The Shanghai Commercial & Savings Bank

Regulatory disclosures about the capital adequacy as requested by the competent authority

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【Table 1】

Scope of application

Jun-30-2024

(Unit: NT$1,000)

Items	Contents				
	Subsidiary name	Amount of assets	Consolidated ratio	Reasons not included in the calculation	Amount deducted from own capital
1. Subsidiaries included in the calculation of the consolidated capital adequacy ratio	SCSB Asset Management Ltd.	1,684,166	100.00%		
	China Travel Service (Taiwan)	586,965	99.99%		
	SCSB Marketing Ltd.	13,550	100.00%		
	Shancom Reconstruction Inc.	944,399,727	100.00%		
	Wresqueue Limitada	409,774	100.00%		
	Paofoong Insurance Company Ltd.	1,579,884	40.00%		
	AMK Microfinance	24,227,176	99.99%		
2. Subsidiaries not included in the calculation of the consolidated capital adequacy ratio					
3. Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.					

【Table 2】

Description of capital adequacy management
2024

Items	Contents
A summary discussion of the bank ’s approach to assessing the adequacy of its capital to support current and future activities.	1. Manage and monitor according to the “Capital Adequacy Management Guidelines” of SCSB. 2. Standardize specific business, such as business type, commitment amount, rating, etc. Before proceeding, the Risk Management Department should be informed of the capital adequacy assessment. 3. Under the premise of assessing capital adequacy, set the business objectives of the medium and long-term strategic planning. The capital adequacy assessment process and stress testing are performed annually. 4. The forecast of capital adequacy and the use of capital analysis by various business units are reported to the Asset and Liability Management Committee. 5. According to the “Market Risk Management Policy” of SCSB, ensure that market-weighted risk assets are capped at no more than 15% of SCSB's weighted risk assets and are reported to the Asset and Liability Management Committee for periodic review.

【Table 3】

Capital adequacy ratio
Jun-30-2024

(Unit: NT$1,000；%)

Analysis items	Standalone		Consolidated	
	Jun-30-2024	Jun-30-2023	Jun-30-2024	Jun-30-2023
Eligible capital：				
Common Equity Tier 1 capital	110,205,030	108,294,786	198,484,569	188,247,684
Additional Tier 1 capital	8,070,000	8,070,000	11,738,889	12,043,154
Tier 2 capital	25,795,246	25,010,049	40,004,505	48,163,042
Eligible capital	144,070,276	141,374,835	250,227,963	248,453,880
risk weighted assets：				
Credit risk	879,283,542	859,656,673	1,375,303,903	1,406,482,583
Operational risk	49,469,728	45,432,985	77,354,590	70,041,661
Market risk	76,194,050	55,352,491	98,605,561	77,896,318
Total risk weighted assets	1,004,947,320	960,442,149	1,551,264,054	1,554,420,562
Ratio of common equity to risk-weighted assets	10.97%	11.28%	12.80%	12.11%
Ratio of Tier 1 capital to risk-weighted assets	11.77%	12.12%	13.55%	12.89%
Capital adequacy ratio	14.34%	14.72%	16.13%	15.98%
Leverage ratio：				
Tier 1 capital	118,275,030	116,364,786	210,223,458	200,290,838
Total exposures	1,622,647,782	1,629,549,478	2,596,471,335	2,572,828,224
Leverage ratio	7.29%	7.14%	8.10%	7.78%

【Table 4】

Capital Structure
Jun-30-2024

(Unit: NT$1,000)

Items	Standalone		Consolidated	
	Jun-30-2024	Jun-30-2023	Jun-30-2024	Jun-30-2023
Common Equity Tier 1 Capital (CET1) ：				
Common share capital	48,616,031	48,616,031	48,616,031	48,616,031
Capital surplus—share premium	23,321,381	23,321,381	23,321,381	23,321,381
Capital collected in advance				
Capital surplus—other	4,227,064	4,084,382	4,227,064	4,084,382
Legal reserve	64,476,033	64,476,033	64,476,033	64,476,033
Special reserve	7,669,374	13,252,879	7,669,374	13,252,879
Retained earnings	31,921,988	24,263,163	31,921,988	24,263,163
Non-controlling interests	0	0	22,053,116	21,598,695
Other equity	7,079,762	-3,946,174	7,079,762	-3,946,174
Deduct：regulatory adjustments				
1、Gain and losses of hedging instruments (gain should be deducted, losses should be added)	0	0	0	0
2、Defined-benefit pension fund net assets	232,864	192,617	232,864	192,617
3、(Investments in own shares)Treasury shares	83,144	83,144	83,144	83,144
4、Goodwill and Other intangible assets	363,636	334,796	2,239,858	1,937,403
5、Deferred tax assets that rely on future profitability excluding those arising from temporary differences	0	0	0	0
6、Cumulative fair value gains or losses on liabilities of the institution that are fair-valued and result from changes in the own credit risk (gain should be deducted, losses should be added)	-4,363	-25,018	-4,363	-25,018
7、Unrealized gain of equity instruments and debt instruments measured at FVTOCI(Not investments in the common stock of banking, financial and insurance entities and other TLAC	5,142,670	2,009,647	5,236,585	2,009,647
8、Shortfall of provisions to expected losses	0	0	0	0
9、When the immovable property is first applied to the IFRSs, retained earnings increase due to the fair value or revaluation value is used as the recognized cost.	0	0	0	0
10、Securitization transactions should be deducted	0	0	0	0
11、Reciprocal cross-holdings in common equity and its unrealized gains	0	0	0	0
(1)Deduction amount from common equity Tier 1 capital				
(2)Deduction due to insufficient additional Tier 1 capital				
12、Prudential valuation adjustments(Market risk)	0	0	0	0
13、Investment properties follow-up measurement of value-added benefits recognized by the fair value model	0	0	0	0
14、Properties sale and leaseback benefits after January 1, 2012	0	0	0	0
15、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital	0	0	3,092,092	3,220,913
(1)Amount above the threshold	0	0	3,092,092	3,220,913
(2)Deduction due to insufficient additional Tier 1 capital	0	0	0	0
16、Significant investments in the common stock of banking, financial and insurance entities	67,711,328	59,731,888	0	0
(1)Deduction amount from common equity Tier 1 capital-before December 31, 2121				
(2)Deduction due to insufficient additional Tier 1 capital-before December 31, 2121				
(3)Significant investments in the common stock of banking, financial and insurance entities. (amount above 10% threshold)-applicable from January 1, 2022	67,711,328	59,731,888	0	0
(4)Deduction due to insufficient additional Tier 1 capital-applicable from January 1, 2022	0	0	0	0
17、Deferred income tax assets arising from temporary differences which above threshold	0	0	0	0

