

Compliance Statement on “Stewardship Principles for Institutional Investors” of Yuanta Securities Co., Ltd.

Yuanta Securities Co., Ltd. (hereinafter referred to as “the Company”) is primarily engaged in the businesses of securities brokerage, proprietary trading, and underwriting, and is positioned as an asset owner. The Company hereby declares its compliance with the “Stewardship Principles for Institutional Investors” and the status of compliance for the six principles is as follows:

Principle 1: Establish and disclose stewardship policies

The Company's operational objective is to maximize the benefits for the shareholders through the business of securities brokerage, proprietary trading, and underwriting. To achieve the objective, and in consideration of its role in the investment chain, the nature of its business, and the protection of the rights and interests of clients and beneficiaries, the Company has established its stewardship policies. These policies cover responsibilities to the shareholders, fulfillment and disclosure of stewardship activities, and integration of environmental, social, and corporate governance (ESG) factors into investment evaluation and risk assessment processes.

Principle 2: Establish and disclose policies on managing conflicts of interest

To ensure that the Company operates in the best interests of its shareholders, it has established conflict of interest management policies, which specify potential conflict scenarios and corresponding management measures.

Principle 3: Regularly monitor investee companies

To ensure that sufficient and valid information can be obtained by the Company for assessing the nature, time, and extent of dialogue and interaction with investee companies, and to provide a solid foundation for investment decisions, the Company monitors issues regarding the investee companies, including related news, financial performance, industry profile, operational strategies, and environmental, social, and corporate governance (ESG) related topics, with the aim of understanding the investee companies' sustainability strategies.

Principle 4: Maintain an appropriate dialogue and interaction with investee companies

Through appropriate dialogue, interaction, and engagement with investee companies, the Company further understands and communicates with the management of the

investee companies with regard to risks faced by the industry and the strategies adopted. Each year, the Company communicates with the management of investee companies through conference calls, face-to-face meetings, participation in institutional investors' roadshows or attendance at shareholders' meetings or significant extraordinary general meetings. When there is a likelihood that an investee company may significantly violate the principles of corporate governance on specific issues or damage long-term values of the shareholders of the Company, the Company will irregularly inquire with the management of the investee company about handling status and will not exclude the possibility of expressing concerns with other investors collectively. Regarding specific environmental, social, and corporate governance (ESG) related topics, the Company may also participate in relevant advocacy organizations to jointly expand and leverage its influence as an institutional investor.

Principle 5: Establish and disclose clear voting policies and voting results

In order to maximize benefits of the shareholders, the Company has established a clear voting policy and proactively votes at shareholders' meetings.

To the best of an institutional investors' ability,;

Before casting votes, the Company prudently evaluate each motion of a shareholders' meeting and communicate in advance with the investee company's management when necessary. In principle, the exercise of shareholder rights shall be based on the best interests of the Company and its shareholders, and the Company shall not directly or indirectly participate in corporate management or involve in any improper arrangements of the investee company. The Company discloses voting records annually on its official website, including reasons for votes in favor, against, or abstentions on significant proposals.

Principle 6: Periodically disclose the status of fulfillment of stewardship responsibilities

1. The Company discloses its stewardship activities on its website or in its annual report on a regular basis, including the following: The compliance statement and explanations for any deviations from "Stewardship Principles for Institutional Investors".
2. Information of the company's internal resources and organizational structure to implement stewardship.
3. Statistics of the engagement activities.
4. Case description of the dialogue and interaction with the investee company, the results of the agreement and the follow-up situation.
5. Cases of cooperation with other institutional investors.

6. Attendance in person or by proxy at shareholders' meetings of an investee company.
7. Voting activities.
8. Contact channel for stakeholders such as clients, beneficiaries, investee companies or other institutional investors to reach a signatory.
9. Other material matters.

Signatory: Yuanta Securities Co., Ltd.

September 21, 2020

