	9.7

Note: Ratio to employee=no. of leavers / no. of employee at period end

		2024		2025	
		No. of Leavers	Ratio to All Leavers (%)	No. of Leavers	Ratio to All Leavers (%)
Gender	Male	499	44.8	457	46.5
	Female	616	55.2	525	53.5
Age	≤ 29	209	18.7	223	22.7
	30 ~ 49	691	62.0	547	55.7
	≥ 50	215	19.3	212	21.6
Total		1,115	100	982	100

Note: Ratio to all leavers=no. of leavers / total no. of leavers

	2022	2023	2024	2025
No. of Leavers	1,887	1,634	1,115	982
Total Turnover Rate (%)	20.0	17.2	11.7	10.0
Voluntary Turnover Rate (%)	18.7	16.5	10.6	8.6

Note: 1. Turnover rate = no. of leavers/(no. of employee at period start + no. of employee at period end)/2)
2. Starting from 2024, the total turnover count and rate exclude fixed-term contract employees, as their departures are due to contract expiration. The voluntary turnover count and rate exclude not only fixed-term contract employees but also retirees, as the latter leave upon reaching retirement eligibility.

4.5 Workplace Safety and Health

4.5.1 Workplace Safety

KGI Financial Group is committed to fostering a safe work environment. We continually invest in resources, enhance our occupational safety and health management policies and systems, and ensure their effective implementation.

Occupational Safety and Health Management and Governance

- Occupational Safety and Health Policy

  The "Occupational Safety and Health Policy" was revised and approved by the Board in March 2026 to establish quantitative targets aimed at continuously enhancing management performance. It applies to all Group personnel (including employees and non-employees).

- Occupational Health and Safety Management System (ISO 45001: 2018)

  Since 2021, the Group has been progressing through KGI Securities to obtain ISO certification. In 2025, KGI Securities successfully maintained its certification validity under ISO 45001:2018, which is valid from May 19, 2024, to May 18, 2027. The coverage includes the Dazhi Building, the Taiwan Land Building, and the Hongqi Building, encompassing a total of 1,549 workers (1,492 employees and 57 non-employee workers, a ratio of 96:4 and a coverage ratio of 100%).

- Risk and Hazard Assessment

  KGI Securities implements its occupational health and safety management system by having ISO 45001 seed personnel identify internal hazards each year, in accordance with its management procedures. Risk assessments and controls are carried out based on the Occupational Safety and Health Policy. The results of the hazard identification are reviewed by unit managers and compiled by the occupational safety team. The team formulates countermeasures for high-risk items, which are then executed following approval from the President, with ongoing monitoring of improvement progress. High-risk items are tracked in annual meetings and communicated through email or the internal website. To ensure effectiveness, various measures are regularly reviewed and discussed in meetings. An annual cross-departmental "Evaluation Meeting for Contracted Health Check Medical Institutions" is convened to incorporate employee feedback, comply with legal regulations, and select high-quality contracted medical institutions. Progress, goal setting, and achievement results of related plans and measures are regularly presented at the Occupational Safety and Health Committee meetings.

- Occupational Safety and Health Committee

  KGI Life and KGI Securities have established "Occupational Safety and Health Committee" approved by their President, focusing on occupational safety and health risk issues. The committee's main duties include reviewing plans for safety and health training, workplace environment monitoring, health management, occupational disease prevention, health promotion, and evaluating on-site safety and health performance. The President appoints one member of the committee as the chairperson. KGI Life's committee consists of 8 members, including 1 chairperson, with 4 labor representatives making up 50% of the committee. KGI Securities' committee consists of 9 members, including 1 chairperson, with 3 labor representatives making up 33% of the committee. Members serve a two-year term. The committee holds regular quarterly meetings and may call ad hoc meetings when necessary.

- Effectiveness of Occupational Safety and Health Management and Governance

  To ensure the effectiveness of occupational safety and health management and governance, the Group actively identifies risks and issues through both internal and external audit mechanisms, and continuously implements risk mitigation measures related to occupational safety and health. These efforts demonstrate the Group's dedication to providing employees with a safe and healthy working environment. In 2025, a total of 7 audits were conducted (4 internal and 3 external). No findings were identified in any of the audits, and all results were in full compliance with relevant regulations, evidencing the Group's strong commitment to workplace safety and continuous improvement.

Contingency Measures for Occupational Accident

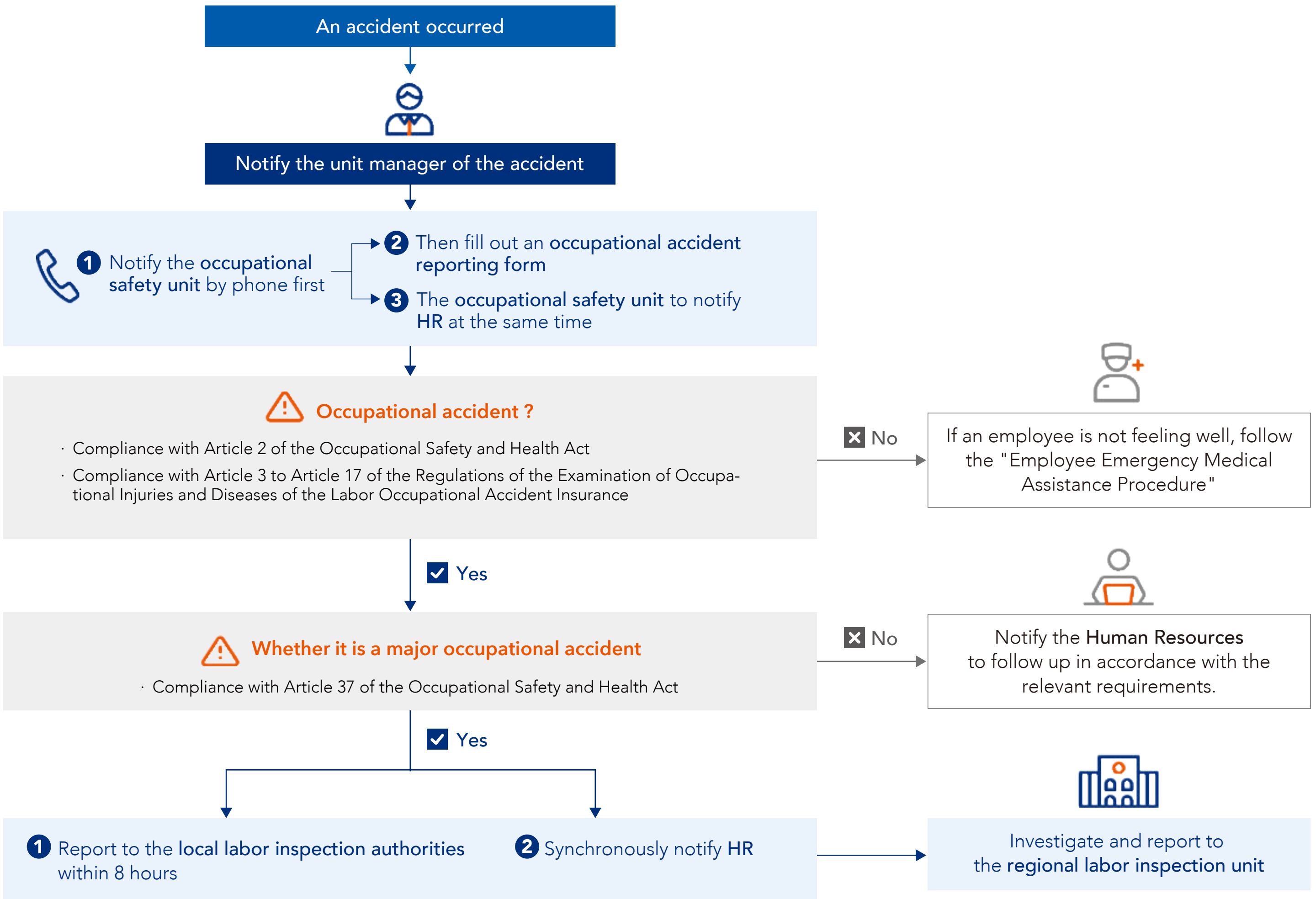
To continuously improve workplace safety, KGI Financial Group encourages prompt reporting of incidents through an optimized occupational accident reporting process. This approach ensures timely investigation and analysis of accident causes, allowing for the development of appropriate preventive measures as outlined below:

- Conduct semi-annual environmental monitoring of carbon dioxide concentration and lighting/illumination levels in office workplaces to ensure personnel's health and the quality of the working environment.
- Provide health consultation services to prevent occupational injuries and chronic diseases.
- Continuously offer basic CPR and AED training and install AEDs on each floor of the headquarter building to ensure timely aid during emergencies.
- Install fire safety facilities such as fire hydrants, fire extinguishers, emergency smoke exhaust switches and automatic sprinklers.
- Conduct regular annual inspections and reporting of workplace fire safety equipment, and perform building public safety inspections at the frequency stipulated by regulations.
- Appoint fire safety managers and organize self-defense firefighting teams. Conduct annual fire safety training sessions and evacuation drills.
- Actively cooperate with and participate in joint fire drills or emergency evacuation exercises organized by the building management unit. In 2025, a total of 8 fire emergency evacuation drills and 4 earthquake emergency response drills were conducted.
- Establish and strengthen the communication of emergency response plans and reporting mechanisms to enhance colleagues' awareness of disaster prevention and their ability to handle emergencies.

Occupational Accident Reporting and Investigation Procedures

KGI Financial Group has established an occupational incident investigation process and reporting mechanism, and has promulgated relevant flowcharts and reporting forms to ensure that employees follow standardized procedures for reporting and handling incidents. In the event of an occupational incident, necessary assistance and care will be provided to affected employees. No adverse action will be taken against any individual who files a report. Furthermore, if employees determine that workplace conditions may pose a risk to their personal safety, they are authorized to suspend operations or evacuate to a safe location. No adverse action will be taken against employees exercising such rights.

Occupational Accident Investigation Flowchart



Contractor Safety Management

While enhancing the workplace safety for KGI Financial Group's employees, the Group also pays attention to and emphasizes the safety management of its contractors. The Group specifies in the contracting agreements the commitment to adhere to government occupational safety and health regulations, as well as internal guidelines for occupational safety and health contracting operations. We require contractors to commit to complying with labor health and occupational safety and health-related laws and regulations, and to adhere to internal safety, health, and environmental management-related standards. When contractors begin construction work, they are required to sign a hazard notification form to ensure they understand the potential risks involved. Prior to commencing the construction, a joint operations meeting is held to establish the framework for occupational safety and health, oversight of the collaborative efforts, and management of all aspects of safety and health protocols. Throughout the construction period, the work area is subject to random inspections to ensure compliance and safety. We collaborate with external stakeholders through various channels to ensure compliance with occupational safety and health regulations, thereby fostering a safe and healthy work environment. For details on contractors' due diligence, risk management, and assessments, please refer to → 5.2.1 Supplier Sustainability Management.

Occupational Safety and Health Education and Training

To ensure all personnel (employees and dispatched personnel) are familiar with the safety and health management mechanisms and relevant regulations, the Group provides both internal and external training programs:

- **Occupational Safety and Health Education and Training:** New personnel must complete 3 hours of training, while current personnel are required a 3 hour safety and health training every three years. In 2025, 9,730 individuals received training, with a 100% completion rate and 20,263 training hours accumulated.
- **Training for Occupational Safety and Health Management Personnel:** Conduct regular in-person re-training sessions, with 5 occupational safety and health managers and 245 business managers maintaining valid certifications.
- **Emergency Incident Response and First Aid Training:** Conduct annual fire safety equipment inspections and drills in each office building, with AEDs and first aid kits readily available. AED+CPR first aid courses were provided, and 436 employees across the Group are certified in first aid.

4.5.2 Workplace Health

KGI Financial Group continues to foster a healthy workplace by identifying and analyzing twelve workplace risk issues. This comprehensive assessment is conducted through joint evaluations involving the Group's occupational safety managers, nurses, selected employees and dispatched personnel. Additionally, members of the Occupational Safety and Health Committees from KGI Life and KGI Securities are invited to participate in the assessment process. The process leads to the development of a risk assessment map and mitigation strategies. Based on the assessment results, risk reduction measures are implemented and the PDCA (Plan-Do-Check-Act) cycle is employed to continuously enhance the work environment, ensuring the safety and health of all workforce.

Occupational Safety and Health Risk Assessment

Assessment Process

Collection and Identification → **Analysis and Evaluation** → **Implementation of Mitigation Measures** → **Continuous Review and Revision**

Collection and Identification: Define key issues according to occupational safety and health related regulations and indicators, as well as the Company's operating model and the nature of the work.

Analysis and Evaluation: Occupational safety personnel, nurses, employees and non-employees, members of the Occupational Safety and Health Committees jointly assess risks, analyze impact and frequency, and develop a risk assessment map.

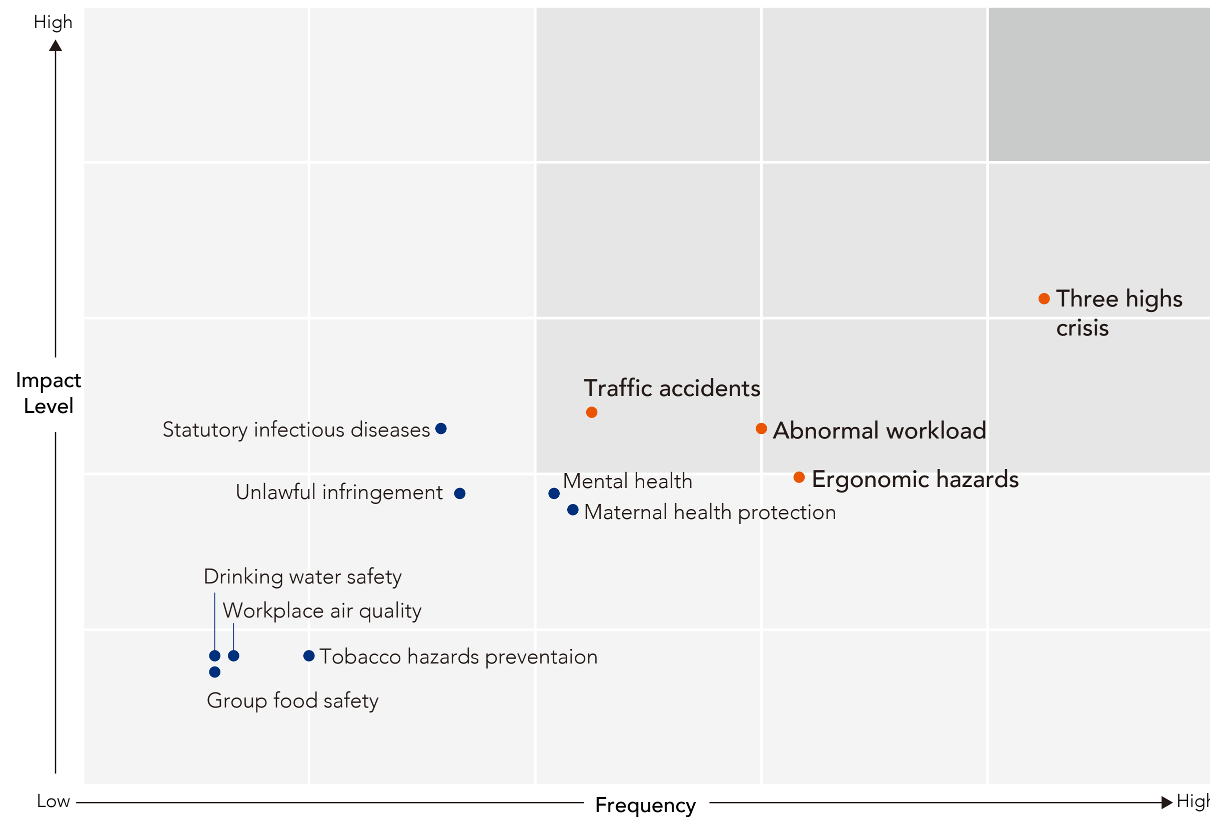
Implementation of Mitigation Measures: Develop and implement mitigating preventive and control measures for specific medium and high risk issues.

Continuous Review and Revision: Continuously improve by utilizing the PDCA cycle management framework to cultivate a friendly work environment.

2025 Assessment results

- **Medium risk issues:** the three highs crisis (high blood pressure, high blood sugar, high cholesterol), abnormal workload, ergonomic hazards and traffic accidents
- **Low risk issues:** maternal health protection, mental health, statutory infectious diseases, unlawful infringement, tobacco hazard prevention, workplace air quality, group food safety, and drinking water safety.

Occupational Safety and Health Risk Assessment Map



Note: High Risk: Measures must be taken within a certain timeframe, and resources may need to be invested to reduce the impact, ensuring the risk can be effectively mitigated.
Medium Risk: Cost-effectiveness needs to be evaluated, and measures should be gradually implemented to manage the risk.
Low Risk: No immediate action is required, but protective measures should be ensured to remain effective, maintaining controllability of the risk.

Mitigation Measures for Occupational Safety and Health Risks

To address and mitigate four medium risk issues, the Group's occupational safety and health personnel, along with nurses, proactively cared for employees on 3,289 occasions, and conducted 66 on-site physician service sessions and 170 on-site nursing service sessions, with a total of 577 visits by employees.