Items	Standalone		Consolidated	
	Jun-30-2024	Jun-30-2023	Jun-30-2024	Jun-30-2023
18、Significant investments in the common stock of banking, financial and insurance entities and deferred income tax assets arising from temporary differences, the total amount of which exceeds the 15% threshold should be deducted	3,577,324	3,445,835	0	0
19、Direct investment of industrial banks and deductions for investment in Investment properties	0	0	0	0
(1)Deduction amount from common equity Tier 1 capital				
(2)Deduction due to insufficient additional Tier 1 capital				
20、Other adjustments according to regulations or supervision requirements	0	0	0	0
(1)Deduction amount from common equity Tier 1 capital				
(2)Deduction due to insufficient additional Tier 1 capital				
Common Equity Tier 1 capital (CET1)（1）	**110,205,030**	**108,294,786**	**198,484,569**	**188,247,684**
Additional Tier 1 capital ：				
Non-cumulative perpetual preferred stock and its capital stock premium	0	0	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)				
2、of which issued after January 1, 2013				
Non-cumulative perpetual subordinated debts	8,070,000	8,070,000	8,070,000	8,070,000
1、of which issued before December 31, 2012(the terms of the issue do not meet Additional Tier 1 capital requirements)				
2、of which issued after January 1, 2013	8,070,000	8,070,000	8,070,000	8,070,000
Capital instruments are not directly or indirectly held by banks	0	0	3,668,889	3,974,000
Deduction：1、Reciprocal cross-holdings in common equity	0	0	0	0
(1)Additional Tier 1 capital instrument				
(2)Deduction due to insufficient Tier 2 capital				
2、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital	0	0	0	846
(1)additional Tier 1 capital instrument			0	846
(2)Deduction due to insufficient Tier 2 capital				
3、Significant investments in the common stock of banking, financial and insurance entities	0	0	0	0
(1)Deduction amount from additional Tier 1 capital-before December 31, 2121				
(2)Deduction due to insufficient Tier 2 capital-before December 31, 2121				
(3)additional Tier 1 capital instrument-applicable from January 1, 2022	0	0	0	0
(4)Deduction due to insufficient Tier 2 capital-applicable from January 1, 2022	0	0		0
4、Direct investment of industrial banks and deductions for investment in Investment properties	0	0	0	0
(1)additional Tier 1 capital instrument				
(2)Deduction due to insufficient Tier 2 capital				
5、Other deduction	0	0	0	0
(1)additional Tier 1 capital instrument				
(2)Deduction due to insufficient Tier 2 capital				
Additional Tier 1 capital（2）	**8,070,000**	**8,070,000**	**11,738,889**	**12,043,154**
Tier 2 capital ：				
Cumulative perpetual preferred stock and its capital stock	0	0	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)				
2、of which issued after January 1, 2013				
Cumulative perpetual subordinated debts	0	0	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)				
2、of which issued after January 1, 2013				
Convertible subordinated debts	0	0	0	0

Items	Standalone		Consolidated	
	Jun-30-2024	Jun-30-2023	Jun-30-2024	Jun-30-2023
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)				
2、of which issued after January 1, 2013				
Long-term subordinated debts	12,490,000	13,360,000	12,490,000	13,360,000
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)	0	0	0	0
2、of which issued after January 1, 2013	12,490,000	13,360,000	12,490,000	13,360,000
Non-perpetual preferred stock and its capital stock premium	0	0	0	0
1、of which issued before December 31, 2012(the terms of the issue do not meet Tier 2 capital requirements)				
2、of which issued after January 1, 2013				
when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earnings	0	0	0	0
The 45% of unrealized gain of equity instruments and debt instruments measured at FVTOCI(Not investments in the common stock of banking, financial and insurance entities and	2,314,202	904,341	2,356,463	904,341
The 45% of unrealized gains on changes in the fair value of investment properties using fair value method	0	0		
Operational reserves and loan-loss provisions	10,991,044	10,745,708	14,671,771	15,846,217
Capital instruments which are issued by banks subsidiaries, and are not directly or indirectly held by banks	0	0	11,247,708	20,082,766
Deduct：				
1、Reciprocal cross-holdings in Tier 2 capital instrument and other TLAC liabilities	0	0	0	0
2、Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10%-Tier 2 capital instrument and other TLAC liabilities	0	0	761,437	2,030,282
3、Commercial banks capital investment in financial-related businesses classified to the banking book	0	0	0	0
(1)Deduction amount from Tier 2 capital-before December 31, 2121				
(2)Tier 2 capital instrument and other TLAC liabilities-applicable from January 1, 2022	0	0	0	0
4、Direct investment of industrial banks and deductions for investment in Investment properties-Tier 2 capital instrument				
5、Other deduction-Tier 2 capital instrument				
Tier 2 capital（3）	**25,795,246**	**25,010,049**	**40,004,505**	**48,163,042**
Total eligible capital =（1）+（2）+（3）	**144,070,276**	**141,374,835**	**250,227,963**	**248,453,880**

【Table 4-1】

Balance sheet

Jun-30-2024

(Unit: NT$1,000)

Items	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio
	Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets
ASSETS				
Cash and cash equivalents	23,653,501	23,653,501	47,719,685	47,719,685
Due from the Central Bank and call loans to banks	78,471,657	78,471,657	414,832,075	414,832,075
Financial assets measured at fair value through profit or loss	3,860,181	3,860,181	9,336,184	9,336,184
Financial assets measured at fair value through other comprehensive income	258,181,778	258,181,778	418,842,710	418,842,710
Debt instrument investments measured at amortized cost	194,898,679	194,898,679	239,852,440	239,852,440
Securities purchased under resale agreements	12,680,454	12,680,454	12,680,454	12,680,454
Receivables, net	13,756,750	13,756,750	24,243,735	24,243,735
Current income tax assets	0	0	259,821	259,821
Discounts and loans, net	868,197,714	868,197,714	1,228,136,707	1,228,136,707
Investments under the equity method, net	96,770,194	96,770,194	2,494,880	2,494,880
Other financial assets, net	7,880	7,880	7,880	7,880
Properties, net	14,947,502	14,947,502	23,891,259	23,891,259
Right-of-use assets, net	830,685	830,685	2,065,501	2,065,501
Investment properties, net	0	0	7,743,559	7,743,559
Intangible assets, net	363,636	363,636	2,239,859	2,239,859
Deferred income tax assets	1,958,710	1,958,710	4,709,463	4,709,463
Other assets, net	9,718,840	9,718,840	11,242,887	11,242,887
Total assets	1,578,298,161	1,578,298,161	2,450,299,099	2,450,299,099