Measures and Effectiveness for Addressing Moderate Risk Issues

Risk Issues	Control/Mitigation Measures	2025 Implementation Effectiveness	Tracking Mechanisms/Targets
The Three Highs Crisis	· Provide regular health checkups for in-service employees. · Encourage staff to have a balanced diet. · Organize health promotion activities such as walking and weight loss competitions.	· 51% of employees have BMI values within the normal range. · Enhanced health checks that exceed legal requirements are offered and employees are encouraged to undergo regular check-ups. In 2025, 7,553 employees completed health checks, representing 87% of those eligible. · The staff cafeteria offers healthy plate recommendations, indicating the calories and suggested portions for the daily menu, and does not serve red meat for two days each month. To further promote balanced diets and employee well-being, the Group offered fully vegetarian meals on Earth Day (April 22) and World Vegan Day / World Meat-Free Day (November 25), encouraging healthier and more sustainable dietary habits. · Over 5,800 people, an increase of 168% from the prior year, participated in the Group's KGI Walker walking event, collectively achieving a total of 1.78 billion steps. · KGI Securities introduced a Health Butler system, with 3,254 users and usage rate of 98%, supporting employees in health management.	Over 50% of employees undergoing health check-ups have normal BMI values.
Abnormal Workload	· The "Work Rules" clearly stipulate the working hours and overtime limits. The combined total of regular working hours and overtime must not exceed 12 hours in a single day, and overtime is capped at 46 hours per month. · The "Work Rules" require employees to obtain manager approval prior to working overtime. · The attendance system is set up to remind employees and managers of the maximum working hours per day (12 hours) and the monthly overtime limit (46 hours). · Provide managers with tools and reports for managing work hours, allowing them to monitor and address employee attendance and overtime, in order to prevent employees from being overworked for extended periods. · Implement flexible work program that offers employees adaptable scheduling options, such as flexible work shifts or reduced hours. · Offer paid annual leave and use various measures to encourage employees to fully utilize this benefit. These include regular reviews and tracking of annual leave usage, providing managers with tools to monitor team leave, and periodic reminders for employees to take time off. While employees cannot be compelled to take leave in accordance with legal requirements, everyone is encouraged to use their paid annual leave each year to promote a healthy work-life balance.	· In accordance with → 4.2.1 Human Rights, regarding work-life balance, the number of employees with an average monthly overtime exceeding 45 hours in 2025 is much lower than 2024 , representing a decrease of 81%. · In 2025, 211 employees used the flexible work schedule, representing an increase of approximately 18% compared to the number of users in 2024.	The assessment result for the Group's human rights issue of work-life balance is "Low" or "Very Low Risk".
Ergonomic Hazards	· Promote and raise awareness of ergonomic hazard prevention. · Encourage employees to engage in regular physical activity and avoid prolonged sedentary behavior.	· The number of major occupational incidents caused by ergonomic hazards in 2025 was zero. · Conducted 6 health seminars focused on reducing ergonomic risk factors. · Promoted 3 issues of occupational safety and health medical journals featuring ergonomic hazard awareness, along with 8 educational articles on musculoskeletal disorder prevention. · Provided on-site medical services, including musculoskeletal symptom assessments and health education during clinical consultations. · Established more than 40 ongoing internal sports clubs. In addition, exercise classes/seminars are organized occasionally to actively promote a healthy workplace. Both employees and dispatched personnel are eligible to participate in all health promotions and physical activity initiatives.	The number of major occupational incidents caused by ergonomic hazards is zero.
Traffic Accidents	· Conduct traffic safety awareness campaigns to enhance employees' awareness of traffic safety. · Employees may apply for occupational injury leave, sick leave, and group insurance in accordance with relevant regulations and incident circumstances, thereby mitigating risks and uncertainties associated with traffic accidents.	To strengthen employees' traffic safety awareness: · The Group conducts annual traffic safety education and training. In 2025, the completion rate for all employees (permanent and contract) reached 100%. · KGI Life has established a dedicated traffic safety awareness section on its internal employee portal. · KGI Bank regularly disseminates relevant information to all employees via email.	Traffic safety education and training achieves a 100% completion rate for all employees (permanent and contract).

Work Injuries and Absentee

Work Injuries

	2022	2023	2024	2025		
				Male	Female	Total
Number of Work Fatalities	0	0	0	0	0	0
Work Fatality Rate (%)	0	0	0	0	0	0
Number of Severe Occupational Injuries	0	0	0	0	0	0
Severe Occupational Injury Rate (%)	0	0	0	0	0	0
Total Number of Work Injuries	46	65	18	27	28	55
Total Days of Work Injuries	273	695.0	84.0	266.5	519.0	785.5
Annual Scheduled Working Hours	18,894,120	18,689,280	19,144,000	8,041,248	11,931,984	19,973,232
Work Injury Rate (%)	2.43	3.48	0.94	3.36	2.35	2.75
Lost Day Rate for Work Injuries (%)	14.45	37.19	4.39	33.14	43.50	39.33

Note: 1. The data covers all employees (permanent and contract). Statistics for non-employees (dispatched personnel) are noted in Note 3.
2. In 2024, the method for reporting work injuries was adjusted (using the data from Occupational Injury Monthly Report System), resulting in differences from the previous year.
3. In 2025, the number of work injuries among non-employees (dispatched personnel) was 2, and the total days of work injuries was 100 days.
4. Work fatality rate: Number of fatalities caused by occupational injuries / annual scheduled working hours × 1,000,000 (at the rate of 50 weeks per year, 40 working hours per week, per 500 employees).
5. Severe occupational injuries: Injuries from which workers cannot recover (such as amputations), or injuries that cannot/difficult to recover to the pre-injury health state within six months. The number and ratio exclude fatalities.
6. Types of work injuries can include death, amputation, lacerations, fractures, hernias, burns, loss of consciousness and paralysis.
7. Injury Rate (IR): (Total number of work injuries / Annual scheduled working hours) × 1,000,000 (at the rate of 50 weeks per year, 40 hours per week, per 500 employees).
8. Lost Day Rate (LDR) for work injuries: (Total lost days / Total annual scheduled working hours) × 1,000,000.
9. In 2025, commuting traffic accidents were the primary type of occupational injury. To address this, the Group will continue to enhance traffic safety promotion and training, targeting a 100% completion rate for all employees (including permanent and contract employees). In the event of a traffic accident, employees may take leave according to company policy or apply for labor and group insurance claims to mitigate the risk faced in such situations.
10. Occupational diseases include acute, relapsing and chronic health problems caused or aggravated by working conditions or practices. They include musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical factors, and mental illnesses. The Group had no reported cases of occupational diseases in 2025, and no employees died as a result of occupational diseases.

Absentee

	2022	2023	2024	2025		
				Male	Female	Total
Number of Absentees	3,496	3,146	2,932	1,234	2,093	3,327
No of Days Absent	17,418	15,160	13,482	6,126	13,166	19,292
Total Person-Days of Work	2,361,765	2,336,160	2,393,000	1,005,156	1,491,498	2,496,654
Absentee Rate (%)	0.74	0.65	0.56	0.61	0.88	0.77

Note: 1. The data includes all employees (permanent and contract).
2. No. of days absent cover sick leave and work injury leave (including traffic accidents occurring during commuting). Starting from 2025, menstrual leave is no longer counted as absenteeism, and this calculation method is consistent with legal regulations.
3. Absentee rate=no. of days absent / total person-days of work.
4. The target absentee rate for 2025 is no higher than 1%, and the actual absentee rate is 0.77%.

External Award Recognition and Advocacy Activities

To continuously enhance a safe and healthy work environment, KGI Financial Group proactively engages in advocacy initiatives, acquires new knowledge, raises internal standards, and consistently earns external recognition:

KGI FINANCIAL

All of the Group's staff cafeterias have been certified as eco-friendly by the Ministry of Environment.

KGI Securities was awarded "Local and Seasonal Ingredients Utilization Award" at the 2025 Green Dining Award Ceremony for providing employees with organic, friendly, and seasonal local ingredients.

KGI Financial, KGI Bank and CDIB Capital obtained "Workplace Health Promotion – Self-Assessment Certification" issued by the Health Promotion Administration, Ministry of Health and Welfare in 2025.

KGI Life and KGI Securities continued to maintain the "Healthy Workplace Certification – Health Promotion Mark" from the Health Promotion Administration, Ministry of Health and Welfare.

KGI Financial Headquarter Building, KGI Securities' Dazhi Building, Taiwan Land Building and Hongqi Building have all installed AED emergency equipment.

KGI Securities continued to maintain the "AED Safe Location Certification", holding 8 training sessions in 2025 with a total of 402 participations.

KGI Bank Headquarter Building, KGI Securities' Dazhi Building and the Taiwan Land Building continued to maintain the Excellent Breastfeeding Room Certification – Special Excellence Rating.

5 Low-Carbon Operations

Net Zero by 2050 has become a global consensus. KGI Financial has also committed to the goals of "Carbon Neutrality by 2030 and Net Zero by 2040 in own operations." We are planning various decarbonization measures, renewable energy procurement and carbon offset projects. Through low-carbon operations, we aim to promote the recycling and reuse of nature resources, creating a sustainable future for the next generation.

Key Strategies and Goals

Strategy	Material Topic	Action plan	2025 Goal	2025 Achievement	2026 Short-Term Goal	2027-2028 Mid-Term Goal	2029-2031 Long-Term Goal
Carbon Reduction Operations Management	Climate/natural opportunities and risks management Operational environmental impacts	· Reduce scope 1 and 2 GHG emissions from 2022 · Facilitate the adoption of renewable energy (RE)	· Reduce 15.75% GHG emissions · Verification of 2024 Carbon Neutrality for KGI Financial headquarter building	· Reduced 32.04% GHG emissions · KGI Financial has been awarded the "1.5°C Paris Alignment Certification" by CommonWealth Magazine for two consecutive years. · In August 2025, KGI Financial headquarter building passed ISO 14068-1 carbon neutrality verification.	· Reduce 21% GHG emissions · RE20	· Reduce 31.5% GHG emissions by 2028	To be achieved by 2030: · Carbon Neutrality in own operation · Reduce 42% GHG emissions · RE30
Supply Co-Prosperity Sustainable Development	Supply co-prosperity sustainable development	· Major suppliers sign the "Letter of undertaking regarding sustainability for suppliers" · Suppliers ESG due diligence	· Achieve 100% signing rate · Achieve an 80% due diligence assessment rate	· Achieved 100% signing rate · Completed 2024 suppliers due diligence, with an assessment rate of 89%	· Maintain 100% signing rate · Achieve an 85% due diligence assessment rate.		
Promoting a Sustainable Environment	Climate/natural opportunities and risks management Operational environmental impacts	· Climate risk management for operational sites/suppliers · Promoting a sustainable environment	· Establish a unified approach to flood risk scenario analysis across the Group · Achieve 90% local procurement · Introduce "Vegetarian Day" in employee cafeterias · Promote resource circularity. · Promote plastic reduction initiatives	· Established a unified approach to flood risk scenario analysis across the Group · Achieved 95.4% local procurement · Held "Vegetarian Day" events on April 22 (Earth Day) and November 25 (World Meat-Free Day). · Promoted "zero food waste" in employee cafeterias, converted used cooking oil into feedstock for Sustainable Aviation Fuel (SAF), and donated decommissioned IT equipment to support the ASUS Foundation's "Second Life for Computers Project." · Conducted plastic reduction eDM, promoting reusable bags, no bottled water, and less single-use plastics.	· Enhanced the Group's physical flood risk scenario analysis · Achieved 90% local procurement · Continued employee cafeteria "Vegetarian Day" initiatives · Promoted resource circularity · Advanced biodiversity conservation	· Continued physical climate risk management · Achieved 90% local procurement	

5.1 Green Operation

Green Operation Goals and Implementation Status

Goal	2025 Goal	Mid to Long-Term Goal	Implementation Measure	Result
GHG (Scope 1+2)	Reduce 15.75% emissions from 2022	Reduce 42% emissions by 2030 and 90% by 2040	· Reduced emissions through energy-saving measures, renewable energy, and site consolidation. · Installed solar panels and procured RE.	· Reduced 32.04% emissions in 2025
Fuel-and Energy-Related Activities (Scope 3)	Reduce 9.4% emissions from 2022	Reduce 25% emissions by 2030 and 90% by 2040	· Actively procuring RE · Improved energy efficiency	· Reduced 25.21% emissions in 2025
Electricity	Annual electricity savings of 1%	Continue annual electricity savings of 1%	· Replaced high-efficiency lighting and Inverter air conditioning equipment · Adjusted energy-consuming equipment settings	· Reduced total electricity consumption by 5.88% compared to 2024 · Used 9,970.5 MWh of renewable energy in 2025
Water	Annual water savings of 1%	Annual water savings of 1%	· Used sensor faucets and water-saving labeled equipment.	· Water consumption increased by 11.5% compared to 2024
Waste	Implement waste recycling statistics		· Implemented waste recycling statistics · Used ceramic tableware and a buffet-style serving in employee cafeterias	· Total recycling reached 256.3 metric tons · KGI Financial employee cafeterias served a total of 503,495 meals, contributing to waste reduction efforts.
Paperless	· Promote paperless operations · Electronic document management · E-signature		· Simplify paper-based processes and provide customers with online financial services. · Promote digital workflows and establish cloud databases. · Use e-signatures, offer value-added services for video e-signatures, online/ APP ordering, and e-statements.	· Reduced paper usage by approximately 680,000 sheets of A4 paper, equivalent to a reduction of 4.91 tCO_2e.

Note: 1. In 2022, emissions from fuel- and energy-related activities (Scope 3) totaled 5,446.77 tCO_2e.
2. The Company commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2040 from a 2022 base year and to seek validation by the SBTi.

5.1.1 Environmental Policy and Strategy

KGI Financial Environmental Governance Mechanism

The Company has established an environmental governance mechanism through the "Environmental Sustainability Working Group" under the Sustainability and Ethical Management Committee. The working group collaborates with representatives from KGI Financial and its subsidiaries to plan and implement environmental policy, and report to the Sustainability and Ethical Management Committee. The working group is tasked with establishing specific goals and practices in connection with environmental protection, energy conservation and carbon reduction to actively promote and co-manage a sustainable living environment. Advance the Group's climate strategy and targets related to own operations, and develop mitigation and adaptation programs.

To strengthen the senior executive's attention to environmental issues, the Company has included environmental performance as one of the indicators for senior management's remuneration incentives.

Since 2015, the Company has introduced the ISO 14001 environmental management system to KGI Financial and its major subsidiaries KGI Life and KGI Securities, and continues to undergo verification, establishing an appropriate environmental management system through a scientific approach.

2025 Environmental Highlights

"Low-Carbon Operations" is one of KGI Financial sustainability strategies. The Company encourages employees to practice energy conservation and carbon reduction, contributing to environmental sustainability. Through initiatives, we not only raise the awareness of sustainability, but also expand our influence on stakeholders in the value chain and the local community.

Sustainable Christmas Tree

- The Sustainable Christmas tree embodying environmental thinking by using a reusable frame structure combined with an intelligent lighting control system. This system monitors electricity usage and reduces energy consumption. Implemented energy-saving measures through technology while the Christmas lights shine brilliantly and environmentally friendly.
- The Christmas tree is made with over 50% recycled materials
- The total emissions during the performance period were 21.83 metric tons. Carbon offset was completed after retiring 22 metric tons of carbon credits from a wind power project.
- The overall waste recycling and reuse rate reached 90%

Note: The emission calculations include the procurement of raw materials for the main Christmas tree structure and surrounding new delivery items, direct emissions during the exhibition period, and waste disposal.

Carbon Offset for KGI Financial Headquarter Building

- KGI Financial headquarter building achieved ISO 14068-1 carbon neutrality validation in 2025, becoming a pioneer in Taiwan's financial industry to meet the international standard.
- We have not only achieved carbon neutrality but have also voluntarily committed to ongoing carbon offset. We select internationally certified, high-quality projects to ensure that every investment delivers genuine environmental benefits.
- The remaining Scope 1 and 2 emissions of KGI headquarter building in 2025 totaled 818.7 metric tons, representing a 17.1% reduction compared to 2024. This aligns with the SBT carbon reduction pathway, and 819 metric tons of carbon credits were retired to complete the offset.
- To fulfill KGI's long-term commitment, the Company will regularly disclose carbon offset information in the future, enabling investors and the public to clearly see our climate actions.

CDP Double A-List

- KGI Financial is committed to promoting low-carbon transformation and sustainable resource management. In 2025 CDP, the Company achieved A-List in both Climate Change and Water Security, while also achieving a leadership-level (A-) score in Forests.
- KGI Financial has continuously enhanced its supplier sustainability management and has been included in the Supplier Engagement Assessment (SEA) A-List for two consecutive years.

Climate Water
CDP
A List
2025

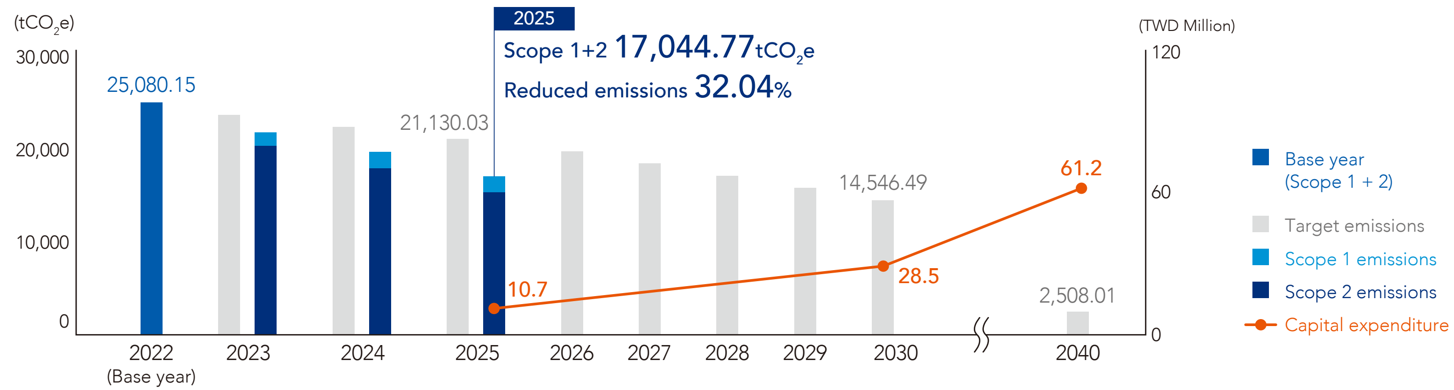
CDP Non-Disclosure Campaign

- KGI Financial signed to join "CDP Non-Disclosure Campaign," collaborating with CDP to promote corporate disclosure of climate and nature-related information. In 2025, a total of 132 companies submitted questionnaires for disclosure, demonstrating the influence of sustainable finance.

5.1.2 Greenhouse Gas Management

The Company's own operations GHG emissions mainly come from the operation of building facilities, purchased electricity, gasoline used by company vehicles, and natural gas used in employee cafeterias.

In line with our approved SBTi targets, KGI Financial Holding Co., Ltd. commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year. In 2025, Scope 1 and 2 GHG emissions were 17,044.77 tCO_2e, a reduction of 32.04%.KGI Financial closely monitors developments in climate-related regulations and decarbonization trends, and proactively adjusts internal policies in response to regulatory authorities' guidance on decarbonization targets and strategic planning for the financial sector. To achieve Net Zero in own operations, the Group expects to expand the use of renewable energy, which is likely to result in increased operating costs.



Note: 1. Estimated capital expenditures are calculated as the target emission reductions x the Company's internal carbon price for own operations.
2. The data has been verified by third party PwC. For detailed information on the group's GHG emissions, please refer to → Appendix 7.1.1 GHG Emissions. The latest verification statement can be found on → KGI Financial official website

Internal Carbon Pricing Mechanism

To achieve KGI Financial's goal of Net Zero across the entire asset portfolio by 2045, the Company has established an internal carbon pricing mechanism. A shadow price is used for internal reference to encourage carbon reduction. The internal carbon pricing is separated from the Company's own operations and its investment and financing portfolios. For own operations, we focus on driving energy efficiency and planning financial strategies such as renewable energy and carbon offsets to reduce emissions across the value chain. For investment and financing portfolios, we promote cost-benefit analysis and stress testing to encourage the consideration of climate related issues in risk assessment and decision-making, thereby identifying and seizing low-carbon opportunities and driving low-carbon investments.

The carbon pricing for own operations is calculated based on the Company's price difference of renewable energy for the entirety of 2024, resulting in a carbon price of TWD 2,710 per ton. We calculated the implicit cost of emissions for 2025 operations (Scope 1 and 2) and manage emissions through a centralized system, evaluating and planning low-carbon transition actions across capital expenditures, operations, procurement, and risk management. Emission reductions actions and outcomes are implemented and linked to performance metrics, and are applicable to all of the Company's global operating locations.

The carbon pricing for investment and financing is based on the forecasts of future carbon price changes provided by the "Network for Greening the Financial System (NGFS)" composed of central banks and financial regulatory authorities from major countries around the world. It utilizes the "Integrated Assessment Model" GCAM to determine the carbon price per ton, which will be adjusted annually in accordance with inflation. This serves as a reference for the risk management of investment and financing (Scope 3) for the Company's main subsidiaries, and plans to engage with clients in high carbon-emitting industries

5.1.3 Energy Management

We actively develop and promote feasible energy-saving and carbon reduction plans, respond to renewable energy policies, reduce environmental impact, and pursue sustainable and balanced development with the environment. The Company have successively introduced the ISO 50001 energy management system in the KGI Securities Dazhi Building, KGI Financial Headquarter Building, and the KGI Bank Kaohsiung, Chienkang, and Tungmen branches, and maintained the validity of the certificates. We are committed to improving energy performance while reducing emissions.

In 2025, KGI Financial purchased and used 9,887.0 MWh and self-generated 83.5 MWh of renewable energy, totaling 9,970.5 MWh of renewable energy, accounting for approximately 23.17% of KGI Financial's total electricity consumption, equivalent to a reduction of 4,726.02 tCO_2e.

Note: For detailed information on the group's energy consumption, please refer to → Appendix 7.1.3 Energy Consumption.

Energy-saving Measure and Investment

Energy-Saving Measure	Investment Amount (TWD million)	Energy Saving (MWh)	Energy Saving (GJ)	Emission Reduction (tCO_2e)
Replacement of Environmentally Friendly, High-Efficiency Air Conditioning Equipment and Lighting Fixtures	34.13	624.28	2,247.42	295.87
Use of Renewable Energy	42.36	9,970.50	35,893.79	4,726.02
Total	76.49	10,594.78	38,141.22	5,021.89

Note: 1. In line with KGI Financial's annual 1% electricity-saving target, the results are calculated based on comparisons with the previous year (2024).
2. The calculation method for energy savings: the power difference (W) between new and old equipment x annual usage (hours) / 1,000; the power (W) of energy-saving measures x annual usage (hours) / 1,000; annual solar power generation (kWh).
3. The emission factor for electricity use is 0.474 kg CO_2e/kWh (MOEA Energy Administration 2024 electricity carbon emission factor, used to calculate the 2025 electricity use emissions)

5.1.4 Water Resource Management

The Company places great importance on water resource management, setting targets for water conservation, water quality, and wastewater management. It continuously implements various water-saving and optimization measures to ensure water safety. At the same time, the Company has included water pollution-related indicators into the long-term compensation performance evaluation mechanism for chief sustainability officer (CSO), strengthening water resource risk management through governance.

KGI Financial primarily uses water for drinking, air conditioning, and cleaning purposes. All water is sourced from the local municipal water supply, with no use of groundwater or alternative water sources. The Company's main office building is equipped with sensor-activated urinals, and water-saving devices have been installed on faucets in restrooms and pantries to enhance water use efficiency. Drinking water undergoes quarterly quality testing to ensure compliance with relevant water standards. When replacing or upgrading equipment, the Company prioritizes the use of water-saving certified devices to reduce overall water intensity. To more effectively utilize water resources, KGI Financial headquarter building has installed water meters in public areas to monitor water flow. The increase in water usage was primarily for enhancing the landscaping around KGI Financial headquarter building, further improving environmental quality.

In addition, oil-water separation facilities have been installed in the cafeterias to reduce the impact of wastewater. In 2025, the Company did not experience any incidents of water or sewage leakage, nor was it subject to any penalties from regulatory authorities related to water pollution issues.

Note: For detailed information on the group's water resource usage, please refer to → Appendix 7.1.4 Water Consumption

5.1.5 Waste Management

KGI Financial mainly generates general household waste from its operations. We strengthen the promotion of waste reduction and recycling to maximize the utilization of recycled resources. All waste are transported to incinerators or recycling facilities by qualified contractors. Paper waste is managed by the responsible department according to the document destruction policy and is handed over to qualified processing contractors for water destruction.

Resource Management and Waste Reduction Measures

1. KGI Financial, adhering to the ESG core spirit of "Supporting the Future with the Future," partnered with ASUS Foundation in 2025 to advance the → " Second Life for Computers Project," demonstrating the group synergy of "ONE KGI." The Company's subsidiaries actively participated, collectively recycling a total of 3,700 devices in 2025. These retired IT assets were transformed into digital resources to support underserved rural areas. Through a professional recycling and refurbishment process, the lifespan of these devices was extended, thereby reducing the environmental burden on the planet. According to the recycling benefits calculated by the ASUS Foundation, this initiative effectively reduced approximately 70.6 metric tons of emissions, fulfilling KGI's commitment to achieving Net Zero emissions across all assets by 2045.
2. To implement circular economy and carbon reduction initiatives, the Company launched the "Zero Food Waste in Employee Cafeterias Project" starting in 2024. With the help of Taiwan Black Soldier Fly Recycle Tech, the daily food waste generated in cafeterias is effectively converted into fertilizer and animal feed. The Company further established contract farming partnerships with local farmers to create a circular economy that cycles food waste from the cafeteria to the farmland and back to the dining table. In addition, the Company utilizes intelligent waste oil recycling machines for precise oil collection. The waste cooking oil is refined into sustainable aviation fuel (SAF), which is blended with conventional fossil fuels. This low-carbon biofuel helps reduce CO_2 emissions.
3. In 2025, the employee cafeteria served 503,495 meals using ceramic tableware and a buffet-style serving method. Employees can take food according to their needs, avoiding food waste and reducing the amount of disposable meal box waste.
4. KGI Financial continues to support sustainable forest management by prioritizing the procurement of copy paper certified by FSC or PEFC, thereby reducing the risks of deforestation and conversion. The Company incorporates related indicators into the long-term remuneration performance evaluation of Chief Sustainability Officer (CSO), ensuring through governance mechanisms that the supply chain complies with sustainable management standards.
5. We use emails, electronic bulletin boards, and electronic document systems to replace paper document circulation and approval processes. Regular meetings use tablets instead of paper agendas.

Note: For detailed information on the group's waste statistics, please refer to → Appendix 7.1.5 Waste Statistics.

5.2 Sustainable Supply Chain

5.2.1 Supplier Sustainable Management

KGI Financial has long promoted, advocated, and continuously improved sustainable management and practices among its suppliers. This effort extends from within the Group to its major suppliers, including contractors and their subcontractors, fostering a sustainable ecosystem within KGI Financial Group to facilitate balanced and sustainable development across economic, social, environment.

Overview of Sustainability-Related Certifications of Suppliers

Major Supplier/ New Suppliers	ISO-certified	Buying Power/ Eco-label/ Carbon Footprint Label	FSC/PEFC	
			Copy Paper Suppliers	Printing Suppliers
287/46	92	20	1 (98%)	6 (25.1%)

Note: Percentage refers to the proportion of transaction amounts with suppliers of types who hold FSC/PEFC certification.

Supplier Sustainability Management Procedures and 2025 Management Result

Procedures	Management Method	Result
Pre-Selection Screening, Assessment and Commitment	1. New and major suppliers are required to sign the → "Letter of Undertaking regarding Sustainability for Suppliers," and the Company continuously promotes → "Supplier Sustainability Management Guidelines."	The signing rate has remained at 100% since 2017.
	2. Conduct ESG screening and transaction risk assessment for new suppliers	Completed for 46 new suppliers, with a 100% ESG screening rate.
	3. Conduct annual evaluations of new and major suppliers based on ESG factors to assess risks related to human rights, environment, and ethical corporate management, and promotes awareness and mitigation.	287 New and major suppliers, with the ESG compliance rate maintained at 100% since 2017.
During Management and Advocacy	1. Both tender documents and procurement system orders include the "Supplier Sustainability Management Guidelines." Procurement contracts include standard clauses on ethical corporate management, ESG requirements, and penalties.	No suppliers were terminated or suspended due to poor service/performance, significant ESG violations, or other serious circumstances.
	2. To expand the sustainable management promotion, the Company continues to conduct training for new suppliers with transaction amounts below TWD 500,000.	Completed for 18 suppliers, with a 100% training rate.
	3. Supplier service satisfaction assessments and annual evaluations are conducted after tender acceptance.	Completed for 112 suppliers, with 24 rated A, 81 rated B, and 7 rated C; none rated D or E. The overall average score was 4.29, consistent with 2024.
Post Tracking and Audit	1. Conducted ESG due diligence on major suppliers.	Completed for 253 suppliers, accounting for 88.2%. The Company has continuously improved the due diligence checklist and online training on risk identification and sustainable development.
	2. On-site audits of suppliers	The Company has completed on-site audits of 3 major suppliers and continuously improved the on-site audit record.
	3. Tracking the improvement of suppliers penalized in the previous year.	15 suppliers were penalized in 2024, with a 100% improvement tracking rate.
	4. Conducted annual evaluation of service excellence suppliers	The annual evaluation was conducted on 26 Feb. 2026, with 5 service excellence suppliers selected.
	5. Held a supplier conference to recognize outstanding service suppliers, deliver a keynote speech focused on the shared task of sustainable development between ourselves and our suppliers, and provide sustainability education and advocacy.	Supplier Conference was held on 17 Apr. 2026 to promote sustainability and implementation, awarding 5 service excellence suppliers. A keynote speech on the theme of "AI & ESG Twin Transformation and Supply Chain Management" delivered.

Note: New supplier refers to one whose initial transaction amount reaches TWD 500,000; a major supplier is one with annual transactions reaching TWD 1,000,000; a key supplier is one with annual transactions reaching TWD 10,000,000 and continuous business relations for more than 5 years.

Supplier Sustainability Commitment

KGI Financial continues to invite new and major suppliers to sign the commitment, clearly stating that "If the undersigned violates the contents of this commitment, and it is verified to have caused significant impact on the environment and society or committed major acts of dishonesty, the Company may terminate/rescind the contract, claim damages as stipulated, suspend transactions, or take other management measures as provided in the contract." The Company also continues to promote sustainability awareness among its suppliers as follows.

Supplier Sustainability Management and Promotion Measures

Before: Bidding Instructions/Procurement Tender Documents → During: Procurement System Orders → After: Regular Advocacy Emails

Advocacy Content | Suppliers are required to adhere to policies related to labor rights, occupational health and safety, environmental sustainability, and ethical corporate management, in order to avoid causing significant negative impacts on the environment and society, and to collaborate with the Company in contributing to the sustainability development.

Supplier Labor Human Rights and Environmental Risk Assessment

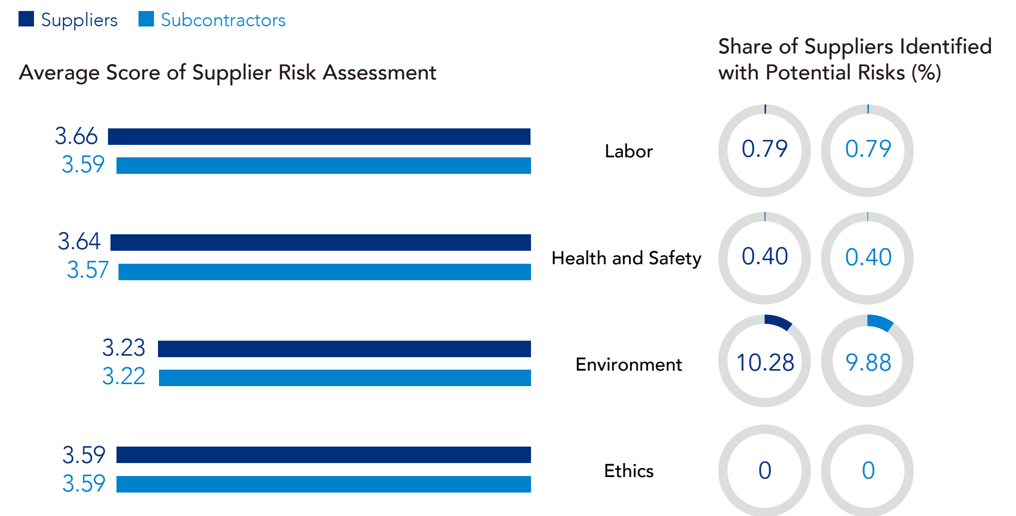
The Company conducts annual assessments of labor human rights and environmental sustainability risks for its suppliers (including, but not limited to, major suppliers), analyzes the impact based on penalties imposed by regulatory authorities, and tracks the corrective measures implemented by penalized suppliers in the following year. The Company conducts an annual rolling adjustment of ESG due diligence and on-site audits for suppliers to identify potential risks. The Company may require relevant suppliers to make improvements through measures such as (time-limited) corrective explanations, interviews, and on-site audits when necessary. In 2025, no suppliers were terminated or suspended due to significant human rights or environmental violations.

Year	2024			2025		
Supplier Type \ Risk Identification Item	Working Hours and Occupational Health & Safety	Labor Equality	Environmental Hazards	Working Hours and Occupational Health & Safety	Labor Equality	Environmental Hazards
Labor Services, Gifts, and Others	9			16		1
IT Equipment and Services	2			8		
Construction, Design, and Repairment	3	None	None	3	None	None
Office Equipment, Printing, and Supplies	1			1		
Transportation and Telecommunications	None			None		2
Penalized Suppliers	15 (5.8%)		0	28 (9.8%)		3 (1%)
Penalties and Improvement Status	The fines have been paid and improved, with no appeals filed		None	Penalties related to labor hours, wages, and underpayment of labor insurance and labor pension		Penalties related to noise and environmental cleanliness

Supplier ESG Due Diligence

To jointly commit to sustainable development, the Company conduct ESG due diligence in 2025. The assessment scope and key issues were established with reference to domestic and international sustainable supply chain audit trends and the Responsible Business Alliance (RBA) Code of Conduct. Additionally, scoring criteria for the achievement and prevention status of various risks have been developed to enhance the accuracy of risk identification. Suppliers participating in due diligence are deemed to have thoroughly reviewed and agreed to KGI Financial's → "Supplier Sustainability Management Guidelines," → "Human Rights Policy," and → "Ethical Corporate Management Best Practice Principles," and to have completed the supplier online training. In total, 253 suppliers completed the risk assessment this year, of which 21 were identified as having potential risks, including two suppliers with human rights-related risks, representing 0.79% of the assessed suppliers. Following interviews and engagement, 100% of these suppliers agreed to implement improvement actions and endorsed the Company's policy and philosophy on shared growth and sustainable development.

Human Rights and Environmental Risk Assessment



Note: The assessment score ranges from 1 to 5, with a higher score indicating lower risk. Potential risks are defined as situations where the supplier has not yet taken action, has no plans, or is unable to improve on the relevant issues

Number of Suppliers Completed	Potential Risk Type				Agreement Rate on Improvements	Rate of Termination
	Human Rights (Labor, Health, and Safety)	Environmental	Sustainable Business	Total		
253	2	20	1	21, excluding duplicates	100%	0%

On-site Audit, Continuous Improvement and Tracking

In 2025, the Company conducted on-site audits of suppliers. After screening, a total of six suppliers were selected, of which three on-site audits have been completed (including two information equipment suppliers and one service supplier). The on-site inspection results were satisfactory, with no violations found, and in compliance with the Company's supplier sustainability management requirements. In addition, 15 suppliers that were subject to environmental or labor-related penalties in the previous year have all paid their fines without filing appeals and have implemented appropriate corrective measures following the follow-up actions.

Audit Items	Audit Scope
Human Rights Risks	No Discrimination, Anti-Bullying, and Anti-Harassment, Occupational Health and Safety, Work-Life Balance, Labor-Management Communication
Environmental Risks	Environmental Certification, Climate Position, Energy Management, Water Resource Management, Waste Management, Natural Resource Assessment
Sustainable Business	Ethical corporate management, Financial Soundness

Supplier Conference

To encourage suppliers to align with the Company's sustainable commitments to human rights, environmental, and ethical corporate management and 2045 Net Zero, the Company held a supplier conference on 17 Apr. 2026. Scholars and experts were invited to deliver a keynote speech on "AI & ESG Twin Transformation and Supply Chain Management."

Based on the 2025 evaluation results of major suppliers, service excellence suppliers are publicly recognized for their exemplary service.

The award-winning suppliers for 2025 are:

"Best Supplier": Tung-I Information Service Co., Ltd., ExtremeData System Inc., Shin-Nan Technology Co., Ltd.

"Excellence Progress Award": G-Trend Integration Corp.

"Green Partner Award": Nien Tai Printing Ent. Co. Ltd.

Human Rights and Environmental Risk Mitigation Measures

To jointly promote the practice of sustainable development in labor rights protection (no discrimination, anti-bullying, and anti-harassment, personal data / privacy protection and cybersecurity), ethical corporate management (anti-corruption, fair trade), environmental sustainability, and climate change resilience among our suppliers, we aim to reduce human rights, environmental, and climate change impacts (for analysis results, please refer to → KGI Financial Climate and Nature-related Report). In order to understand the potential human rights and environmental risks of suppliers, risk assessments and mitigation measures have been implemented. construction and repair suppliers exhibit higher potential human rights and environmental risks, and additional risk mitigation measures have been adopted. The Company will regularly evaluate and track these measures.