Items	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio
	Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets
LIABILITIES				
Deposits from the central Bank and other banks	12,497,761	12,497,761	34,105,998	34,105,998
Financial liabilities measured at fair value through profit or	5,608,928	5,608,928	6,409,318	6,409,318
Securities sold under repurchase agreements	7,929,084	7,929,084	7,929,084	7,929,084
Payables	38,013,625	38,013,625	49,823,239	49,823,239
Current income tax liabilities	1,323,427	1,323,427	2,345,619	2,345,619
Deposits and remittances	1,250,953,046	1,250,953,046	2,005,053,093	2,005,053,093
Bank debentures	52,270,000	52,270,000	63,517,708	63,517,708
Other financial liabilities	7,419,452	7,419,452	8,491,277	8,491,277
Provisions	1,730,216	1,730,216	3,227,871	3,227,871
Lease liabilities	842,852	842,852	2,085,305	2,085,305
Deferred income tax liabilities	10,590,358	10,590,358	10,651,809	10,651,809
Other liabilities	1,890,923	1,890,923	4,076,940	4,076,940
Total liabilities	**1,391,069,672**	**1,391,069,672**	**2,197,717,261**	**2,197,717,261**
Equity				
Equity attributable to owners of the Bank			187,228,489	187,228,489
Share capital	48,616,031	48,616,031	48,616,031	48,616,031
Ordinary shares	48,616,031	48,616,031	48,616,031	48,616,031
Capital surplus	27,548,445	27,548,445	27,548,445	27,548,445
Retained earnings	104,067,395	104,067,395	104,067,395	104,067,395
Legal reserve	64,476,033	64,476,033	64,476,033	64,476,033
Special reserve	7,669,374	7,669,374	7,669,374	7,669,374
Unappropriated earnings	31,921,988	31,921,988	31,921,988	31,921,988
Other equity	7,079,762	7,079,762	7,079,762	7,079,762
Treasury shares	83,144	83,144	83,144	83,144
Non-controlling interests			65,353,349	65,353,349
Total equity	**187,228,489**	**187,228,489**	**252,581,838**	**252,581,838**
Total liabilities and equity	**1,578,298,161**	**1,578,298,161**	**2,450,299,099**	**2,450,299,099**

【Table 4-2】

Statement of assets and liabilities

Jun-30-2024

(Unit: NT$1,000)

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
ASSETS								
	Cash and cash equivalents			23,653,501	23,653,501	47,719,685	47,719,685	
	Due from the Central Bank and call loans to banks			78,471,657	78,471,657	414,832,075	414,832,075	
	Financial assets measured at fair value through profit or loss			3,860,181	3,860,181	9,336,184	9,336,184	
		Reciprocal cross-holdings in common equity and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	17					A1
		Deduction amount from additional Tier 1 capital	38					A2
		Deduction amount from Tier 2 capital	53					A3
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A4
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A5
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A6
		Deduction amount from additional Tier 1 capital	39					A7
		Deduction amount from Tier 2 capital	54					A8
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A9
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A10
		Amounts below the thresholds for deduction	72					A11
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold, from January 1, 2022)	19					A12
		Deduction amount from common equity Tier 1 capital-(above 15% threshold, from January 1, 2022)	23					A13
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A14

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A15
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A16
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A17
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A18
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A19
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A20
		Amounts below the thresholds for deduction-other significant investments	73					A21
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common stock equity	26d		0		0	A22
		Deduction amount from additional Tier 1 capital	41b		0		0	A23
		Deduction amount from Tier 2 capital	56d		0		0	A24
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A25
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	42		0		0	A26
		Other financial assets measured at fair value through profit or loss			3,860,181		9,336,184	
	Financial assets measured at fair value through other comprehensive income			258,181,778	258,181,778	418,842,710	418,842,710	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A27
		Deduction amount from additional Tier 1 capital	38					A28
		Deduction amount from Tier 2 capital	53					A29
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A30
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A31
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		3,853,529	
		Deduction amount from common equity Tier 1 capital	18				3,092,092	A32
		Deduction amount from additional Tier 1 capital	39				0	A33
		Deduction amount from Tier 2 capital	54				761,437	A34

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A35
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A36
		Amounts below the thresholds for deduction	72					A37
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			477,518		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19		455,783			A38
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23		21,735			A39
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A40
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A41
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A42
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A43
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A44
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A45
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42		0			A46
		Amounts below the thresholds for deduction-other significant investments	73					A47
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common equity Tier 1 capital	26d		0		0	A48
		Deduction amount from additional Tier 1 capital	41b		0		0	A49
		Deduction amount from Tier 2 capital	56d		0		0	A50
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A51
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover	42		0		0	A52
		Other financial assets measured at FVOCI			257,704,260		414,989,181	
	Debt instrument investments measured at amortized cost			194,898,679	194,898,679	239,852,440	239,852,440	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A53
		Deduction amount from additional Tier 1 capital	38					A54
		Deduction amount from Tier 2 capital	53					A55

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A56
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A57
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A58
		Deduction amount from additional Tier 1 capital	39					A59
		Deduction amount from Tier 2 capital	54					A60
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A61
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A62
		Amounts below the thresholds for deduction	72					A63
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A64
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A65
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A66
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A67
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A68
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A69
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A70
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A71
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A72
		Amounts below the thresholds for deduction-other significant investments	73					A73
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common equity Tier 1 capital	26d		0		0	A74
		Deduction amount from additional Tier 1 capital	41b		0		0	A75
		Deduction amount from Tier 2 capital	56d		0		0	A76
		Regulatory adjustments applied to common equity Tier 1 due to insufficient Additional Tier 1 to cover deductions	27		0		0	A77
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover	42		0		0	A78
		Other financial assets measured at fair value through profit or loss			194, 898, 679		239, 852, 440	
	Securities purchased under resale agreements			12, 680, 454	12, 680, 454	12, 680, 454	12, 680, 454	
	Receivables, net			13, 756, 750	13, 756, 750	24, 243, 735	24, 243, 735	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
	Current income tax assets			0	0	259, 821	259, 821	
	Assets classified as held for sale, net			0	0	0	0	
	Discounts and loans, net			868, 197, 714	868, 197, 714	1, 228, 136, 707	1, 228, 136, 707	
		Discount and loan - gross amounts (including discount and premium adjustment)			881, 442, 096		1, 245, 098, 709	
		Provision-discounts and loans			-13, 244, 382		-16, 962, 002	
		included in Tier 2 capital	50		-10, 991, 044		-14, 671, 771	A79
		others			-2, 253, 338		-2, 290, 231	
	Investments under the equity method, net			96, 770, 194	96, 770, 194	2, 494, 880	2, 494, 880	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A80
		Deduction amount from additional Tier 1 capital	38					A81
		Deduction amount from Tier 2 capital	53					A82
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A83
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A84
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A85
		Deduction amount from additional Tier 1 capital	39					A86
		Deduction amount from Tier 2 capital	54					A87
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A88
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A89
		Amounts below the thresholds for deduction	72					A90
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			70, 462, 670		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19		67, 255, 545			A91
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23		3, 207, 125			A92
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A93
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A94
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A95
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A96
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A97