Risk Type		Mitigation Measures	Management Mechanism
Supplier Human Rights Risks	Legal Compliance	· Require suppliers to sign commitment letter · Conduct annual ESG due diligence · Track improvement of penalized suppliers annually · Holds annual supplier conferences, and supplier sustainable development training	1. Annual supplier evaluation 2. Annual human rights and environmental risk assessment 3. Supplier ESG due diligence 4. On-site audits 5. Supplier conferences and awareness raising for suppliers penalized in 2025 to strengthen the advocacy
	Health and Safety Workplace	Require contractors to obtain comprehensive insurance for construction project tenders, employ qualified licensed engineering management personnel, provide a construction performance bond, and comply with occupational safety and health regulations.	
Supplier Environmental Risks	Energy Conservation and Carbon Reduction Environmental Sustainability	· Encourage suppliers to support climate transition, establish GHG reduction policies, reduce energy and resource consumption in operations, and implement waste recycling. Products or services should obtain environmental labels and relevant ISO certifications, with public disclosure · Encourage the identification, assessment, and management of environmental dependencies and impacts; evaluate the social and economic functions provided by natural resources; and emphasize the effects of procurement practices on local communities, natural, and society	
	Business Continuity	Encourage insurance to mitigate operational risks and establish mechanisms for business continuity or uninterrupted operations.	
Sustainable Business Risk	Financial Soundness	Require suppliers to comply with accounting standards, establish risk manage systems, and strengthen sustainable operations	
	Ethical Corporate Management	Require suppliers to comply with ethical corporate management and to establish responsible mineral sourcing management processes with reference to the Responsible Business Alliance (RBA) Code of Conduct	

5.2.2 Responsible Procurement

In 2025, no suppliers had significant issues with poor delivery/service quality or environmental hazards. KGI Financial has consecutively received the "Green Procurement Award" and other honors. The Company's total green procurement amount in 2025 reached TWD 674.81 million, with a cumulative total of TWD 2.73 billion since 2016, to support social enterprises and demonstrate commitment through actual purchases of socially and environmentally friendly products.

Responsible Procurement Policy

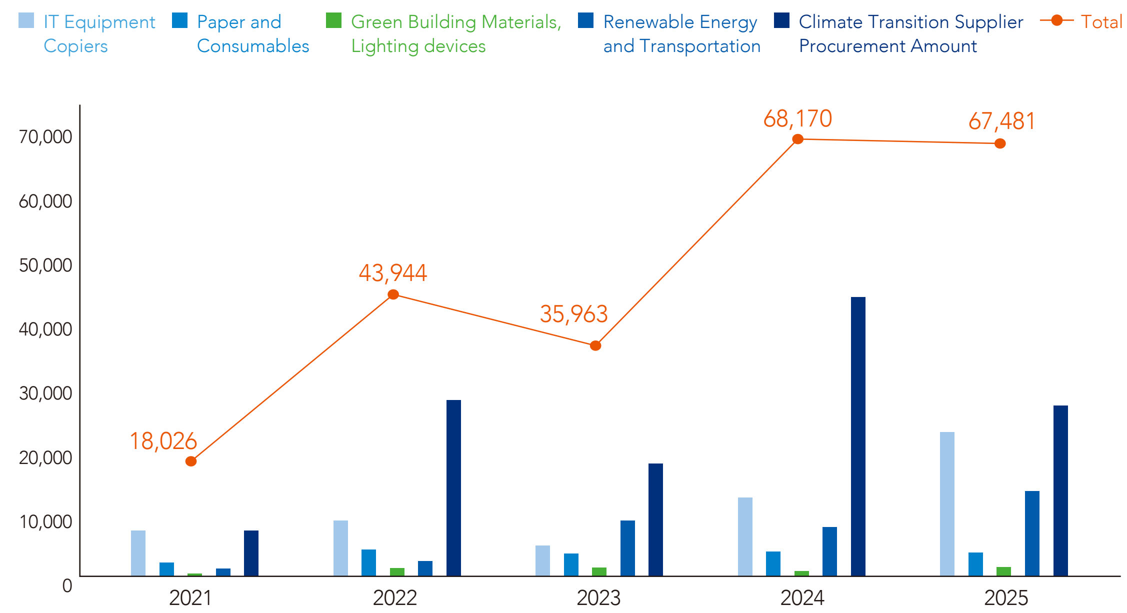
KGI Financial supports climate transition by identifying actual needs based on the principles of conservation, necessity, non-excessiveness, and waste avoidance. The Company promotes green procurement and energy conservation/carbon reduction by prioritizing the purchase of low-pollution, low-energy-consumption, recyclable products or equipment certified with eco-labels, and by reducing the procurement of single-use items. Suppliers are continuously encouraged to obtain and sell products with eco-label or relevant ISO certifications. In addition, the Company implements resource recycling for packaging cartons, empty bottles, copier toner cartridges. For more information on the principles of green and local procurement, please refer to the → KGI Financial official website.

Local Procurement

To reduce unnecessary resource consumption during product transportation and to promote local economic development, the Company actively sources from Taiwan enterprises. In 2025, the proportion of local procurement reached approximately 95.4%.

Green procurement achievements

Unite: TWD ten thousand



KGI FINANCIAL

CDP Supplier Engagement Assessment (SEA)
Received every year, 2024-2025

Supplier Engagement Leader CDP 2025

2018 2019 2020 2021 2022 2023 2024 2025

Ministry of Economic Affairs Buying Power Award
Received every year, 2019-2025

Ministry of Environment Green Procurement Award
Received every year, 2019-2025

Taipei City Green Procurement Award
Received every year, 2018-2025

KGI Life

Ministry of Economic Affairs Buying Power Award
Received every year, 2017-2025

Ministry of Environment Green Procurement Award
Received every year, 2020-2025

Taipei City Green Procurement Award
Received every year, 2016-2025

Taipei City TOPS Good Purchasing Award
Received for the first time in 2025

KGI Bank

Ministry of Economic Affairs Buying Power Award
Received every year, 2024-2025

6 Co-Creation of Sustainable Society

The Social Philanthropy Group of the Sustainable Committee is responsible for the corporate citizenship strategy of KGI Financial, whereas the CDF Foundation, KGI Charity Foundation and all subsidiaries are devoted to creating maximum shared value for society stakeholders through joint efforts, with the goal of achieving a sustainable society. In 2021, KGI Financial launched the "Inclusive Vision" project to connect with innovative energies of society and to promote the development of regional revitalization in Taiwan. With a mid to long-term plan for the next three to five years, KGI Financial aims to bridge the urban-rural gap and achieve the United Nations' Sustainable Development Goals (SDGs), including: 1. End poverty in all its forms everywhere, 3 Ensure healthy lives and promote well-being for all at all ages, 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, 11 Make cities and human settlements inclusive, safe, resilient and sustainable, 12 Ensure sustainable consumption and production patterns, and 13 Take urgent action to combat climate change and its impacts.

Key Achievements in 2025

- **Empowering Local Youth:** Supported 61 regional revitalization teams over three years, enabling them to take root locally and achieve sustainable operations.
- **Promoting Intergenerational Inclusion:** Built a cross-generational collaboration platform to develop solutions for a super-aged society.
- **Investing in Talent Development:** Injected resources into education in rural areas, benefiting over 10,000 people annually.
- **Supporting Post-Disaster Reconstruction:** Sole provider of volunteer insurance for the Guangfu Township volunteer corps in Hualien, safeguarding 27,362 disaster relief volunteers.

The KGI Financial "Inclusive Vision" project aims to understand the needs of local communities through the work of the Group's volunteers, and by cooperating with social enterprises, assist establishing local sustainable support system, in order to promote intergenerational collaboration, take care of the elderly, seek common good with the disadvantaged, and co-exist with the environment to become the solid support for sustainable Taiwan. Since 2024, KGI Financial has launched the "Regional Revitalization Changemakers+" volunteer project, collaborating with high-quality local revitalization teams across Taiwan. Employees with relevant expertise are invited to form volunteer teams that engage directly with local communities, understand their needs, and co-create solutions alongside revitalization teams. Over the past two years, the program has empowered and supported 34 teams. KGI Financial has also established a cross-group "Regional Revitalization Resource Matching Committee" as an integrated platform to respond to the needs of the revitalization organizations. The volunteers, demonstrating empathy and professionalism, assisted the revitalization groups in organizing finances, optimizing the business model for corporate collaboration, and mobilizing close to 200 internal and external resources in the past two years. By the end of 2025, the Group had contributed over 15,000 service hours and generated more than NT$10 million in revenue for the revitalization organizations.

Moreover, CDIB Capital, the subsidiary of KGI Financial, continued to support the development of regional revitalization efforts in Taiwan through public-private partnerships (PPP). In 2024, the CDIB Capital continued to promote the "Incentive for Regional Revitalization Action Plan." Building on the National Development Council's Incentive for Youth Participation in Regional Revitalization Action Plan, CDIB Capital has selected ten outstanding organizations with strong potential. Leveraging its extensive investment experience and industry networks, it supports these organizations in strengthening corporate collaboration and commercialization capabilities, laying the foundation for sustainable development. Over three years, the program has provided assistance to 27 groups, providing a cumulative NT$10 million of reward funds, along with access to strategic networks and engagement from stakeholders such as investors, media, and employees to drive attention to local revitalization efforts.

Four Focus Areas of "Inclusive Vision"

Focus Area	Implications	Society Stakeholders	Communication Approach	Mid-Term: 2027-2028	Long-Term: 2029-2031
Promote Intergenerational Collaboration	Leverage our expertise in finance to cultivate and accompany local youth and capable elders to start businesses or develop new business opportunities	Local youth, elders, government agencies, social enterprises, employees, local non-governmental organizations, customers	· Devise intergenerational collaboration models in partnership with social enterprises · Invite customers and partners to jointly support regional revitalization team · Hold financial training workshops for local youth · Invite corporate volunteers to participate in local activities · Participate in and support activities held by organizations of regional revitalization · Use the media and social networks to promote the collaboration between KGI Financial and regional revitalization teams to customers	· Establish 3 to 5 successful collaboration cases · Generated over 100 job opportunities cumulatively	· Assist in cultivating over 30 regional revitalization managers · Leverage financial products to encourage customers to participate in regional revitalization.
Take Care of the Elderly	Empower the elderly to obtain economic, social, and health resources through volunteer work and corporate core competencies and create a senior-friendly society	Local elders, social enterprises, employees, charitable organizations, customers	· Communicate with local charitable organizations to understand their needs · Hold financial literacy seminars for the elderly · Work with social enterprises to realize social design for seniors · Hold volunteer training in the company on services for the elderly · Promote the accomplishments of KGI Financial to customers through the media and social network	· Work with local teams to establish 1 to 2 successful models of empowering the elderly to live a better life · Cumulative service to over 300 elderly · Enhance the recognition and appeal of KGI Financial among the elderly	· Replicate successful models of empowering the elderly to more regions · Provide the elderly more financial protection through integrating life insurance, trust, and other products.
Seek Common Good with the Disadvantaged	Build a social security network and improve it through volunteer work and inclusive finance.	Vulnerable children/people, rural children/people, charitable organizations, social enterprises, employees, customers	· Work with charitable organizations and social enterprises to hold charitable activities for vulnerable and rural children · Hold volunteer activities/diverse education courses for disadvantaged children · Hold financial education seminars for the disadvantaged · Promote the accomplishments of KGI Financial to customers through the media and social networks	· More than 10,000 children in rural areas benefit every year. · Work with more than 300 schools every year to help disadvantaged schoolchildren	· Combine resources of social enterprises and non-profit organizations to help establish regional support systems · Invite customers to support the disadvantaged communities
Coexist with the Environment	Promote local environmental sustainability through environmental symbiosis initiatives and practices.	Regional revitalization teams, environmental protection organizations, social enterprises, employees, schools, customers	· From self-practice promotion to joint action with stakeholders, KGI Financial continuously organizes activities related to carbon reduction and achieving net zero emissions · Assist local small farmers in production and sales, and promote sustainable agriculture that is friendly to the environment · Conduct initiative and practice of collaborating with social enterprises to promote the circular economy and actively promoting circular economy education · Promote KGI Financial actions through media and social networking to customers	· Successfully launch 1 to 3 environmental symbiosis initiatives · Improve KGI Financial's corporate citizenship image. · Lead customer in joint participation of environmental protection activities	Create a net zero ecosystem and business opportunities with the regional revitalization teams

Total Investment in Philanthropic Projects

Year	2023	2024	2025
Cash Contributions (NT$ Million)	138.1	161.44	154.68
Time: Employee Volunteering during Paid Working Hours (Hour)	102,238	87,243	88,319
In-Kind Giving: Product or Service Donations, Projects/Partnerships or Similar (NT$ Million)	3.59	1.47	0.628

Note: 1. The scope of cash-based public welfare contributions includes only the actual cash expenditures of each project and does not include the estimated value of in-kind donations.
2. The calculation of volunteer service hours includes the total of weekdays and holidays.

Key Strategies and Goals

KGI Financial's "Inclusive Vision" project utilizes the Company's core competencies and harnesses the power of volunteers across the industry to work toward seven of the United Nations' Sustainable Development Goals (SDGs) and to create shared value for stakeholders. In response to the unbalanced regional development Taiwan is facing, through the "Inclusive Vision" project, KGI Financial is committed to the goals to promote intergenerational collaboration, take care of the elderly, seek common good with the disadvantaged, and coexist with the environment in order to support sustainable development in Taiwan.

Promote Intergenerational Collaboration

KGI Financial has long been devoted in startup investment, fostering startups, private equity, inclusive finance, and using relevant core competencies to empower startup youth, capable elderly and new talents with returning home for startups. KGI Financial also provides resource platform to develop regional revitalization, revitalizing regional economy, and respond to the demand of potential customers.

KGI Financial proposes the following action plans and targets accordingly:

1. Hold 100 start-up seminars and forecast forums every year, match startups and enterprises in partnership with KGI Financial.
2. KGI Financial plans to support the incubation of 8-10 local regional revitalization managers and provide in-depth support for 3-5 local revitalization teams every year.
3. Work with NPO to solve the educational issues for children of high-risk family.
4. Launch "Regional Revitalization Volunteer Tours" to lead employees to go into rural townships for services and experience the social innovation model in person.

The forementioned activities not only strengthen the corporate image of KGI Financial in support of intergenerational co-creation, empower quality regional revitalization manager to help local regional revitalization teams with sustainable development but also expands KGI Financial's brand recognition in regional revitalization field and create more opportunities for commercial collaboration.

Take Care of the Elderly

KGI Financial leverages social innovations and combine the experience of subsidiary – KGI Life's long-cultivation of the elderly group, empowering elderly with the resources in finance, social and health, thereby improving the living quality and care resources for elderly, which also establishes a brand identity for elderly groups in a super-aging society. Employment participation empowers employees with the implementation of financial friendly services to people with dementia and elderly, which will help them understand how to sell related products and development of potential customer groups, in order to meet the **SDGs**, including **3 Ensure healthy lives and promote well-being for all at all ages, 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, 11 Make cities and human settlements inclusive, safe, resilient and sustainable.**

KGI Financial proposes the following action plans and targets accordingly:

1. Assist the rural communities and aboriginal tribes to establish elderly care services.
2. Cooperate with social enterprises for the sales personnel of KGI Life to participate in one-day tours with senior policyholders.
3. Introduce courses or trainings promoting senior-friendly financial services to the subsidiaries of the group.
4. Work with social enterprises and welfare institutes to jointly promote the integration of home care, remote health care and smart technology for elderly care.

On one hand, KGI Financial intends to help the disadvantaged and elderly in rural areas with financial independence and local settlement through the aforementioned activities, fulfilling corporate social responsibility but on the other hand helps highlight KGI Financial's emphasis on treating customer fairly and customer service, increasing contacts with potential customers and thereby establish the brand image of building social care safety network, which may eventually bring business opportunities and potential partners.

Seek Common Good with the Disadvantaged

KGI Financial responds to **SDGs** with specific actions, including **1 End poverty in all its forms everywhere, 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.** KGI Financial combines corporate volunteers and basic financial core business to improve financing concepts and financial knowledge on campus. Meanwhile, the investment through charity donations satisfies the need for disadvantaged groups such as rural, low-income households and visually impaired to acquire diverse information, basic service, adequate nutrition, and need for fund support.

KGI Financial proposes the following action plans and targets accordingly:

1. Launch micro insurance each year and the number of valid policyholders exceed 50,000 people, which enhances the basic insurance protection of economically disadvantaged or persons with special ID.
2. Hold at least 10 financial seminars for rural or disadvantaged groups each year.
3. Publish posts about volunteer activities on FaceBook, Instagram, LinkedIn and other social network media.
4. Donates in rural educational resources so that more than 10,000 children can benefit from the donation every year. Collaborate with schools to coordinate for disadvantaged children to receive nutritious food, develop special talents, study English, and receive emergency relief.
5. Raise funds for social welfare institutions with demands through the group resource assistance.
6. Care for diversity of disadvantaged groups, including but not limited to homeless, children in rural area, person with disability.
7. Launch anti-fraud volunteer projects to assist the public build anti-fraud knowledge.
8. Encourage group employees to participate in rural volunteer services from time to time.
9. Promote art education and activities in rural areas from time to time to eliminate the relevant resource gap.

KGI Financial intends to upgrade the visibility of KGI Financial in disadvantaged or specific groups, which indirectly establishes a profound relation with possible and potential customers in this issue of group. The cognition and appeal for KGI Financial brand will develop inclusive finance related business opportunities.

Coexist with the Environment

KGI Financial upholds to the concept of "taking from the society and giving back to society" and is committed to develop green finance with actual performance, setting an example in advocating friendly environment, net-zero carbon reduction measures, expanding the influence of sustainable finance, and strengthen its corporate image of responsible finance, in correspondence with **SDGs**, including **11 Make cities and human settlements inclusive, safe, resilient and sustainable, 12 Ensure sustainable consumption and production patterns, and 13 Take urgent action to combat climate change and its impacts.**

KGI Financial proposes the following action plans and targets accordingly:

1. Continuously hold carbon reduction and net zero related activities, promoting from self-practice to joint action with stakeholders.
2. Assist local independent farmers with production and sales in Taiwan, and promote sustainable agriculture featuring environmentally friendly farming methods.
3. Cooperate with social enterprises to advocate and implement circular economy, and actively promote circular economy education.

6.1 Promote Intergenerational Collaboration

Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Financial	Regional Revitalization Changemakers	To support rural youth, who have limited access to financial learning and corporate resources in starting local businesses, and to promote balanced urban-rural development	· Empowering rural youth to enhance financial literacy and optimize operational models enables sustainable local development. · Leveraging employees' professional expertise and social skills to drive social innovation and local development.		Regional revitalization organizations (local micro businesses), disadvantaged groups in communities	· Integrating core business operations to create a win-win outcome for both the company and local communities, including collaborations with regional revitalization teams on credit card promotions and ESG initiatives. · Create a brand image that is warm and differentiated · Collaborate with regional revitalization organizations on ESG projects such as ecological conservation, volunteer services, cultural preservation, and sustainable procurement to improve sustainability-related evaluations.	· Empower corporate volunteers to leverage financial and other expertise in assisting 18 local revitalization organizations across Taiwan in optimizing their business operations. This includes providing financial management tools, corporate ESG collaboration plans, angel investor fundraising consultations, and brand marketing strategies. Additionally, over 90 business collaboration opportunities within and outside the Group have been established, generating over NT$2.5 million in additional revenue for the revitalization organizations. · Through press releases, social media posts, and themed calendar distribution, support revitalization organizations in reaching over 60,000 internal and external stakeholders of KGI. · Drive engagement through action, bringing relational populations into local communities; throughout the year, the Group has facilitated over 5,000 in-person and online participations in township activities, enhancing the visibility of local micro businesses' brands.
	Assist CAN Culture, Art & Nature to further promote regional revitalization	Community education support system, parenting in vulnerable families	Support CAN Culture, Art & Nature to continue to nurture disadvantaged children in local communities; assist in replicating the successful models of CAN Culture, Art & Nature to other regions		Children from vulnerable families, social enterprises aiming to solve local education issues	· Strengthen public identity to CDF brand through the publicity and excellent image of CAN Culture, Art & Nature · Expand CDF's brand awareness in the field of regional revitalization and create opportunities for business collaboration through actual participation	· Assisted 50 children from high-risk families to develop skills and a positive attitude to life · By establishing successful cases of collaboration between enterprises and regional revitalization teams, encourage more enterprises to invest in regional revitalization and accelerate local development.
KGI Life	Happy Life Planning Bureau Board Game	Enhance young people's financial literacy and learning outcomes by using board games to facilitate understanding of financial and insurance concepts.	Continuously advancing financial education through board games on campuses and expanding the initiative to senior centers to establish a financial knowledge promotion program.		Students, youths, school teachers, community elders	· Provide business units with innovative service experiences to enhance insurance recruitment discussions. · Enhance prospective customers' understanding of insurance protection, risk awareness, and long-term planning.	· Enhance students' and the public's fundamental understanding of financial risk insurance and related resources. · Using gamified learning to lower the barriers to financial knowledge and promote its widespread accessibility. · Using the "Happy Life Planning Bureau" board game, the Company conducted 14 financial literacy seminars, benefiting a total of 823 participants and establishing financial education content.
KGI Bank	Establishment of art spaces at KGI branches to support local artists	Provide local artists with more diverse exhibition spaces and create opportunities for young creators to gain exposure.	Continuously expand art display spaces for the purposes of artistic culture or public welfare, and promote the development of the local arts and cultural industry.		Local artists and creators	Provide customers with a new type of branch service experience to enhance product sales experience.	· Branch space exhibitions provide free venue rental and financial resources, creating more exposure opportunities for local artists. · Utilize branch exhibitions to lower barriers to art appreciation, bridge the gap between art and daily life, and continuously expand cultural promotion for greater social impact. · In 2025, supported 15 artists in hosting art exhibitions; total investment in arts and cultural events amounted to NT$905,000.
	Donate to Small and Medium Enterprise Credit Guarantee Fund of Taiwan	Increase the funds of credit guarantee institutions of small and medium-sized enterprises (SMEs) and improve the financing and guarantees provided for SMEs so that SMEs can obtain financial assistance from banking institutions	Continue to promote the donation of funds for credit guarantees to help with the sound development of SMEs.		Domestic SMEs or startups	· In 2025, donated NT$27,090,550 to the Small and Medium Enterprise Credit Guarantee Fund of Taiwan. · With guarantees provided by the Credit Guarantee Fund, the Bank is able to effectively manage financing risks for SMEs. As of 2025, the cumulative guaranteed amount reached NT$2,611,034,813, with a total of 3,528 guaranteed cases.	Assist domestic SMEs or startups with insufficient collateral in improving their credibility and obtaining loans so as to help with the sound development of SMEs

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Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Bank	Regional revitalization ESG collaboration	Encourage youth to return to their hometowns and promote balanced local development	Continue advancing volunteer services and financial expertise, fostering deep local engagement, expanding marketing channels, and achieving sustainable mutual benefits		Regional revitalization organizations (local micro-businesses), local community residents, KGI Bank credit cardholders	Collaborate with local revitalization organizations on credit card benefits to offer KGI cardholders a diverse range of local travel experiences and agricultural product purchasing options, enhancing sustainable purchasing power.	· Leverage volunteer services and credit card benefits to raise awareness and support among employees and cardholders for local culture and sustainable food and agriculture, expanding sustainable impact · Actively support youth returning to their hometowns, revitalizing cultural arts, local development, and biodiversity conservation · Utilize banking promotional channels to jointly enhance brand exposure and value · Since 2024, collaborated with Youth iPlace and Tri-Small Market on volunteer services, participating in local cultural initiatives and ecological restoration. In 2025, further integrated the unique strengths of both partners to promote marine and terrestrial ecological restoration volunteer programs, with a cumulative total of 119 participant instances over two years.
CDIB Capital	Incentive program for regional revitalization action plans	Encourage youth to return to their hometowns and promote balanced urban-rural development	Achieve sustainable local development by empowering local youth through public-private collaboration		Regional revitalization organizations (local micro-businesses)	CDIB Capital utilized its investment experience and industry network to assist the revitalization organizations in enhancing their corporate collaboration capabilities and operational effectiveness. Over the course of three years, the initiative has provided support to a total of 27 organizations, in addition to providing a cumulative reward of NT$10 million, encouraging stakeholders to collectively focus on the issue of local revitalization.	· Cumulatively supported 27 entrepreneurial teams across Taiwan in obtaining funding and networking opportunities · Co-organized 7 volunteer activities with local revitalization organizations, increasing their revenue while also expanding relational connections. In 2025, total volunteer hours reached 2,887, with an average of 15.7 hours of service per volunteer.
	Providing counseling for startup growth	Assist startups in obtaining relevant knowledge and market information on fundraising, operation, marketing, etc.	Continue to integrate domestic and international resources to support the cultivation of startups in Taiwan and assist startups in establishing themselves in Taiwan and in accessing overseas markets		Startup companies	Discover potential startups and infuse resources and investments	· Assist social enterprises and entrepreneurs in resolving operational challenges encountered during the entrepreneurial process across borders · Held a total of 137 seminars on innovation and entrepreneurship in 2025, with a total of 3,600 participants; held a total of 15 one-day startup board of directors' meetings

Note: We also have the "CDIB Capital Innovation Accelerator Fund," which invests in early-stage startups, provides startup mentors, corporate resource matchmaking, community and media resources, and organizes various entrepreneurship courses to enable Taiwan startups to obtain the resources they need for growth. For the content of the Innovation Accelerator, please see → 3.1.3 Responsible Investment Performance

Local Revitalization Changemakers

In 2024, KGI Financial launched the "Regional Revitalization Changemakers" initiative, bringing the depth of corporate volunteer services into a new milestone. In 2025, we further collaborated with 18 local revitalization teams across northern, central, southern, and eastern regions of Taiwan. These teams are located in rural areas, facing workforce shortages, and lack of access to financial literacy resources and corporate partnership opportunities. KGI Financial identified the key challenges they face, including financial management, marketing and promotion, fundraising, and collaboration models with corporations. Employees from various departments are invited to form volunteer teams, engaging directly with local communities to understand their needs. Guided by consultants, the teams worked alongside the revitalization teams to design specific solutions. With an empathetic mindset, professional expertise, and nearly three months of dedicated engagement, employees supported local revitalization teams in optimizing their business and operational models. This included providing 18 teams with financial management tools, ESG collaboration proposals with corporations, branding and marketing recommendations, as well as fundraising advisory for angel investment. Furthermore, to ensure the smooth circulation and effective integration of internal and external resources within the Group—facilitating volunteers in connecting revitalization teams with the most suitable resources—KGI Financial has established the cross-subsidiary, cross-functional "Regional Revitalization Resource Matching Committee." This committee serves as an integrated platform to address the needs of various revitalization organizations. Volunteers submit team requests to the committee, and its working groups assist in matching them with appropriate internal and external resources based on their needs. In 2025, more than 90 business collaboration opportunities were connected both within and outside the Group, creating over NT$2.5 million in revenue for the revitalization teams, and the figure continues to grow. This project has empowered a total of 190 volunteers with expertise in finance and other fields to support regional revitalization organizations. In the past two years, the Group has contributed over 15,000 volunteer hours, with more than 8,000 employee attendees, helping local revitalization teams generate more than NT$10 million in revenue.

“Local Revitalization Changemakers” — a co-creation initiative implemented together with local revitalization teams

6.2 Take Care of the Elderly

Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Financial	Promotion of self-supporting community for the elderly by KGI Financial and Plahan	Elderly care and health promotion in a super-aged society	Build a successful model and replicate in other regions		Elders and their families	In collaboration with Plahan, we jointly promote the Dongshi Co-living Home, creating a practical space that supports the integration and co-creation of individuals with moderate to severe conditions and youth. This initiative not only instills an age-friendly mindset among colleagues, but also cultivates a professional attitude of equitable service, while providing opportunities to design age-friendly service models.	· Supported Plahan in establishing the Dongshi Co-living Home as one of the national pilot sites for the "co-living home" long-term care model. By integrating resources from medical institutions, long-term care systems, schools, and social welfare organizations, it aims to jointly build a core community hub for moderate to severe care and intergenerational exchange—enabling every elder to live with dignity within their familiar community. · Established accessible facilities, including level pathways, step-free entrances, handrails, wide corridors, and accessible restrooms, reflecting respect for fundamental human rights. · Developed a friendly chicken coop within the Dongshi Co-living Home, breaking away from the single identity of "care recipient" and transforming residents into "participants," "companions," and "contributors." This helps elders stay connected with the outside world, reduce feelings of isolation, and strengthen their psychological support system.
KGI Life	Dementia-friendly initiative	Aging population, super-aged society, dementia prevention and care, dementia financially-friendly	As "Senior Finance Guardian", KGI Life aims to enhance dementia-friendly initiatives through multifaceted collaborations with professional organizations each year	Propose response strategies for an ultra-aged society, advocating for a dementia-friendly and mutually beneficial society for the elderly.	Elderly individuals, those with dementia, and their families	· The President of KGI Life, independent directors, and senior executives participated in World Alzheimer's Month, engaging directly with elderly individuals and those with dementia. This experience enhances their understanding and informs the development of more inclusive, dementia-friendly financial services. · Strengthened the promotion of emergency contact card keychains at policyholder touchpoints in 2025, providing anti-loss keychains for those in need as part of customer care services for walk-in clients · The Company was the exclusive financial industry sponsor of the "Design for Dementia College Contest" organized by the Taiwan Alzheimer's Disease Association.	· Donated a total of 1,000 anti-loss keychains in 2025 to assist individuals who have gone missing in finding their way home. · During World Alzheimer's Month, the Company held an anti-fraud seminar for 30 elderly individuals, dementia patients, and their families, teaching them how to avoid financial exploitation. · The Company continued sponsoring the Design for Dementia College Contest, engaging 209 participants across 65 interdisciplinary entries to develop innovative, intergenerational solutions addressing aging and dementia challenges.

Support Plahan to Establish a Mutual-aid Paradigm of Super-Aging Society

KGI Financial has supported Plahan since 2021 in promoting innovative care and co-living models in Heping District, Taichung. In 2025, in addition to continuing its support for Plahan's efforts in implementing culturally grounded care and community co-living within indigenous communities, KGI Financial also partnered with Plahan to establish the Dongshi Co-living Home in Taichung. This initiative serves as a community hub centered on "intergenerational co-creation and inclusion," offering services such as day care, rehabilitation training, shared kitchens, and cultural activities. At the same time, local youth, volunteers, and university students are invited to participate, introducing cross-disciplinary activities such as arts companionship, digital literacy training, and community farming. These efforts ensure that older adults are no longer merely care recipients, but active participants and contributors to community life. Furthermore, through structured collaboration platforms and professional team support, the initiative promotes the integration of resources from medical institutions, long-term care systems, schools, and social welfare organizations. Together, they build a practical environment that supports the integration and co-creation of individuals with moderate to severe conditions and youth. This not only alleviates the burden on family caregivers, but also enables every older adult to live with dignity within their familiar community.

KGI Life Dementia-Friendly Initiative

Taiwan has become a super-aged society. According to the Ministry of Health and Welfare, approximately 380,000 people in Taiwan have dementia, with numbers rising annually and onset occurring at younger ages. KGI Life, the first life insurer in Taiwan to receive the "Dementia-Friendly Insurance Company" certification, has integrated senior-friendly principles into its product design and service processes. In collaboration with the Taiwan Alzheimer's Disease Association n, a long-term partner, the Company has produced and distributed "Emergency Contact Card Keychains" to families in need for five consecutive years, benefiting nearly 7,000 households. The Company has co-promoted the "College and University Dementia Program Design and Implementation Competition" for four years. In 2025, it established the "KGI Life Anti-Fraud Special Award" to encourage college students to engage creatively with public issues, fostering empathy and innovation while proactively preparing for an aging society. For the seventh consecutive year, the Company supported the Taiwan Alzheimer's Disease Association's "World Alzheimer's Month" event. The General Manager, independent directors, and senior executives engaged directly with individuals with dementia and their families to understand and empathize with their daily challenges. KGI Life has consistently upheld the principles of the United Nations Convention on the Rights of Persons with Disabilities. As the first insurer to establish the "Insurance Industry Guidelines for Senior-Friendly Services," it has set uniform standards across all customer service centers in Taiwan, underscoring its commitment to senior-friendly financial services.

KGI Life President Kuo Yu-Ling, together with independent directors and senior executives, supported the World Alzheimer's Month initiative and engaged in face-to-face exchanges with family members

6.3 Seek Common Good with the Disadvantaged

Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Financial	Volunteer service project	Lack of resources in rural areas, rural-urban disparity in resources	Increase volunteer service hours to an average of 7 hours per person per year	Achieve an average of 8 volunteer service hours per person per year	Charitable organizations, social enterprises	· Inculcate the corporate culture of giving back to the society · Improve the corporate brand popularity	In 2026, the total number of volunteer service hours reached 88,319 hours, average service hours per person reached 9.9 hours, benefiting over 10,000 people.
KGI Life, KGI Bank, KGI Securities	Blood donation	Mitigating blood shortages to assist in emergency relief	Every year, blood donation events are organized to recruit colleagues as volunteers for blood donation activities. Simultaneously, they are encouraged to actively donate blood to help alleviate the problem of blood shortage.		Medical hospitals and clinics, patients receiving blood donation	· Enhance brand image to demonstrate corporate values and social responsibility to the public · Establish positive corporate culture and promote employee social participation, demonstrating corporate social responsibility and values · Engage with social issues and take action to fulfill public welfare and give back to society	· KGI Securities: Conducted two blood donation events in 2025, collecting 124 bags of blood from 118 participants. · KGI Bank: Organized one blood donation event in 2025, collecting 95 bags of blood with 71 participants. · KGI Life: Held four events in 2025, collecting 425 bags of blood with 272 participants. · KGI Life/Bank co-hosted a donation event at the KGI Financial Headquarters building, collecting 199 bags of blood, with a total 140 participants · KGI Securities/Bank/Life co-hosted a donation event at the Kaohsiung branch, collecting 71 bags of blood with a total of 51 participants
KGI Life	Support for individuals with visual impairments	For individuals who are completely blind or have low vision, daily life is often constrained by environmental factors. Compared to other disabilities, visually impaired individuals rely more on guidance and tactile interaction to recognize and access various types of information. Particularly in financial product and service interactions, inadequate disclosure by service personnel or insufficient accessibility design may further widen the financial knowledge gap for the visually impaired.	Deepen disability-friendly services within core business operations, continuously supporting the empowerment and employment of visually impaired individuals through concrete actions		Visually impaired individuals (including those who are visually impaired, have low vision, or are completely blind)	· Implemented a Braille policy identification service and printed QR codes to remind policyholders of key rights, enabling 55 visually impaired clients to access audio explanations. Additionally, signature pads and reading aids were introduced to support visually impaired clients during in-person visits. · The Company collaborated with the Taipei Parents Association for the Visually Impaired to assess the customer service center's accessibility and plan the implementation of recommended accessible hardware and software. · Tactile Braille maps have been installed on the exterior restroom walls at the Taipei, Taoyuan-Hsinchu, and Kaohsiung Customer Service Centers to provide visually impaired individuals with spatial information.	· Sponsored the 2025 Taipei Association of Parents of the Visually Impaired music concert, supporting the empowerment and employment of visually impaired individuals. Five visually impaired musicians performed in six shows attended by 3,609 people. · Conducted insurance seminars for persons with disabilities, engaging the hearing- and visually impaired through tailored communication methods. These sessions addressed financial insurance knowledge and key underwriting review points, enhancing understanding of insurance rights. In 2025, a total of 2 sessions were held, with 41 participants.