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A98
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A99
		Amounts below the thresholds for deduction-other significant investments	73					A100
		Other investments under the equity method			26,307,524		2,494,880	
	Other financial assets, net			7,880	7,880	7,880	7,880	
		Reciprocal cross-holdings in common equity and other TLAC liabilities(fill in market value)			0		0	
		Deduction amount from common equity Tier 1 capital	17					A127
		Deduction amount from additional Tier 1 capital	38					A128
		Deduction amount from Tier 2 capital	53					A129
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A130
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A131
		Investments in the capital of banking, financial and insurance entities where the bank does not own more than 10% of the issued share capital and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital	18					A132
		Deduction amount from additional Tier 1 capital	39					A133
		Deduction amount from Tier 2 capital	54					A134
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A135
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A136
		Amounts below the thresholds for deduction	72					A137
		Significant investments in the common stock of banking, financial and insurance entities and other TLAC liabilities			0		0	
		Deduction amount from common equity Tier 1 capital-(above 10% threshold,from January 1, 2022)	19					A138
		Deduction amount from common equity Tier 1 capital-(above 15% threshold,from January 1, 2022)	23					A139
		Deduction amount from additional Tier 1 capital(from January 1, 2022)	40					A140
		Deduction amount from Tier 2 capital(from January 1, 2022)	55					A141
		Deduction amount from common equity Tier 1 capital(25%)-before December 31, 2121	19					A142
		Deduction amount from additional Tier 1 capital(25%)-before December 31, 2121	40					A143
		Deduction amount from Tier 2 capital(50%)-before December 31, 2121	55					A144
		Regulatory adjustments applied to common equity Tier 1 capital due to insufficient Additional Tier 1 capital to cover deductions	27					A145
		Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	42					A146
		Amounts below the thresholds for deduction-other significant investments	73					A147

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses			0		0	
		Deduction amount from common stock equity	26d		0		0	A148
		Deduction amount from additional Tier 1 capital	41b		0		0	A149
		Deduction amount from Tier 2 capital	56d		0		0	A150
		Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	27		0		0	A151
		Regulatory adjustments applied to Additional Tier 1 capital due to insufficient Tier 2 to cover	42		0		0	A152
		Other financial assets (excluding capital investment in financial related businesses)			7, 880		7, 880	
	Properties, net			14, 947, 502	14, 947, 502	23, 891, 259	23, 891, 259	
	Right-of-use asset			830, 685	830, 685	2, 065, 501	2, 065, 501	
	Investment properties, net			0	0	7, 743, 559	7, 743, 559	
	Intangible assets, net			363, 636	363, 636	2, 239, 859	2, 239, 859	
		Goodwill	8		0		97, 820	A153
		Intangible assets (excluding goodwill)	9		363, 636		2, 142, 039	A154
	Deferred income tax assets			1, 958, 710	1, 958, 710	4, 709, 463	4, 709, 463	
		Depending on the future profitability	10					A155
		Temporary difference			2, 307, 174		4, 709, 463	
		Amount exceeding the 10% threshold-deduct from common equity Tier 1 capital	21		0		0	A156
		Amount exceeding the 15% threshold-deduct from common equity Tier 1 capital	25		348, 464		0	A157
		Amount below the deduction threshold	75		1, 958, 710		4, 709, 463	A158
	Other assets, net			9, 718, 840	9, 718, 840	11, 242, 887	11, 242, 887	
		Prepaid pension	15		232, 864		232, 864	A159
		Other assets			9, 485, 976		11, 010, 023	
Total assets				**1, 578, 298, 161**	**1, 578, 298, 161**	**2, 450, 299, 099**	**2, 450, 299, 099**	
LIABILITIES								
	Due to the Central Bank and banks			12, 497, 761	12, 497, 761	34, 105, 998	34, 105, 998	
	Financial liabilities measured at fair value through profit or loss			5, 608, 928	5, 608, 928	6, 409, 318	6, 409, 318	
		Instruments issued by the parent company that can be included in the capital			0		0	
		Eligible additional Tier 1 capital instrument	30、32		0		0	D1
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	D2
		Eligible Tier 2 capital instrument	46		0		0	D3

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	D4
		Instruments issued by subsidiaries and held by third parties that can be included in the capital					0	
		Eligible additional Tier 1 capital instrument	34				0	D5
		Additional Tier 1 capital instrument-declining 10% per year from 2013	34、35				0	D6
		Eligible Tier 2 capital instrument	48				0	D7
		Tier 2 capital instrument-declining 10% per year from 2013	48、49				0	D8
		Capital surplus of non-controlling interests					0	
		Gains and losses due to changes in own credit risk on fair valued liabilities	14		4, 363		4, 363	D9
		Other financial liabilities measured at fair value through profit or loss			5, 604, 565		6, 404, 955	
	Securities sold under repurchase agreements			7, 929, 084	7, 929, 084	7, 929, 084	7, 929, 084	
	Payables			38, 013, 625	38, 013, 625	49, 823, 239	49, 823, 239	
	Current income tax liabilities			1, 323, 427	1, 323, 427	2, 345, 619	2, 345, 619	
	Deposits and remittances			1, 250, 953, 046	1, 250, 953, 046	2, 005, 053, 093	2, 005, 053, 093	
	Bank debentures			52, 270, 000	52, 270, 000	63, 517, 708	63, 517, 708	
		Issued by the parent company			52, 270, 000		52, 270, 000	
		Eligible additional Tier 1 capital instrument	30、32		8, 070, 000		8, 070, 000	D11
		Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	D12
		Eligible Tier 2 capital instrument	46		12, 490, 000		12, 490, 000	D13
		Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	D14
		Bank debentures(excluding those who can be included in the capital)			31, 710, 000		31, 710, 000	
		Issued by subsidiaries and held by third parties					11, 247, 708	
		Eligible additional Tier 1 capital instrument	34				0	D15
		Additional Tier 1 capital instrument-declining 10% per year from 2013	34、35				0	D16
		Eligible Tier 2 capital instrument	48				11, 247, 708	D17
		Tier 2 capital instrument-declining 10% per year from 2013	48、49				0	D18
		Capital surplus of non-controlling interests					0	
		Bank debentures (excluding the capital can be included in and the capital surplus of non-controlling interests)					0	
	Other financial liabilities			7, 419, 452	7, 419, 452	8, 491, 277	8, 491, 277	
	Provisions			1, 730, 216	1, 730, 216	3, 227, 871	3, 227, 871	

Accounts	Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
			Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
Lease liabilities			842, 852	842, 852	2, 085, 305	2, 085, 305	
Deferred income tax liabilities			10, 590, 358	10, 590, 358	10, 651, 809	10, 651, 809	
	Deductible			0		0	
	Intangible assets-Goodwill	8		0		0	D27
	Intangible assets (excluding goodwill)	9		0		0	D28
	Prepaid pension	15		0		0	D29
	Depending on the future profitability	10		0		0	D30
	Temporary difference			0		0	
	Amount exceeding the 10% threshold-deduct from common equity Tier 1 capital	21		0		0	D31
	Amount exceeding the 15% threshold-deduct from common equity Tier 1 capital	25		0		0	D32
	Amount below the deduction threshold	75		0		0	D33
	Non-deductible			10, 590, 358		10, 651, 809	
Other liabilities			1, 890, 923	1, 890, 923	4, 076, 940	4, 076, 940	
Total liabilities			1, 391, 069, 672	1, 391, 069, 672	2, 197, 717, 261	2, 197, 717, 261	
Equity							
Equity attributable to owners of the					187, 228, 489	187, 228, 489	
Share capital			48, 616, 031	48, 616, 031	48, 616, 031	48, 616, 031	
	Common Equity Tier 1 capital	1		48, 616, 031		48, 616, 031	E1
	Additional Tier 1 capital			0		0	
	Eligible additional Tier 1 capital	30、31		0		0	E2
	Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	E3
	Tier 2 capital			0		0	
	Eligible Tier 2 capital	46		0		0	E4
	Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	E5
	Share capital that cannot be included in own capital			0		0	
Capital surplus			27, 548, 445	27, 548, 445	27, 548, 445	27, 548, 445	
	Capital surplus-Common Equity Tier 1 capital	1		23, 321, 381		23, 321, 381	E6
	Capital surplus-Additional Tier 1 capital			0		0	
	Eligible additional Tier 1 capital	30、31		0		0	E7
	Additional Tier 1 capital instrument-declining 10% per year from 2013	33		0		0	E8
	Capital surplus-Tier 2 capital			0		0	
	Eligible tier 2 capital	46		0		0	E9
	Tier 2 capital instrument-declining 10% per year from 2013	47		0		0	E10
	Share premium that cannot be included in own capital			0		0	

Accounts		Detail item	Table4-3 item code	Stanlaloe financial report	Standalone capital adequacy ratio	Consolidated financial report	Consolidated capital adequacy ratio	retrieval code
				Balance Sheets	Balance Sheets	Balance Sheets	Balance Sheets	
		Capital surplus(excluding share premium)	2		4,227,064		4,227,064	E11
	Retained arnings			104,067,395	104,067,395	104,067,395	104,067,395	
		Shortfall of provisions to expected losses	12		0		0	E12
		Prudential valuation adjustments	7		0		0	E13
		Shortfall of defined-benefit pension	15		0		0	E14
		Securitisation gain on sale	2、13		0		0	E15
		when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earningsretained earnings	2、26a、56a		0		0	E16
		the 45% of unrealized gains on changes in the fair value of investment properties using fair value method	2、26e、56e		0		0	E17
		Properties sale and leaseback benefits after January 1, 2012	2、26f		0		0	E18
		Other retained earnings that may not be included in CET 1 as required by regulatory or supervisory requirements	2、26g		0		0	E19
		Other retained arnings	2		104,067,395		104,067,395	E20
	Other equity	Total other equity	3	7,079,762	7,079,762	7,079,762	7,079,762	E21
		Unrealized gain of equity instruments and debt instruments measured at FVTOCI.(Not investments in the common stock of banking, financial and insurance entities and other TLAC liabilities)	26b、56b		5,142,670		5,236,585	E22
		Gain of the hedging instrument (loss)	11		0		0	E23
		Value added of properties revaluation	26e、56e		0		0	E24
		Other equity(excluding the above items)			1,937,092		1,843,177	
	Treasury shares		16	83,144	83,144	83,144	83,144	E25
	Non-controlling interests					65,353,349	65,353,349	
		Common Equity Tier 1 capital	5				22,053,116	E26
		Additional Tier 1 capital	34				3,668,889	E27
		Tier 2 capital	38				0	E28
		Capital surplus of non-controlling interests					39,631,344	
Total equity				187,228,489	187,228,489	252,581,838	252,581,838	
Total liabilities and equity				1,578,298,161	1,578,298,161	2,450,299,099	2,450,299,099	
Note		Expected loss			1,763,571		3,048,946	

【Table 4-3】

Composition of regulatory capital
Jun-30-2024

(Unit: NT$1,000)

items		Standalone	Consolidated
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	71,937,412	71,937,412
2	Retained earnings	108,294,459	108,294,459
3	Accumulated other comprehensive income and other reserves	7,079,762	7,079,762
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		22,053,116
6	Common Equity Tier 1 capital before regulatory adjustments	187,311,633	209,364,749
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0	0
8	Goodwill (net of related tax liability)	0	97,820
9	Other intangibles (net of related tax liability)	363,636	2,142,038
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	0
11	Gain and losses of hedging instruments (gain should be deducted, losses should be added)	0	0
12	Shortfall of provisions to expected losses	0	0
13	Securitisation gain on sale	0	0
14	Gains and losses due to changes in own credit risk on fair valued liabilities	(4,363)	(4,363)
15	Defined-benefit pension fund net assets	232,864	232,864
16	Investments in own shares	83,144	83,144
17	Reciprocal cross-holdings in common equity and its unrealized gains	0	0
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	0	3,092,092
19	Significant investments in the common stock of banking, financial and insurance entities are deducted from common equity tier 1 capital.【Before December 31, 2121】 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation. (amount above 10% threshold)【From January 1, 2022】	67,711,328	0
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0	0
22	Amount exceeding the 15% threshold	3,577,324	0
23	of which: significant investments in the common stock of financials	3,228,860	0
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences	348,464	0
26	National specific regulatory adjustments		
26a	When the immovable property is first applied to the IFRSs, retained earnings increase due to the fair value or revaluation value is used as the recognized	0	0
26b	Unrealized gain of equity instruments and debt instruments measured at FVTOCI.(Not investments in the common stock of banking, financial and insurance entities and other TLAC liabilities)	5,142,670	5,236,585
26c	Classification of investments in financial-related businesses to the banking books (or direct investment in industrial banks and deductions for investment in Investment properties)		
26d	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
26e	Investment properties follow-up measurement of value-added benefits recognized by the fair value model	0	0