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Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Life	Microinsurance promotion	Enhance basic insurance guarantees for economically disadvantaged persons	Providing insurance coverage for individuals who are economically disadvantaged		Economically disadvantaged and certain groups of people who are eligible for microinsurance	The target achievement rate for micro insurance premium income in 2025 was 215%	Provided basic micro insurance coverage to over 100,000 economically disadvantaged individuals nationwide
	Financial fraud prevention for vulnerable groups	Many financially vulnerable groups struggle to understand insurance and related financial services due to inadequate and inaccessible communication channels. With the increasing prevalence of fraud, it is necessary to assist vulnerable groups in strengthening their risk awareness and self-protection to safeguard their assets.	Combining public and private resources, the Company collaborates with disadvantaged groups to conduct diverse anti-fraud awareness campaigns, aiming to reduce knowledge gaps and establish a social anti-fraud ecosystem.		Financially vulnerable groups (the elderly, young students, persons with disabilities, indigenous peoples, and new immigrants)	· Recruited 31 internal and external staff members who were trained and certified by the Criminal Investigation Bureau to establish the "Anti-Fraud Ambassador" team, representing KGI Life in nationwide anti-fraud advocacy. · Using diverse media tailored to the needs of different groups, the Company customizes financial literacy and fraud prevention materials in Mandarin, Taiwanese, sign language, and nine other languages.	· Conducted 66 financial and fraud prevention education sessions, reaching 5,704 participants. · The "Fraud Prevention and Risk Avoidance Package" folder is expected to reach 6,000 views. · The Company has continuously promoted the "Fraud Prevention and Risk Avoidance Package" video, reaching over 84,000 viewers.
	Exclusive underwriter of volunteer group insurance in Guangfu Township, Hualien	Address the risk protection gap for reconstruction volunteers to alleviate resource access difficulties in disaster areas.	Establish a disaster response mechanism to strengthen inclusive finance and the social resilience safety net.		Volunteers and disaster-affected residents of Hualien	Demonstrate exceptional risk underwriting capabilities and strengthen the benchmark image of inclusive finance and responsible management.	Exclusively provided insurance coverage for 27,362 volunteer service instances; donated the premium income to the Disaster Relief Foundation under the Ministry of Health and Welfare, as designated by the Executive Yuan, to support post-disaster reconstruction.
KGI Bank	Eden Social Welfare Foundation Volunteer Services	· Social welfare organizations face a shortage of social workers, making it difficult to organize activities and review subsidy applications. · Early intervention families often lack sufficient awareness and knowledge to identify fraud, making them vulnerable to being used as front accounts.	· Provide ongoing volunteer services and financial expertise to improve the efficiency of subsidy case reviews and ensure the smooth execution of activities. · The necessity of enhancing fraud awareness among the public and vulnerable groups		Social welfare organizations and disadvantaged groups	· Enhance employees' understanding and empathy toward disadvantaged groups through volunteer service, thereby improving the quality of service. · To safeguard the professional image of fraud prevention instructors and volunteers, the Company seeks to enhance public and social welfare organizations' perception of KGI Bank, thereby attracting clients and expanding business opportunities.	· Administrative volunteers support social workers in processing approximately 3,500 quarterly applications for transportation therapy subsidies for children with developmental delays. Since 2024, more than 150 participants have been involved, contributing nearly 600 hours of service. · Provided anti-fraud education to early intervention families, supporting approximately 30 frontline social workers at Eden in strengthening fraud prevention to protect these families from scams. · Volunteered at a large concert in partnership with Eden Social Welfare Foundation's services for the visually impaired, attended by over 800 people; employees employed human-centered guidance to serve as compassionate guides, embodying fairness and empathy in practice.
	KGI-Inside Charity Donation Platform	Higher transaction fees for donation via regular bank fundraising	Utilizing the "KGI inside" open API, the Company assists social welfare organizations in enhancing the digital efficiency of donation processes, managing donation services in a more cost-effective, convenient, secure, and stable manner. The Company will expand its partnerships with social welfare organizations. By improving the donation experience and enhancing the philanthropic ecosystem's service capacity, it aims to increase donor engagement and fundraising effectiveness, thereby providing more resources to social welfare organizations.		Social-Welfare institute	Strive to make public welfare organizations potential clients for payroll services of KGI Bank	· In 2025, KGI Bank supported 103 social welfare organizations in raising over 260,000 donations, amounting to more than NT$350 million. The transaction fee for online donations was reduced by 78%. · The Company mobilized group employees to donate through KGI Bank's official website charity platform, supporting Eden's 2025 "Love Reunion" campaign by raising funds for reunion events for 158 individuals with disabilities and disadvantaged backgrounds.
	Fraud Prevention Awareness	Underprivileged families often lack sufficient awareness and knowledge to identify fraud, making them vulnerable to being used as front accounts.	Continuous promotion of fraud prevention initiatives in various forms		Indigenous peoples / youth (students) / persons with disabilities	The Company collaborates with government agencies to prevent financial fraud, enhance brand image, demonstrate corporate values and social responsibility, fulfill corporate social responsibility, and foster a culture of organizational volunteerism.	In 2025, the Company held a total of 578 anti-fraud volunteer outreach events, reaching 11,204 individuals with its anti-fraud information. In addition to public awareness campaigns, the Company focused on specific groups (new immigrants, university students, and persons with disabilities) and collaborated with external organizations to conduct in-person anti-fraud awareness seminars.

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Organization	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
CDF Foundation	Heritage 100 X Tutoring 100	Financial pressure of underprivileged college/university students, lack of educational resources for disadvantaged school students	Direct donation for subsidizing schools with establishing underprivileged scholarship to indirectly help more underprivileged students	Continue to support college/university students to upgrade in learning quality	50 underprivileged college/university students, 50 disadvantaged school children	Enhance brand image	In 2025, a total of NT$2.5 million was invested to provide scholarships to 50 underprivileged university students, who then served as tutoring volunteers. This initiative allowed each of the 50 students to accumulate 100 hours of tutoring, benefiting a total of 50 students.
	Our Class Has Got Talent	Lack of funds to participate in extracurricular activities for junior high school and elementary school children from low-income families	Sponsor the faculty and learning fees for school children to participate in extracurricular activities	Assist economically disadvantaged students with development in diverse competence and continue to pay close attention to the education of junior high school and elementary school children	Disadvantaged students of junior high school and elementary schools with strong potential.	Incubate social diverse talents and help economically disadvantaged students to receive confidence and affirmation while improving brand image.	In 2025, a total of NTD 910,000 was invested to help students with potential in sports and dance in extracurricular activities. A total of 10 cases subsidized with 79 benefited.
	Scholarship for skilled vocational high school students	High school and college/university students with outstanding performance in art, sports, or technical/vocational skills are in need of resources during learning processes	Continue to sponsor high school and college/university students with advanced skills learning	Continue to cultivate diverse talents in the society	Economically disadvantaged youths with skills and occupational potential.	· Improve corporate brand image · The students who benefit from the scholarship give back to corporate employees through their skills and optimize work environment	· In 2025, a total of 52 applications were granted, with a total investment reaching NT$2.38 million, benefiting 37 schools and 67 students. · Organized "Talent in Action" showcase events in collaboration with scholarship recipients, including activities such as weightlifting, badminton, pickleball, dance, and lunchtime concerts, benefiting 406 participants.
	KGI Financial's Annual Charity Day	Difficulty for expanding business and establishing brand publicity for social welfare institutes and social enterprise.	Invite more social enterprises and social welfare institutes to participate in Charity Day activities. Combine rural schools' plan of charity sale and helping rural students fulfilltheir dreams	Continue to enhance employees' participation and deepen the cooperation with social enterprises and social welfare institutes	Social enterprise, social welfare institutes, rural school students	· Improve corporate brand image and popularity · Use KGIB online payment system to improve spending process and promote financial innovative services · Use KGI credit card and enhance service identification.	Two Annual Chairty Days were held in 2025, with over 2,000 beneficiaries participating in the activities, generating a revenue of NT$3.8 million for the social enterprises and social welfare organizations that sold products on site.
	Sponsorship of National Taichung Theater's "Open-Door Project" and NTT (National Taichung Theater) Art School	Gap between urban and rural art education resources	Intermediate and long-term targets: Continue to support the promotion of art education for youths in the central region.		Children in rural areas in Central Taiwan	Improve corporate brand image and popularity	· In 2025, the Foundation sponsored four schools in Changhua County and Nantou County, with a total of 141 teachers and students participating in guided tours and performance viewings at the opera house. · Sponsored 41 high school students to participate in the "NTT Academy Youth Camp" arts program. · Sponsored the "Art in Schools" program, enabling professional performance teams to conduct art courses on campus, benefiting 221 individuals.
	Sponsored New Taipei City Regional Revitalization Micro-film competition	Art and education promotional events	Intermediate to long-term: Sponsor local art and cultural activities to support regional revitalization and bring opportunities and hope to communities		Rural youths, senior high school and college/university students	Enhance corporate brand image	A total of 81 submissions were received for the "Youth Returning Home Micro-film Competition," with 36 works shortlisted for the finals and 15 films winning awards. The films were subsequently showcased in a traveling screening tour across six cities and counties—New Taipei, Taipei, Keelung, Taoyuan, Hsinchu, and Taichung—supporting local revitalization teams.
	English 100 Plan	Assist under-resourced rural elementary schools in promoting English education.	Continuously supporting the development of students' English proficiency, addressing educational resource disparities between urban and rural areas, and providing rural students with early opportunities to learn English effectively.		Disadvantaged Students	Enhance brand image, engage in English education for disadvantaged children, and balance the urban-rural educational resource gap.	Assisted rural schools in strengthening English education by providing support to 20 rural elementary schools across four counties—Nantou, Yunlin, Chiayi, and Pingtung—benefiting 1,138 students.

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Organization	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
CDF Foundation	"Dance 100" Art Education Promotion Program	Assist resource-limited rural elementary schools in developing dance arts education.	Continuously develop digital dance teaching materials and support the development of dance education for children, providing opportunities for children in rural areas to access dance and cultivate an interest in the art.		Disadvantaged Students	Enhance brand image, engage in arts education for disadvantaged children, and balance the urban-rural educational resource gap.	· Invited dance department graduates to create two digital dance teaching materials. · In 2025, the Foundation subsidized 16 elementary schools, benefiting a total of 1,924 students. · The Foundation invited domestic dance students and their parents to participate in one "Dance 100" physical development workshop and three new dance trial teaching sessions, benefiting a total of 56 participants.
KGI Charity Foundation	Let Love Flower	Lack of nutrition and lack of English learning resources for children from economically disadvantaged families in rural areas	Intermediate to long-term: Continue to care for disadvantaged students with nutritional supplements, balance the gap between urban and rural educational resources, and offer rural children the opportunity to learn English from an early age.		Disadvantaged students	Enhance brand image, engage in care and education for disadvantaged children, and balance the urban-rural educational resource gap.	In 2025, a total of NT$6,759,500 was invested, supporting 54 schools.
	Nutrition 100 Program for rural children	Care for difficulty with providing nutritious lunch in rural schools, subsidizing the nutrition expenses for students in remote schools	Continue to search for schools in need from different counties/cities, using direct donation to subsidize the nutrition lunch sources for rural schools	Continue to care for rural lunch difficulties, helping 10,000 students each year	Rural schools across ten counties and cities—Chiayi, Pingtung, New Taipei, Hsinchu, Taoyuan, Miaoli, Changhua, Nantou, Yilan, and Kaohsiung	Enhance brand image, promote balanced development between urban and rural areas.	In 2025, NT$2,383,920 was invested. A total of 69 rural schools were subsidized for nutrition lunch, with a total of 3,412 students benefited
	Emergent Aid Program	Financial aid and emergency funds for students and families that experience sudden hardship	Intermediate to long-term: Continue to care for vulnerable students and their families that experience sudden hardship to ensure their basic life needs are being met and difficulties are being overcome.		Disadvantaged students, families	Enhance brand image, provide immediate assistance, and establish a long-term care system to contribute to the weaving of a social safety net.	· In 2025, the Company assisted a total of 71 cases and 38 schools. · The Foundation supported disaster-affected students impacted by Typhoon Danas to continue their education with peace of mind and assisted in campus reconstruction, benefiting a total of 97 schools. Donated meal delivery vehicles to serve elderly residents in remote disaster-stricken areas, purchased agricultural products from affected regions for distribution, and further supported the reconstruction of local revitalization teams.
	Christmas gifts recruiting for rural areas	Insufficient resources for rural children	Intermediate to long-term: Continue to care for school children in rural areas. Lead employees across Taiwan to care for the needs of school children in rural areas.		Disadvantaged students in rural areas	Enhance brand image, promote employee social participation, and increase cohesion and teamwork capabilities.	In 2025, a total of 1,155 care packages were sent to 22 rural schools, with the participation of approximately 1,187 volunteers.

Volunteer Service Project

KGI Financial launched the "Inclusive Vision" project in 2021, integrating volunteer efforts with financial expertise to engage deeply in local communities and social services. In 2025, the Group's total volunteer service hours reached 88,319, with an average of 9.9 hours per person. KGI Financial has also continued for a second year to promote the innovative regional revitalization corporate volunteer initiative, "Regional Revitalization Changemakers," organizing volunteer teams to leverage their financial and other professional expertise to co-create solutions with local revitalization groups.

Since 2023, CDIB Capital has invested in local revitalization team incentive and capacity-building initiatives and promoted these concepts internally among employees. Combining volunteer activities with local revitalization themes, the Company organized seven volunteer events in 2025, collaborating with more than ten local revitalization teams in Hsinchu, Changhua, Penghu, and other areas. This allowed employees to engage directly on-site, fostering stronger community connections.

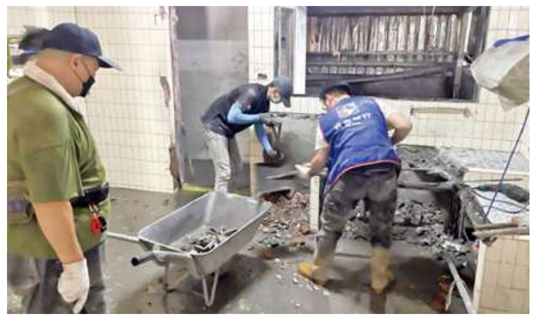
Since 2012, KGI Life has been connecting colleagues across Taiwan through the "Love to GO Volunteer Team" to engage in public welfare. In 2025, the volunteer group accumulated nearly 26,000 service hours, organizing activities such as mountain and beach cleanups and community cleaning events. They also delve into communities to hold financial knowledge and fraud prevention seminars for the elderly, people with disabilities, high-risk youths, families affected by dementia, and new residents. Through companionship and knowledge transfer, they aim to bridge the financial knowledge gap and expand positive influence.

CDIB Capital's regional revitalization program supports local revitalization teams through diverse volunteer activities.

KGI Bank has also continued to promote the “Protect Your Financial Safety” anti-fraud awareness volunteer program. Volunteers serve as instructors, and in 2025, they helped more than 11,204 people across Taiwan build awareness and knowledge to prevent fraud, assisting the public in safeguarding their own and their families’ financial security. KGI Securities encourages its employees to organize beach cleaning activities in order to protect Taiwan's coastline and marine ecology. In 2025, a total of 35 beach cleaning events were held, with 1,033 participants, resulting in the collection of over 1,531 kilograms of marine wastes. The number of events held by and participants from KGI Securities have consistently ranked first in the financial industry (source: Ministry of Environment Coastal Cleanup Information Platform). In addition, KGI SITE actively encouraged employees to participate in volunteer activities supporting disadvantaged families, children, and high-need groups. In 2025, the average service hours per employee reached 18.8 hours. Through ongoing public welfare participation, employees not only respond to community needs but also demonstrate corporate citizenship, further expanding KGI’s positive impact on society.

Disaster Relief for Hualien – Typhoon Ragasa Assistance

In 2025, flooding from a landslide-dammed lake formed along the Mataian River in Hualien severely impacted Guangfu Township. KGI Financial, together with its subsidiaries, promptly partnered with long-term collaborators—the Mustard Seed Mission and the Homeless Taiwan Foundation. In addition to donating urgently needed supplies such as drinking water and alcohol disinfectants, KGI Bank and KGI Life organized a volunteer team of over 100 members. Led by senior executives on the front lines, the teams entered disaster-affected areas in multiple waves to help residents clean and restore their homes, gradually bringing mud-filled houses back to normal and providing the most direct form of support and companionship to those affected. KGI Life also exclusively provided group insurance coverage for volunteer teams supporting Guangfu Township in Hualien, offering protection to 27,362 volunteer participations. Furthermore, it donated the insurance premium proceeds to the Disaster Relief Foundation under the Ministry of Health and Welfare, as designated by the Executive Yuan, to support post-disaster reconstruction.



KGI Bank and KGI Life organized volunteer teams of over 100 members who entered the disaster-affected areas in multiple waves to assist residents in cleaning and restoring their homes.

Scholarship for Skilled Vocational High School Students

CDF Foundation sponsors the“Scholarship for Skilled Vocational High School Students”to cultivate underprivileged art, sports and vocational students with excellent academic performance, assisting young students to bring their talents into full play and incubate the potentially professional skills. The application for scholarship comprises private/public and vocational senior high school students accredited by the Ministry of Education, and who have Republic of China identity, university/college (including graduate institute and master programs) underprivileged and outstanding students of arts, sports, and skills, aim to help distinguished under privileged students complete their study with success, improve skills, and become skill experts in employment workplace, who can turn around and give feedback to the society.

In 2025, a total of 52 applications were awarded grants, benefiting 61 young students. The outstanding performance of the scholarship recipients includes:

1. Li Yu-Yun, an international tennis player currently studying at National Taiwan Sport University (aged 21), achieved a career-high WTA women’s doubles ranking of No. 185. In 2025, she represented the national team at the Summer World University Games and won a silver medal in women’s doubles.
2. Chen Kuan-ling, a 20-year-old sophomore weightlifter in the Department of Kinesiology at Tsinghua University, won the gold medal for the third consecutive year at the 2025 Asian Youth Weightlifting Championships.
3. Liu Tzu-yun, a 20-year-old first-year judo athlete in the Martial Arts Department at the National Taiwan Sport University, won the gold medal in the women’s judo third weight class at the 2025 National Games.
4. Yu Ting-yu, a senior clarinet major at the Department of Music, Taipei National University of the Arts, received a scholarship from the Sibelius Academy in Finland to pursue a master’s degree in music abroad after graduation. In 2025, Yu Ting-yu and three classmates formed the "F4" clarinet quartet, bringing music into the KGI Financial lobby and infusing a warm cultural atmosphere into the otherwise cold and serious financial environment.

Li Yu-Yun, an international tennis player studying at National Taiwan Sport University.

Yu Ting-Yu from the Department of Music at Taipei National University of the Arts formed the “F4” clarinet quartet with three fellow classmates.

6.4 Coexist with the Environment

Subsidiary	Action Plan	Issues to be Addressed	Mid-Term Goal 2027-2028	Long-Term Goal 2029-2031	Stakeholder Groups	Business Benefit	Social Benefit
KGI Bank	Collaboration with the "Passionate North Coast Beach Cleaning Team" for volunteer activities	Raise awareness about marine pollution and local tourism resources.	Periodically, gather colleagues to form teams and assist in beach cleaning activities in the coastal community. This initiative aims to maintain local tourism resources, protect the coastline and marine ecology, and promote regional revitalization.		Local community	· Enhance corporate image · Create local tourism benefits	In 2025, a total of 335.77 kilograms of marine wastes were collected during the beach cleanup service at Xialiao Beach in New Taipei City.
	Give Circle Recycling Project	Promote circular economy by extending the life cycle of resources and reducing waste	Employees can use the Give Circle App platform to donate unused items or fulfill requests from public welfare organizations, reducing waste while supporting charitable initiatives.		The general public Public welfare organizations	Enhance corporate charity image	· Support public welfare organizations and amplify social impact · Since May 2025, a total of 2,394 items have been redistributed, benefiting 38 public welfare organizations and 447 households.
KGI Securities	Farmer product purchase platform	Climate change leads to imbalance of agricultural sales and difficulty	Support environmentally friendly farming practices through actual purchases, encourage local consumption, and connect businesses with the community to achieve a mutually beneficial corporate culture.		Independent farmers in Taiwan	Enhance brand image, emphasize local revitalization, support friendly environment and local low-carbon consumption, and encourage farmers to continue their agricultural aspirations.	Purchased a total of 182 carbons of products from independent farmers in 2025
	"Clean beach together" volunteer activity	Increasing severe marine pollution	Intermediate to long-term targets: Call employees to form team from time to time to clean the Taiwan coastlines, protect Taiwan coastlines and marine ecology.		General public	· Boost charity image of enterprise guarding the environment. · Establish positive corporate culture and promote employee social participation, demonstrating corporate social responsibility and values · Support the circular economy initiative for marine waste repurposing, revitalizing ocean debris, and advancing sustainable marine development.	35 beach cleanup events were held in 2025, with 1,033 participants, and the total weight of marine waste collected was 1,531 kilograms. Both the number of events and participants are the highest in the financial industry.