items		Standalone	Consolidated
26f	Properties sale and leaseback benefits after January 1, 2012	0	0
26g	Other retained earnings that may not be included in CET 1 as required by regulatory or supervisory requirements	0	0
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0	0
28	**Total regulatory adjustments to Common equity Tier 1**	**77,106,603**	**10,880,180**
29	**Common Equity Tier 1 capital (CET1)**	**110,205,030**	**198,484,569**
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	8,070,000	8,070,000
31	of which: classified as equity under applicable accounting standards	0	0
32	of which: classified as liabilities under applicable accounting standards	8,070,000	8,070,000
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0	0
34	Additional Tier 1 instruments issued by subsidiaries and held by third parties		3,668,889
35	of which: instruments issued by subsidiaries subject to phase out		0
36	Additional Tier 1 capital before regulatory adjustments	8,070,000	11,738,889
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	0	0
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	0	0
40	Significant investments in the common stock of banking, financial and insurance entities are deducted from additional tier 1 capital.【Before December 31, 2121】Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation. (amount above 10% threshold)【Applicable from January 1, 2022】	0	0
41	National specific regulatory adjustments		
41a	Classification of investments in financial-related businesses to the banking books (or direct investment in industrial banks and deductions for investment in Investment properties)		
41b	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 to cover deductions	0	0
43	**Total regulatory adjustments to Additional Tier 1 capital**	**0**	**0**
44	**Additional Tier 1 capital (AT1)**	**8,070,000**	**11,738,889**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**118,275,030**	**210,223,458**
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	12,490,000	12,490,000
47	Directly issued capital instruments subject to phase out from Tier 2	0	0
48	Tier 2 instruments issued by subsidiaries and held by third parties		11,247,708
49	of which: instruments issued by subsidiaries subject to phase out		0
50	Provisions	10,991,044	14,671,771
51	**Tier 2 capital before regulatory adjustments**	**23,481,044**	**38,409,479**
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments	0	0
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	0	761,437

items		Standalone	Consolidated
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0	0
56	National specific regulatory adjustments	(2,314,202)	(2,356,463)
56a	when first time applying International Financial Reporting Standards in real estate and using the fair value or the re-estimated value method as the deemed cost, the difference in amount between the deemed cost and the book value recognized in retained earnings	0	0
56b	45% of Unrealized gain of equity instruments and debt instruments measured at FVTOCI	(2,314,202)	(2,356,463)
56c	Classification of investments in financial-related businesses to the banking books (or direct investment of industrial banks and deductions for investment in Investment properties)		
56d	Investment securitization beneficiary securities or asset-based securities, the amount of which is included in the asset pool of the capital instruments issued by financial related businesses	0	0
56e	The 45% of unrealized gains on changes in the fair value of investment properties using fair value method	0	0
57	Total regulatory adjustments to Tier 2 capital	**-2,314,202**	**-1,595,026**
58	Tier 2 capital (T2)	**25,795,246**	**40,004,505**
59	Total capital (TC = T1 + T2)	**144,070,276**	**250,227,963**
60	Total risk weighted assets	**1,004,947,320**	**1,551,264,054**
Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	**10.97%**	**12.80%**
62	Tier 1 (as a percentage of risk weighted assets)	**11.77%**	**13.55%**
63	Total capital (as a percentage of risk weighted assets)	**14.34%**	**16.13%**
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)	7.00%	7.00%
65	of which: capital conservation buffer requirement	2.50%	2.50%
66	of which: bank specific countercyclical buffer requirement	0.00%	0.00%
67	of which: G-SIB buffer requirement		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	5.77%	7.55%
National minima (if different from Basel 3)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)		
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)		
71	National total capital minimum ratio (if different from Basel 3 minimum)		
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	0	0
73	Significant investments in the common stock of financials	0	0
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	1,958,710	4,709,463
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	12,875,454	14,671,771
77	Cap on inclusion of provisions in Tier 2 under standardised approach	10,991,044	17,191,299
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA	NA
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA	NA

【Table 5】

#	Items	106-1B	106-2A	106-2B	107-1A
1	Abbreviation of preferred stock or bond (such as the issue year and period)	P06SCSB1B	P06SCSB2A	P06SCSB2B	P07SCSB1A
2	Issuer	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101562	TW000G101570	TW000G101588	TW000G101596
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.
	Regulatory treatment				
5	Capital category	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
6	Capital calculation	The last five years are declining by 20% year after year.	The last five years are declining by 20% year after year.	The last five years are declining by 20% year after year.	The last five years are declining by 20% year after year.
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated	standalone and consolidated	standalone and consolidated	standalone and consolidated
8	Capital instrument category	Long-term subordinated bond	Long-term subordinated bond	Long-term subordinated bond	Long-term subordinated bond
9	Amount recognised in regulatory capital	NT$1,920M	NT$0M	NT$2,280M	NT$0M
10	Par value of instrument	NT$4,800M	NT$1,200M	NT$3,800M	NT$3,000M
11	Accounting classification	Liabilties-Bank debentures	Liabilties-Bank debentures	Liabilties-Bank debentures	Liabilties-Bank debentures
12	Original date of issuance	13-Jun-17	15-Dec-17	15-Dec-17	21-Jun-18
13	Perpetual or dated	Dated	Dated	Dated	Dated
14	Original maturity date	13-Jun-27	15-Dec-24	15-Dec-27	21-Jun-25
15	Issuer call subject to prior supervisory approval	No	No	No	No
16	Redemption clause	No	No	No	No
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.85%	1.3%	1.55%	1.25%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-	Non accumulation	Non accumulation	Non accumulation	Non accumulation
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital	No	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No	No

【Table 5】

#	Items	107-1B	107-3	110-1A	110-1B
1	Abbreviation of preferred stock or bond (such as the issue year and period)	P07SCSB1B	P07SCSB2	P10SCSB1A	P10SCSB1B
2	Issuer	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank	The Shanghai Commercial & Savings Bank
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101604	TW000G101612	TW000G101661	TW000G101679
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.10.2, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.
	Regulatory treatment				
5	Capital category	Tier 2 capital	Additional Tier 1 capital	Tier 2 capital	Tier 2 capital
6	Capital calculation	The last five years are declining by 20% year after year.	All	The last five years are declining by 20% year after year.	The last five years are declining by 20% year after year.
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated	standalone and consolidated	standalone and consolidated	standalone and consolidated
8	Capital instrument category	Long-term subordinated bond	Perpetual non-cumulative subordinated bond	Long-term subordinated bond	Long-term subordinated bond
9	Amount recognised in regulatory capital	NT$1,200M	NT$7,000M	NT$1,640M	NT$2,950M
10	Par value of instrument	NT$2,000M	NT$7,000M	NT$2,050M	NT$2,950M
11	Accounting classification	Liabilties-Bank debentures	Liabilties-Bank debentures	Liabilties-Bank debentures	Liabilties-Bank debentures
12	Original date of issuance	21-Jun-18	12-Dec-18	25-Oct-21	25-Oct-21
13	Perpetual or dated	Dated	Perpetual	Dated	Dated
14	Original maturity date	21-Jun-28	No maturity	25-Oct-28	25-Oct-31
15	Issuer call subject to prior supervisory approval	No	Yes	No	No
16	Redemption clause	No	After the term of the bond has expired for five years from the date of issue, the ratio of eligible capital to the risk-weighted assets after the redemption is still in line with the minimum ratio of Art. 5.1 of Regulations Governing the Capital Adequacy and Capital Category of Banks. With the consent of the competent authority, the Bank may redeem in advance; and announce it 30 days before the scheduled redemption date, pay interest at the denomination, and redeem it in full.	No	No
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No	No
	Coupons / dividends				
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
19	Coupon rate and any related index	1.45%	2.15%	0.6%	0.72%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.	Partially discretionary,when the bank did not have earnings in the previous fiscal year and did not distribute common stock dividends (including cash and stock dividends), it cannot pay interest. For more details, please refer to the issuance regulations.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No	No
23	interest/dividend is cumulative or non-	Non accumulation	Non accumulation	Non accumulation	Non accumulation
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital	No	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No	No