Goods Exchange Network Resource Circulation Project

The circular economy has become a key solution for addressing resource scarcity in sustainable development. KGI Bank actively promotes sustainability and circular economy practices internally. In 2025, it partnered with the social enterprise "GC Giving Network," a resource circulation platform, to organize internal sustainability lectures. The program focused on innovative home organization and decluttering methods, helping employees adopt a minimalist mindset and sharing practical approaches to organizing and simplifying their lives. Employees were further encouraged to use the Give Circle app to "extend use instead of purchasing." More than 375 employees joined the KGI Bank exclusive group on the app, facilitating the circulation of 2,394 items. This initiative benefited 38 nonprofit organizations and 447 households. According to the Social Innovation Platform of the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs, this project contributes to the **United Nations Sustainable Development Goals,** including **SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), and SDG 13 (Climate Action)**.

KGI Bank encourages employees to use the Give Circle app and promotes the idea of "extending use instead of purchasing".

7 Appendix

7.1 Environmental Metrix

7.1.1 GHG Emissions

Unit: tCO_2e

		2022 (Base Year)	2023	2024	2025	2025 Target
Scope 1		1,124.07	1,452.67	1,525.41	1,641.00	3,346.02
Scope 2 (Market-Based)		23,956.08	20,415.24	17,870.05	15,403.77	17,784.01
Scope 2 (Location-Based)		23,956.08	20,894.19	22,224.04	20,090.17	22,001.80
Scope 1 & 2 (Market-Based)		25,080.15	21,867.92	19,395.46	17,044.77	21,130.03
Intensity	Per Capita	2.88	1.66	1.44	1.22	-
	Per Net Revenue (TWD Million)	0.27	0.55	0.26	0.27	-
Inventory Coverage		100.00%	98.99%	100.00%	100.00%	-
Verification Coverage		96.14%	98.99%	100.00%	100.00%	-

Note: 1. 2025 target is to achieve an absolute reduction target of Scope 1+2 under the SBT of KGI Financial, reducing by 15.75% compared to 2022 (base year). Scope 2 (location-based) target aligns with the electricity-saving target.

2. We use GHG Protocol, and GHG Inventory Registration Operation Guidelines as the GHG inventory method. GWP value is cited from the 2023 IPCC AR6 report; the emission factors are cited from the Greenhouse Gas Emission Coefficient Management Table version 6.0.4 published by MOENV.

3. GHG include: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 and NF_3

4. The emission factors for electricity usage applied were 0.474 $kgCO_2e$/kWh (MOEA Energy Administration 2024 factor, used for calculating 2025 emissions), 0.494 $kgCO_2e$/kWh (2023 factor, used for 2024), 0.495 $kgCO_2e$/kWh (2022 factor, used for 2023), and 0.509 $kgCO_2e$/kWh (2021 factor, used for 2022).

5. Per capita emission = total emission ÷ number of total employees, total employees including permanent employees, contract employees and dual-contract personnel.

6. The 2025 inventory includes all KGI Financial and subsidiaries global sites

7. The operational control method is used as the method for consolidating the amount of greenhouse gases

7.1.2 GHG Emissions (Scope 3)

Unit: tCO_2e

Category	Emissions	Emissions Calculation Methodology
Purchased Goods and Services	602.47	Average-data method, calculate the emissions of purchased goods and services based on carbon footprint data announced by the Ministry of Environment and overseas.
Fuel-and-Energy-Related-Activities	4,073.72	Average-data method, calculate the emissions based on carbon footprint data announced by the Ministry of Environment and overseas, including upstream production and transportation of purchased energy such as electricity, gasoline, diesel, and natural gas.
Upstream Transportation and Distribution	2.52	Distance-based method, calculate the emissions based on carbon footprint data announced by the Ministry of Environment and overseas, including the delivery of photocopy paper purchased and warranted maintenance service of photocopier supplier.
Waste Generated in Operations	466.36	Waste-type-specific method, calculate the emissions based on carbon footprint data announced by the Ministry of Environment and overseas, including final waste disposal (including incineration) and domestic waste removal services.
Business Travel	737.40	Distance-based method, calculated based on the carbon footprints announced by ICAO, Taiwan High Speed Rail Corporation, Taiwan Railway, the Ministry of Environment and overseas.
Employee Commuting	213.92	Distance-based method, calculate the emissions of employee commuting at the overseas branches of the subsidiaries based on carbon footprint data announced by overseas.
Upstream Leased Assets	2,910.73	Asset-specific method, including refrigerant for leased vehicles, telecommunication services and the use of electricity by external ATMs.
Downstream Transportation and Distribution	1.04	Distance-based method, calculated based on the carbon footprint data announced by the Ministry of Environment and overseas, including delivery slips, credit cards and bills, notices of shareholders' meetings and notices of cash dividends to post offices, and parcels in the process of delivery.
Processing of Sold Products	10.32	Average-data method, calculated based on the number of new (replaced) credit cards issued, and emissions from the manufacturing phase of the life cycle of the card.
Use of Sold Products	8.75	Methodology for indirect use phase emissions, calculated based on the number of credit cards issued and the weight of transaction receipts and calculating the electricity emissions from electronic equipment during the life cycle and the emissions from the carbon footprint of the transaction receipts over the life cycle.
End-of-Life Treatment of Sold Products	0.68	Waste-type-specific method, calculated based on the weight of credit cards and bank cards issued and calculate the emissions generated from end-of-life treatment / disposal phase of the life cycle.
Downstream Leased Assets	17,844.48	Average-data method, calculated based on KGI Life Insurance's effective leased assets floor area at the end of 2025, excluding the leases of KGI Financial (the companies have been included in the scope 1 and 2 emissions), and the emissions are estimated based on the average floor area emission intensity (location-based) of KGI Life Insurance's managed operational sites.

Note: 1. We use GHG Protocol, and GHG Inventory Registration Operation Guidelines as the GHG inventory method. GWP value is cited from the 2023 IPCC AR6 report; the emission factors are cited from the Greenhouse Gas Emission Coefficient Management Table version 6.0.4 published by MOENV.

2. Inventory categories in Purchased goods and services, Fuel-and-energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, Employee commuting, upstream leased assets, downstream transportation and distribution, use of sold products, and end of life treatment of sold products were verified by third parties PwC.

7.1.3 Energy Consumption

Unit: MWh

Electricity Consumption	2022 (Base Year)	2023	2024	2025	2025 Target
Non- Renewable Energy	40,028.2	40,834.9	35,808.1	32,246.3	35,450.0
Renewable Energy	526.3	5,049.0	8,898.3	9,970.5	8,898.3
Coverage (%)	96.14	98.99	100.00	100.00	-

Unit: GJ

Fuel Type		2022	2023	2024	2025
Non-Renewable	Natural Gas	2,327.5	4,239.6	4,557.1	4,716.0
	Gasoline	3,878.6	3,037.5	2,813.2	2,589.4
	Diesel	119.4	103.3	145.0	102.4
Renewable	Solar	1,894.68	18,176.4	32,034.0	35,893.8

Note: 1. Coverage = Number of employees within the inventory scope ÷ Total number of employees, total employees including permanent employees, contract employees and dual-contract personnel.
2. "1% goal reduction in purchased electricity target compared to 2024", estimated that the target value be achieved in 2025 = total consumption in 2024 × 99% (projected reduction of 1%)
3. The 2025 inventory includes all KGI Financial and subsidiaries global sites.
4. 2025 Energy intensity = Energy consumption within the organization (fuel and electricity) ÷ Total number of employees = 1.37 GJ, 1 MWh = 3.6 GJ

7.1.4 Water Consumption

	2022 (Base Year)	2023	2024	2025	2025 Target
Total Water Withdrawal (million m^3)	0.21	0.22	0.23	0.25	0.23
Total Water Withdrawal per Capita (m^3 per Capita)	24.7	25.3	23.6	24.9	22.8
Coverage (%)	63.6	66.5	70.9	71.9	-

Note: 1. KGI Financial mainly uses water for domestic use, and the volume of freshwater withdrawal is equal to the volume of water discharged, so the net consumption of freshwater is 0.
2. Total water withdrawal per capita = Total water withdrawal ÷ number of total employees, total employees including permanent employees, contract employees and dual-contract personnel.
3. "Target reduction ratio by 1% compared to 2024", 2025 target = total water withdrawal in 2024 × 99% (projected reduction of 1%) ÷ 70.9% × 71.9% (additional scope of the inventory).
4. The increase in water usage was primarily for enhancing the landscaping around KGI Financial headquarter building, further improving environmental quality.
5. The 2025 inventory includes all KGI Financial and subsidiaries global sites (Except of KGI Life communication offices).

7.1.5 Waste Statistics

Unit: Tons

Waste Type		2022	2023	2024	2025
Total Waste Recycled / Reused		247.7	291.8	314.7	256.3
Non-Recycled / Reused	Landfilled	9.8	18.8	43.6	32.3
	Incinerated with Energy Recovery	415.1	479.6	969.3	994.2
	Incinerated without Energy Recovery	-	-	14.1	55.9
	Other	-	-	-	
	Total Waste Disposed	424.9	498.4	1,027.0	1,082.48
Coverage (%)		99.93	93.81	100	100

Note: 1. According to the MOENV's 2025 Yearbook of Environmental Protection Statistics, the domestic average waste disposal method consists of incineration for power generation (averaging 95.2% in 3 years) and landfill (averaging 4.8% in 3 years). The table calculates the incineration and landfill quantity according to this ratio.
2. The 2025 inventory includes all KGI Financial and subsidiaries global sites.
3. Coverage of inventory = Number of employees in the scope of inventory / Total number of employees of the Company.
4. KGI Financial transports, recycled/reuse wastes through legitimately registered companies for disposal at the resource recycling plant registered with the government. Non-recyclable wastes shall be transported through legitimately registered companies for disposal at the treatment agency or landfill registered with the government.

7.2 GRI Content Index Table

GRI Content Index Table

Statement of Use	GRI 1 of Use
KGI Financial has reported in accordance with the GRI. Standards for the period 1 January 2025 to 31 December 2025.	GRI 1: Foundation 2021

GRI Standard	Disclosure Items		Corresponding Information	Page
GRI 2: General Disclosures 2021				
GRI 2: General Disclosures 2021	2-1	Organizational details	About the Report	004
	2-2	Entities included in the organization's sustainability reporting	About the Report	004
	2-3	Reporting period, frequency and contact point	About the Report	004
	2-4	Restatements of information	About the Report	004

(Continue)

GRI Standard	Disclosure Items	Corresponding Information	Page
GRI 2: General Disclosures 2021	2-5 External assurance	About the Report 7.7 Assurance Statement and Other Certificates	004 146
	2-6 Activities, value chain and other business relationships	About the Report Corporate Overview	004 008
	2-7 Employees	4.1.1 Diversity and Inclusion	091
	2-8 Workers who are not employees	4.1.1 Diversity and Inclusion	091
	2-9 Governance structure and composition	2.1.1 Board of Directors Structure	026
	2-10 Nomination and selection of the highest governance body	2.1.1 Board of Directors Structure	026
	2-11 Chair of the highest governance body	2.1.1 Board of Directors Structure	026
	2-12 Role of the highest governance body in overseeing the management of impacts	About the Report 2.1.3 Sustainability Governance Structure 2.2 Risk Management	004 029 032
	2-13 Delegation of responsibility for managing impacts	2.2.1 Risk Management Framework and Policy 2.2.2 Emerging Risks Management	032 038
	2-14 Role of the highest governance body in sustainability reporting	About the Report 1.2.1 Identification of Stakeholders and Material Topics 2.1.3 Sustainability Governance Structure	004 012 029
	2-15 Conflicts of interest	2.1.1 Board of Directors Structure	026
	2-16 Communication of critical concerns	1.2.1 Identification of Stakeholders and Material Topics 2.1.2 Board of Directors Operations 2.2 Risk Management	012 028 032
	2-17 Collective knowledge of the highest governance body	2.1.2 Board of Directors Operations	028
	2-18 Evaluation of the performance of the highest governance body	2.1.2 Board of Directors Operations	028
	2-19 Remuneration policies	2.1.4 Remuneration Policy	030
	2-20 Process to determine remuneration	2.1.4 Remuneration Policy The Company participates annually in benchmark market compensation surveys and makes reference to external consultants' compensation survey data; no additional consultants are engaged.	030

GRI Standard	Disclosure Items	Corresponding Information	Page
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	2.1.4 Remuneration Policy 4.4.1 Competitive Compensation	030 104
	2-22 Statement on sustainable development strategy	About the Report Chairman's Message 1.1 Sustainable Vision and Strategies 1.2.1 Identification of Stakeholders and Material Topics 2.2.1 Risk Management Framework and Policy	004 005 011 012 032
	2-23 Policy commitments	2.4 Ethical Corporate Management 3.1 Responsible Investment 3.2 Responsible Credit 3.4 Customer Experience 4.2.1 Human Rights 4.5.1 Workplace Safety 5.1.1 Environmental Policy and Strategy 5.2.2 Responsible Procurement	046 057 065 072 093 110 117 123
	2-24 Embedding policy commitments	2.4 Ethical Corporate Management 3.1 Responsible Investment 3.2 Responsible Credit 3.4 Customer Experience 4.5.1 Workplace Safety 5.1.1 Environmental Policy and Strategy 5.2.2 Responsible Procurement	046 057 065 072 112 117 123
	2-25 Processes to remediate negative impacts	3.4.2 Customer Privacy Rights and Protection 3.4.4 Customer Recognition 4.2.1 Human Rights	075 085 093
	2-26 Mechanisms for seeking advice and raising concerns	2.2.1 Risk-Management Framework and Policy 2.4.2 Implementation of Ethical Corporate Management 3.4.2 Customer Privacy Rights and Protection 4.2.1 Human Rights	032 046 075 093
	2-27 Compliance with laws and regulations	2.4.3 Compliance	048

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GRI Standard	Disclosure Items	Corresponding Information	Page
GRI 2: General Disclosures 2021	2-28 Membership associations	1.2.2 Membership of Associations and External Initiatives	019
	2-29 Approach to stakeholder engagement	1.2.1 Identification of Stakeholders and Material Topics	012
	2-30 Collective bargaining agreements	4.2.2 Employee Communication	096
GRI 3 Material Topics 2021			
GRI 3 Material Topics 2021	3-1 Process to determine material topics	1.2.1 Identification of Stakeholders and Material Topics	012
	3-2 List of material topics	1.2.1 Identification of Stakeholders and Material Topics	012
	3-3 Management of material topics	1.2.1 Identification of Stakeholders and Material Topics	012
Key Topics and Corresponding GRI Standards			
Corporate Governance and Ethical Management			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.4.2 Implementation of Ethical Corporate Management	046
	205-2 Communication and training about anti-corruption policies and procedures	2.4.1 Framework and Principles of Ethical Corporate Management 2.4.2 Implementation of Ethical Corporate Management	046 046
	205-3 Confirmed incidents of corruption and actions taken	2.4.2 Implementation of Ethical Corporate Management	046
GRI 415: Public Policy 2016	415-1 Political contributions	1.2.2 Membership of Associations and External Initiatives 2.4.2 Implementation of Ethical Corporate Management	019 046
Labor Protection and Workplace Inclusion and Equality			
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	2.1.1 Board of Directors Structure 4.1.1 Diversity and Inclusion	026 091
	405-2 Ratio of basic salary and remuneration of women to men	4.4.1 Competitive Compensation	104
Risk Management			
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	2.2 Risk Management	032
Improving Service Quality and Customer Relationship Management			
Customized Material Topics	-	3.4.2 Customer Privacy Rights and Protection 3.4.3 Quality Services Tailored to Customer Needs 3.4.4 Customer Recognition	075 081 085
Protecting Information Security and Privacy			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.3.5 Early Warning, Response and Handling of Information Security Event 3.4.2 Customer Privacy Rights and Protection	045 075

GRI Standard	Disclosure Items	Corresponding Information	Page
FinTech and Digital Innovation			
Customized Material Topics	-	2.6 Responsible AI 3.4.1 Digital Finance 3.4.3 Quality Services Tailored to Customer Needs	051 072 081
Employment and Training for Diversity of Talents			
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	4.4.2 Employee Wellbeing	106
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	4.3.1 Talent Attraction 4.4.4 Employee Attrition	097 109
	401-2 Benefits provided to full-time employees (excluding temporary or part-time employees)	4.4.2 Employee Wellbeing	106
	401-3 Parental leave	4.4.2 Employee Wellbeing	106
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	4.3.2 Talent Development	099
	404-2 Programs for upgrading employee skills and transition assistance programs	4.3.2 Talent Development 4.3.3 Performance and Individual Development 4.4.2 Employee Wellbeing	099 104 106
	404-3 Percentage of employees receiving regular performance and career development reviews	4.3.3 Performance and Individual Development	104
ESG Risk and Opportunities in Investment and Financing			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	3.1.2 Management Process for Responsible Investment 3.1.3 Responsible Investment Performance 3.2.2 Implementation and Promotion of Responsible Bank 3.3.1 Sustainable Products	059 063 066 067
	203-2 Significant indirect economic impacts	3.1.2 Management Process for Responsible Investment 3.1.3 Responsible Investment Performance 3.2.2 Implementation and Promotion of Responsible Bank 3.3.1 Sustainable Products	059 063 066 067
Secondary Topics and Corresponding GRI Standards*			
Business Continuity			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.3 Information Security 3.4.2 Customer Privacy Rights and Protection	043 075

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GRI Standard	Disclosure Items	Corresponding Information	Page
	Workplace Safety and Health		
GRI 403: Workplace Health and Safety 2018	403-1 Occupational health and safety management system	4.5.1 Safe Workplace	110
	403-3 Occupational health services	4.5.2 Healthy Workplace	112
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.5.1 Safe Workplace	110
	403-5 Worker training on occupational health and safety	4.5.1 Safe Workplace	110
	403-6 Promotion of worker health	4.4.2 Employee Wellbeing 4.5.2 Healthy Workplace	106 112
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.5.2 Healthy Workplace	112
	403-9 Work-related injuries	4.5.2 Healthy Workplace	112
	403-10 Work-related ill health	4.5.2 Healthy Workplace	112
	Management of Influence Caused by Social Changes		
Customized Material Topics	-	2.2.2 Emerging Risks Management	038
	Upgrade Financial Inclusion		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	3.3.2 Financial Inclusion 6 Co-Creation of Sustainable Society	069 124
	203-2 Significant indirect economic impacts	3.3.2 Financial Inclusion	069
	Competitive Compensation and Welfare		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed by the organization	Corporate Overview 6 Co-Creation of Sustainable Society	008 124
	201-3 Defined benefit plan obligations and other retirement plans	4.4.2 Employee Wellbeing	106
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	4.4.1 Competitive Compensation	104
	202-2 Proportion of senior management hired from the local community	4.1.1 Diversity and Inclusion	091
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees (excluding temporary or part-time employees)	4.4.2 Employee Wellbeing	106
	401-3 Parental leave	4.4.2 Employee Wellbeing	106
	Maintain Shareholders' Equity		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed by the organization	Corporate Overview	008

GRI Standard	Disclosure Items	Corresponding Information	Page
	Other Topics and Corresponding GRI Standards		
	Climate/Nature-Related Opportunity and Risk Management		
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	2.2.2 Emerging Risks Management	038
	Operational Environmental Impacts		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	7.1.3 Energy Consumption	139
	302-3 Energy intensity	7.1.3 Energy Consumption	139
	302-4 Reduction of energy consumption	5.1.3 Energy Management	119
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	7.1.4 Water Consumption	139
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	7.1.1 GHG Emissions	138
	305-2 Energy indirect (Scope 2) GHG emissions	7.1.1 GHG Emissions	138
	305-4 GHG emissions intensity	7.1.1 GHG Emissions	138
	305-5 Reduction of GHG emissions	5.1.3 Energy Management	119
GRI 306: Waste 2020	306-4 Waste diverted from disposal	7.1.5 Waste Statistics	139
	306-5 Waste directed to disposal	7.1.5 Waste Statistics	139
	Social Participation and Supporting Disadvantaged Groups		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed by the organization	6 Co-Creation of Sustainable Society	124
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	6 Co-Creation of Sustainable Society	124
	203-2 Significant indirect economic impacts	6 Co-Creation of Sustainable Society	124
	Sustainable Supply Chain		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	5.2.2 Responsible Procurement	123
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	5.2.1 Supplier Sustainable Management	120
	308-2 Negative environmental impacts in the supply chain and actions taken	5.2.1 Supplier Sustainable Management	120
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	5.2.1 Supplier Sustainable Management	120
	414-2 Negative social impacts in the supply chain and actions taken	5.2.1 Supplier Sustainable Management	120

Note: Secondary topics and other topics have lower impact and likelihood of occurrence on the economy, environment, and people; therefore, we reveal basic performance in the Report.