【Table 5】

#	Items	110-1B	2023-1	113-2
1	Abbreviation of preferred stock or bond (such as the issue year and period)	P11SCSB3	N/A	P13SCSB1
2	Issuer	The Shanghai Commercial & Savings Bank	Shanghai Commercial Bank	The Shanghai Commercial & Savings Bank
3	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	TW000G101612	XS2531672892	TW000G101737
4	Governing law(s) of the instrument	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.10.2, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.	English Law, except that the subordination provisions shall be governed by the laws of Hong Kong.	According to Regulations Governing the Capital Adequacy and Capital Category of Banks Art.11.3, which are enacted according to Art.44.4 of The Banking Act of The Republic of China.
	Regulatory treatment			
5	Capital category	Additional Tier 1 capital	Tier 2 capital	Tier 2 capital
6	Capital calculation	All	The last five years are declining by 20% year after year.	The last five years are declining by 20% year after year.
7	standalone/consolidated/standalone and consolidated eligible capital instruments	standalone and consolidated	consolidated	standalone and consolidated
8	Capital instrument category	Perpetual non-cumulative subordinated bond	Long-term subordinated bond	Long-term subordinated bond
9	Amount recognised in regulatory capital	NT$1,070M	HK$2,706M	NT$2,500M
10	Par value of instrument	NT$1,070M	US$350M	NT$2,500M
11	Accounting classification	Liabilties-Bank debentures	Liabilties-Bank debentures	Liabilties-Bank debentures
12	Original date of issuance	26-Oct-22	28-Feb-23	29-Mar-24
13	Perpetual or dated	Perpetual	Dated	Dated
14	Original maturity date	No maturity	28-Feb-33	29-Jun-34
15	Issuer call subject to prior supervisory approval	No	Yes	No
16	Redemption clause	After the term of the bond has expired for five years from the date of issue, the ratio of eligible capital to the risk-weighted assets after the redemption is still in line with the minimum ratio of Art. 5.1 of Regulations Governing the Capital Adequacy and Capital Category of Banks. With the consent of the competent authority, the Bank may redeem in advance; and announce it 30 days before the scheduled redemption date, pay interest at the denomination, and redeem it in full.	One-off call date: 28 February 2028. Additional optional redemption in whole at 100% of principal amount with accrued interest for taxation reasons, tax deductions reasons and regulatory reasons. Redemption amount subject to adjustment following occurrence of a Non-Viability Event. Redemption subject to prior written consent of the HKMA.	No
17	Conversion terms for convertible subordinated bonds or convertible preferred shares	No	No	No
	Coupons / dividends			
18	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
19	Coupon rate and any related index	3.25%	6.375%	1.95%
20	Is there a condition for stopping the payment of common stock dividends (ie, when the capital instruments have no payment of interests or dividends, is there any restriction on the payment of common stock dividends)?	No	No	No
21	For interest/dividend payment, the issuer has fully discretionary, partially discretionary or mandatory, and please state the relevant terms and conditions.	Partially discretionary,when the bank did not have earnings in the previous fiscal year and did not distribute common stock dividends (including cash and stock dividends), it cannot pay interest. For more details, please refer to the issuance regulations.	Mandatory,fixed until 28 February 2028 and thereafter reset to a new fixed rate equal to the sum of the then prevailing U.S. Treasury Rate and the Spread at Pricing.	Mandatory, there are no provisions regarding deferred or non-payment of interest in the issuance regulations.
22	Is there an interest rate plus agreement or other redemption incentives?	No	No	No
23	interest/dividend is cumulative or non-	Non accumulation	Cumulative	Non accumulation
24	Whether or not the conditions for the issuance of the holders of such capital instruments are the same as those of ordinary shareholders in the event of the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up the business, or liquidate the bank.	Yes	Yes	Yes
25	Issued before December 31, 2012, the transition period for Art.13 is applied because it does not meet the conditions of the capital instruments as stipulated in Art. 10.2 and Art.11.3 of Regulations Governing the Capital	No	No	No
26	If yes, please indicate the characteristics of Art.10.2 and Art.11.3 that do not meet the "Regulations Governing the Capital Adequacy and Capital Category of Banks"	No	No	No

【Table 6】

Summary comparison of accounting assets vs leverage ratio exposure measure
Jun-30-2024

(Unit: NT$1,000)

	項　目	Standalone		Consolidated	
		Jun-30-2024	Mar-31-2024	Jun-30-2024	
1	Total assets as per published financial statements	1,578,298,161	1,575,529,181	2,450,299,099	
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(71,885,152)	(68,371,152)	(5,564,814)	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure				
4	Adjustments for derivative financial instruments	(1,268,059)	(261,128)	681,477	
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	83,858	132,943	83,858	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	118,641,536	120,106,974	152,693,231	
7	Other adjustments	(1,222,562)	(1,143,609)	(1,721,516)	
8	**Leverage ratio exposure measure**	**1,622,647,782**	**1,625,993,209**	**2,596,471,335**	

【Table 6-1】

Leverage ratio common disclosure template

Jun-30-2024

(Unit: NT$1,000 , %)