7.3 SASB Standards Index

Insurance

Topic	Accounting Metrics	Indicator Code	Corresponding Information	Page
Transparent Information & Fair Advice for Customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	In 2025, the total monetary losses as a result of legal proceedings associated with the marketing and communication of insurance products to new and returning customers amounted to NT$60,000 (1 case only).	-
	Complaints-to-claims ratio	FN-IN-270a.2	0.4187‰[Note] Note: Complaints-to-claims ratio formula (‰): [Number of claims complaints ÷ Total number of claims filed] × 1,000	-
	Customer retention rate	FN-IN-270a.3	2025 KGI Life's Customer retention rate[Note] is 96.88% Note: Customer retention rate = (Policies in force at end of period − New policies) ÷ Policies in force at beginning of period	-
	Description of approach to informing customers about products	FN-IN-270a.4	KGI Life official website → Business & Product section and → Treating Customers Fairly section. Please refer to → KGI Life's 2025 Sustainability Report 5.2.3 Fair and Friendly Sales, Underwriting and Claims Processes.	-
Incorporation of Environmental, Social and Governance Factors in Investment Management	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	3.1.2 Management Process for Responsible Investment Please refer to → KGI Life's 2025 Sustainability Report 3.1 Sustainable Investment.	-
Policies Designed to Incentivise Responsible Behaviour	Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	KGI Life, the insurance subsidiary of KGI Financial Holdings, does not underwrite non-life insurance products, and none of the Group's other subsidiaries offer such products either. This indicator is therefore not applicable.	-
	Discussion of products or product features that incentivise health, safety or environmentally responsible actions or behaviours	FN-IN-410b.2	Please refer to → KGI Life's 2025 Sustainability Report 5.2.2 Comprehensive Insurance Products and Services.	-
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-IN-410c.1	Please refer to → KGI Financial's Climate and Nature-related Report 4.1.2 "Greenhouse Gas Inventory of Investment and Financing Exposures". Due to data availability constraints, the Company currently calculates financed emissions based on the Scope 1 and Scope 2 emissions of its investees and borrowers. Please refer to → KGI Life's 2025 Sustainability Report 4.3.1 Greenhouse Gas Management.	-
	Gross exposure for each industry by asset class	FN-IN-410c.2		
	Percentage of gross exposure included in the financed emissions calculation	FN-IN-410c.3		
	Description of the methodology used to calculate financed emissions	FN-IN-410c.4	KGI Financial joined the Partnership for Carbon Accounting Financials (PCAF) in June 2023, and its subsidiaries have also followed PCAF's methodology to complete financed-emissions accounting for equity and bond investments, corporate lending, commercial real estate loans, mortgage loans, motor vehicle loans, sovereign debt, and power project financing.	-
Physical Risk Exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	Please refer to → KGI Life's 2025 Sustainability Report 4.1.2 Climate Risk Identification and Assessment.	-
	Total amount of monetary losses attributable to insurance pay-outs from (1) modelled natural catastrophes and (2) non-modelled natural catastrophes, by type of event and geographical segment (net and gross of reinsurance)	FN-IN-450a.2	In 2025, the total monetary losses attributable to insurance pay-outs from natural catastrophes (typhoons, earthquakes, and floods) amounted to NT$1.3 million. Note 1: This figure includes claim amounts for injuries or deaths caused by natural catastrophes, where the diagnosis certificate and death certificate clearly state the cause as an event resulting from a natural catastrophe. Note 2: In 2025, there were no natural-catastrophe claim events caused by drought, blizzards, or tornadoes.	-
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of entity-level risks and capital adequacy	FN-IN-450a.3	1. KGI Financial's subsidiary, KGI Life, belongs to the life insurance industry, and the correlation between individual policyholder contracts and environmental risks is relatively low, so this indicator is not applicable. 2. Incorporate climate change risks into the company's "Risk Management Policy" and establish climate-related risk management guidelines, regularly track climate risk appetite indicators, and continue to improve climate change risk identification, assessment, and response plans in the future. Additionally, cooperate with regulatory authorities to formulate or promote relevant policy measures, and continue to include climate change risk-related assessments in the ORSA report.	-
Systemic Risk Management	Exposure to derivative instruments by category: (1) total exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with a central clearinghouse, and (3) total exposure to centrally cleared derivatives	FN-IN-550a.1	KGI Life currently has potential total exposure only to non-centrally cleared derivatives; it holds no positions in centrally cleared derivatives and has posted no acceptable collateral with a central clearinghouse. Please refer to the → "KGI Life Insurance Co., Ltd. Individual Financial Report and Auditor's Report for the Years 2025 and 2024," pp. 107–108.	-

(Continue)

Topic	Accounting Metrics	Indicator Code	Corresponding Information	Page
Systemic Risk Management	Total fair value of securities lending collateral assets	FN-IN-550a.2	In 2025, the total fair value of securities lending collateral assets was NT$0.	-
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	Please refer to the → "KGI Life Insurance Co., Ltd. Individual Financial Report and Auditor's Report for the Years 2025 and 2024," pp. 94–95 and pp. 117–118.	-
Activity Metrics	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	KGI Life operates only life insurance business and has no property and casualty or reinsurance products. Number of policies in force: · Property and casualty: 0 · Life: 27,002,437 (of which 19,454,734 are main contracts and 7,547,703 are riders) · Assumed reinsurance: 0	-

Investment Banking and Brokerage

Topic	Accounting Metrics	Indicator Code	Corresponding Information	Page
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	FN-IB-330a.1	4.1.1 Diversity and Inclusion	091
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	Revenue from (1) underwriting, (2) advisory and (3) securitization transactions incorporating integration of environmental, social and governance (ESG) factors, by industry	FN-IB-410a.1	For (1) underwriting and (2) advisory data, please refer to → KGI Securities' 2025 Sustainability Report 3.1.2 Financial Products and Services. KGI Financial and its subsidiaries did not engage in any securitisation transactions in 2025, so there is no revenue data for (3) securitisation transactions.	-
	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social and governance (ESG) factors, by industry	FN-IB-410a.2	Please refer to → KGI Securities' 2025 Sustainability Report 3.1.1 Responsible Investment.	-
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment banking and brokerage activities	FN-IB-410a.3	Please refer to → KGI Securities' 2025 Sustainability Report 3.1.1 Responsible Investment and 3.1.2 Financial Products and Services.	-
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	FN-IB-510a.1	2.4.3 Compliance	048

Topic	Accounting Metrics	Indicator Code	Corresponding Information	Page
Business Ethics	Description of whistleblower policies and procedures	FN-IB-510a.2	2.4.2 Implementation of Integrity Management	046
Professional Integrity	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	FN-IB-510b.1	Please refer to → KGI Securities' 2025 Sustainability Report 2.1.5 Ethical Corporate Management and Compliance.	-
	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	FN-IB-510b.2	2.4.3 Compliance	048
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	FN-IB-510b.3	2.4.3 Compliance	048
	Description of approach to ensuring professional integrity, including duty of are	FN-IB-510b.4	2.4.1 Framework and Principles of Ethical Corporate Management	046
Systemic Risk Management	Global Systemically Important Bank (GSIB) core, by category	FN-IB-550a.1	The Company is not a G-SIB, so this indicator is not applicable.	-
	Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities	FN-IB-550a.2	Please refer to → KGI Securities' 2025 Sustainability Report 2.2.2 Embedding Corporate Risk Culture	-
Employee Incentives & Risk-Taking	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	FN-IB-550b.1	4.4.1 Competitive Compensation	104
	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	FN-IB-550b.2	Please refer to → KGI Securities' 2025 Sustainability Report 2.1.4 Remuneration Policy for Governance Units and Senior Management	-
	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	FN-IB-550b.3	Please refer to → KGI Securities' 2025 Sustainability Report 2.2.2 Embedding Corporate Risk Culture	-
Number of Policies in Force	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitisation transactions8	FN-IB-000.A	For (1) underwriting and (2) advisory activity data, please refer to → KGI Securities' 2025 Sustainability Report 3.1.2 Financial Products and Services. KGI Financial and its subsidiaries did not engage in any securitisation transactions in 2025, so there is no activity data related to (3) securitisation transactions.	-
	(1) Number and (2) value of proprietary investments and loans by sector9	FN-IB-000.B	Please refer to the → KGI Securities' 2025 Sustainability Report 3.1.1 Responsible Investment	-
	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	FN-IB-000.C	Please refer to → KGI Securities' 2025 Sustainability Report 3.1.2 Financial Products and Services.	-

7.4 Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

No.	Indicator	Corresponding Chapter/Page	Page
1	The number of information leakage incidents, the percentage of information leakage incidents related to personal information, and the number of customers affected by information leakage incidents.	2.3.5 Early Warning, Response and Handling of Information Security Event 3.4.2 Customer Privacy Rights and Protection · The number of information leakage incidents: 6 · The percentage of information leakage incidents related to personal information: 100% · The number of customers affected by information leakage incidents: 225	045 075
2	The number of loans and loan balances for promoting small enterprises and community development.	3.2.2 Implementation and Promotion of Responsible Bank	069
3	The number of participants in financial education for vulnerable groups lacking banking services.	3.4.3 Quality Services Tailored to Customer Needs	081
4	Products and services designed by individual operating units to create benefits for the environment or society.	3.2.2 Implementation and Promotion of Responsible Bank 3.3.2 Financial Inclusion 6 Co-Creation of Sustainable Society	066 069 124

7.5 TCFD Correspondence Table

Dimension	TCFD Disclosure Recommendation	Chapter
Governance	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	2.2.3 Climate and Natural Related Management
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

Note: In accordance with Article 4-1 of the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, relevant information shall be disclosed in accordance with Appendix II of the aforesaid Rules. Please refer to the Company's → 2025 Annual Report for further details.

7.6 Support for Domestic Cultural Development in 2025

Promoting Cultural Prosperity

Total sponsorship in 2025: NTD 3.785 million

Item	Beneficiaries	Achievements and Outcomes
12th HOT Original Music Awards	Domestic music creators and performing groups	· Supported emerging talents in music creation and performance by providing mentorship and resources to build professional capabilities; also offered performance platforms to increase visibility and recognition of outstanding works and voices · A total of 280 valid submissions were received
Documentary Film Sponsorship – "Guarding Our Planet"	Domestic film screenings and foundation-supported students	Invited scholarship recipients and employees to attend screenings of the ecological documentary "Guarding Our Planet," with a total of 432 participants across three sessions
NSO Youth Musician Development Program	Domestic music groups and the general public	Conducted one classical music appreciation event, one masterclass, one lecture concert, three professional training sessions over two days, and two rural outreach performances and exchange activities, benefiting a total of 160 students
"Little Fish Return to Port" Cultural Initiative	Students and local communities	Organized cultural exploration tours and indoor art appreciation experiences for underprivileged students in Keelung, integrating local cultural connections and artistic interpretation to translate the concept of cultural equity into concrete actions, with a total of 100 participants across three sessions
1. NTT Youth Academy Camp 2. Open Door Project 3. Arts in Schools Program	Youth with artistic potential and the public	1. A total of 41 students from 32 high schools across 11 cities/counties completed the training program 2. 141 teachers and students from four schools in Changhua and Nantou participated in guided tours and performances at the National Taichung Theater 3. Three art professionals delivered courses at nine junior high schools, benefiting 221 participants

Future Objectives

Upholding the core principle of "supporting culture and fostering inclusion," the Company will continue to allocate corporate resources to cultural and creative industries through diversified approaches such as donations, sponsorships, investments, procurement, and strategic partnerships, thereby promoting cultural diversity and innovation, as well as enhancing social education and public engagement.

7.7 Assurance Statement and Other Certificates

7.7.1 Independent Assurance Opinion Statement

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By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

KGI 2025 Sustainability Report

The British Standards Institution is independent to KGI Financial Holding Co., Ltd. (hereafter referred to as KGI Financial in this statement) and has no financial interest in the operation of KGI Financial other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of KGI Financial only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by KGI Financial. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to KGI Financial only.

Scope

The scope of engagement agreed upon with KGI Financial includes the followings:

1. The assurance scope is consistent with the description of KGI 2025 Sustainability Report.
2. The evaluation of the nature and extent of the KGI Financial's adherence to AA1000 AccountAbility Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000 AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the KGI 2025 Sustainability Report provides a fair view of the KGI Financial sustainability programmes and performances during 2025. The sustainability report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the KGI Financial and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are correctly represented. The sustainability performance information disclosed in the report demonstrate KGI Financial's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that KGI Financial's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to KGI Financial's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on KGI Financial's approach to stakeholder engagement. Moreover, we had sampled 1 external stakeholder to conduct interview.
- interview with 26 staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of materiality assessment process.
- review of key organizational developments.
- review of the extent and maturity of the relevant accounting systems for financial and non-financial reports.
- review of the findings of internal audits.
- the verification of performance data and claims made in the report through meeting with managers responsible for gathering data.
- review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits.
- the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and sustainability performance information as well as GRI Standards is set out below:

Inclusivity

In this report, it reflects that KGI Financial has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the KGI Financial's inclusivity issues and has demonstrated sustainable conduct supported by top management and implemented in all levels among organization.

Materiality

The KGI Financial publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of KGI Financial and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the KGI Financial's management and performance. In our professional opinion the report covers the KGI Financial's materiality assessment process and material issues.

Responsiveness

KGI Financial has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the KGI Financial is developed and continually provides the opportunity to further enhance KGI Financial's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the KGI Financial's responsiveness issues.

Impact

KGI Financial has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. KGI Financial has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within an organization. In our professional opinion the report covers the KGI Financial's impact issues.

Performance information

Based on our work described in this statement and with no conflict of interest with the KGI Financial in relation to providing the assurance of ESG performance information, which has been assured, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, KGI Financial and BSI have agreed upon to include in the scope. In our view, nothing has come to our attention that the data and information contained within KGI 2025 Sustainability Report were no significant errors, omissions, or misstatements based on procedures undertaken by means of vouching, re-tracking, re-computing and confirmation.

GRI Sustainability Reporting Standards (GRI Standards)

KGI Financial provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, including the disclosures of applicable economic, environmental, and social information, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the KGI Financial's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

This sustainability report is the responsibility of the KGI Financial's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI: Joe Hsieh

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance

AA1000
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000-4/V3-2U0VL

Statement No: SRA-TW-806845
2026-05-03

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

BSI Taiwan is a subsidiary of British Standards Institution.

7.7.2 Independent Accountant's Limited Assurance Report

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English Translation of a Report Originally Issued in Mandarin

Independent Accountant's Limited Assurance Report

To KGI Financial Holding Co., Ltd.

We have been engaged by KGI Financial Holding Co., Ltd. (hereinafter referred to as "KGI Financial") to perform a 'limited assurance engagement', hereinafter referred to as the "Engagement", as defined by the Taiwan Accounting Research and Development Foundation, to report on the selected sustainability information ("the Subject Matter") included in KGI Financial's 2025 Sustainability Report ("the Report").

The Subject Matter and the Applicable Criteria

Regarding the Subject Matter selected by KGI Financial and the applicable criteria ("Criteria"), please refer to appendix A.

Management's Responsibility

KGI Financial's management is responsible for preparation of the Report in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies issued by the Taiwan Stock Exchange Corporation, including referencing to GRI Standards issued by Global Reporting Initiative. KGI Financial's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the Taiwan Accounting Research and Development Foundation. The standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

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We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which basic principles are integrity, objectivity, professional competence, due care and professional behavior.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with KGI Financial's personnel to understand KGI Financial's business, sustainability implementation and reporting process;

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- Understand the expectations and requirements of the key stakeholders and stakeholders, the specific communication channels between the two parties, and how KGI Financial responds to such expectations and requirements through interviews and inspection of relevant documents;
- Conducted interviews with KGI Financial's key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Performing analytical procedures on selected information; collecting and assessing other supporting documentation and the obtained management representation letter. Testing samples if necessary;
- Reading the Sustainability Report to confirm with the consistency of the indicators in the Sustainability Report which contribute to the selected information.

Inherent Limitations

Non-financial information contained within the Subject Matter are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also assurance engagements are based on selective testing of information being examined. Any internal control is subjected to limitations. Consequently, it is not possible to detect all existing material misstatements whether resulting from fraud or error.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter, in order for it to be in accordance with the Criteria.

Ernst & Young
Ernst & Young
June 10, 2026
Taipei, Taiwan, Republic of China

Notice to Readers
The reader is advised that the assurance report has been prepared originally in Mandarin. In the event of a conflict between the assurance report and the original Mandarin version or difference in interpretation between the two versions, the Mandarin language assurance report shall prevail.

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Note: The complete assurance report is available on the → official website.

KGI FINANCIAL

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