	Items	Standalone		Consolidated	
		this quarter	last quarter	this quarter	
		Jun-30-2024	Mar-31-2024	Jun-30-2024	
	On-balance sheet exposures				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs))	1,561,387,788	1,566,684,117	2,431,903,970	
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(71,885,152)	(68,371,152)	(5,564,814)	
3	**Total on-balance sheet exposures** **(excluding derivatives and SFTs)** **(sum of rows 1 and 2)**	1,489,502,636	1,498,312,965	2,426,339,156	
	Derivative exposures				
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin)	627,615	756,400	1,203,102	
5	Add-on amounts for PFE associated with all derivatives transactions	1,111,683	1,382,840	3,471,534	
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework				
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)				
8	(Exempted CCP leg of client-cleared trade exposures)				
9	Adjusted effective notional amount of written credit derivatives				
10	(Adjusted effective notional offsets and add-on deductions for written credit				
11	**Total derivative exposures** **(sum of rows 4 to 10)**	1,739,298	2,139,240	4,674,636	
	Securities financing transaction exposures				
12	Gross SFT assets (with no recognition of netting)	12,680,454	5,301,087	12,680,454	
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)				
14	CCR exposure for SFT assets	83,858	132,943	83,858	
15	Agent transaction exposures				
16	**Total securities financing transaction exposures** **(sum of rows 12 to 15)**	12,764,312	5,434,030	12,764,312	
	Other off-balance sheet exposures				
17	Off-balance sheet exposure at gross notional amount	497,118,556	503,762,190	675,780,670	
18	(Adjustments for conversion to credit equivalent amounts)	(378,477,020)	(383,655,216)	(523,087,439)	
19	**Off-balance sheet items** **(sum of rows 17 and 18)**	118,641,536	120,106,974	152,693,231	
	Capital and total exposures				
20	**Tier 1 capital**	118,275,030	127,751,788	210,223,458	
21	**Total exposures** **(sum of rows 3, 11, 16 and 19)**	1,622,647,782	1,625,993,209	2,596,471,335	
	Leverage ratio				
22	**Leverage ratio**	7.29%	7.86%	8.10%	

【Table 7】

Bank risk management approach
2024

Items	Content
1.How the business model determines and interacts with the overall risk profile and how the risk profile of the bank interacts with the risk tolerance approved by the board.	SCSB classifies its main risks as credit risk, market risk, operational risk, liquidity risk, bank interest rate risk and sovereign risk. Each business unit plans business and risk allocation in correspondence with risk tolerance set by the Board. To assure business exposures in line with SCSB's risk limits, SCSB's risk management units monitor and report risk profiles to President of SCSB and the Board on a regularly basis.
2.The risk governance structure	The board of directors is the final decision-making unit in SCSB's risk management structure, and takes ultimately responsibility for SCSB's overall risk management. To strengthen risk management, SCSB has organized the Risk Management Committee for counseling with the Board. To ensure independence, Auditing Department is organized under the Board that performing audits independently from business units and CEO. There are the Assets and Liabilities Management Committee, the Credit Review Committee and the Investment Review Committee under the President for managing SCSB's assets and liabilities, credit risk management and investment risk management respectively; Also, to strengthen operation controlling , there are operation centers that handle credit checks, estimates, credit reviews, drawdown, settlements, and check clearings imports and exports documents.
3.Channels to communicate, decline and enforce the risk culture within the bank	SCSB's bank-wide risk management policy is approved by the Board of Directors. The president is responsible for executing strategies and policy concerning business plan and risk policy which is set by the Board. Under the president, there are Risk Management Department and risk management managers of business units who are responsible for daily risk management monitoring and reporting to the top management committee timely and on a regularly basis.
4.The scope and main features of risk measurement systems.	Risk-related systems deployed on the mainframes are credit checking system, KONDOR PLUS system, the MGR system, and the Ulsteck bond trading system which are maintained by designated business units. The operation centers are entrusted by the business units to provide credit assessments and estimates. Credit reports filed by branches are sent to the operation centers for review, which are then approved and signed online. This system has improved efficiency and helped built a more comprehensive credit database. The KONDOR PLUS system, MGR system and Ulsteck bond trading system are outsourced software systems, which provide real-time control and daily valuation. The results are then transmitted to SCSB's EDW system for the risk management units to perform required measurement and control of credit risks.
5.Description of the process of risk information reporting provided to the board and senior management, in particular the scope and main content of reporting on risk exposure.	The Risk Management Department has to report risk information together with material risk issues to the the Board of Directors quarterly. For more timely managing of risk, the Risk Management Department reports to top managements and related committees at least but not limit to every month.
6.Qualitative information on stress testing (eg portfolios subject to stress testing, scenarios adopted and methodologies used, and use of stress testing in risk management).	The scope of stress testing covers from credit risk, market risk, operational risk, banking book interest rate risk, liquidity risk, SCSB's large exposure to concentration risk and risk is interested as well. Testing scenario is decided according to the current business exposures and overall macro economics while testing methodology complies with guidelines of SCSB's stress testing set by government supervisor, also.
7.The strategies and processes to manage, hedge and mitigate risks that arise from the bank's business model and the processes for monitoring the continuing effectiveness of hedges and mitigants.	In order to decrease credit risks, loan purpose and repayment of clients are required along with credit review. Moreover, use of collaterals or credit guarantee funds is set forth in the credit policies of Corporate and Personal Banking Departments as the further risk reduction tools. Document reviews or on-site inspections of loan purpose and business condition are conducted on a regular basis to ensure clients prepayment capacity. To enhance SCSB's credit spread pricing, the Corporate and Personal Banking Departments use a credit rating system to price loan interest rate. SCSB also regulate credit limitation, as applied to a single counterparty or group, industry, sovereign t, to avoid excessive risk concentration. As for reducing market risk, the predefined market risk tolerances are monitored on daily basis. In addition, all sophisticated securities investment has to be approved by top managements before placing out. As a whole, Management Department of SCSB has to monitor and report risk to top managements on daily basis, which keep senior management's well informed on the SCSB's risk profile timely.

【Table 8】

Key metrics

Jun-30-2024

(Unit: NT$1,000；%)

		Jun-30-2024	Mar-31-2024	Dec-31-2023	Sep-30-2023	Jun-30-2023
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	110,205,030	119,681,788	116,201,227	110,459,775	108,294,786
1a	Fully loaded ECL accounting mode	110,205,030	119,681,788	116,201,227	110,459,775	108,294,786
2	Tier 1	118,275,030	127,751,788	124,271,227	118,529,775	116,364,786
2a	Fully loaded ECL accounting model Tier 1	118,275,030	127,751,788	124,271,227	118,529,775	116,364,786
3	Total capital	144,070,276	155,352,246	148,527,686	143,884,962	141,374,835
3a	Fully loaded ECL accounting model total capital	144,070,276	155,352,246	148,527,686	143,884,962	141,374,835
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	1,004,947,320	995,838,885	972,368,848	967,259,297	960,442,149
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	10.97%	12.02%	11.95%	11.42%	11.28%
5a	Fully loaded ECL accounting model CET1 (%)	10.97%	12.02%	11.95%	11.42%	11.28%
6	Tier 1 ratio (%)	11.77%	12.83%	12.78%	12.25%	12.12%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	11.77%	12.83%	12.78%	12.25%	12.12%
7	Total capital ratio (%)	14.34%	15.60%	15.27%	14.88%	14.72%
7a	Fully loaded ECL accounting model total capital ratio (%)	14.34%	15.60%	15.27%	14.88%	14.72%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)					
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.77%	6.83%	6.78%	6.25%	6.12%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	1,622,647,782	1,625,993,209	1,637,132,861	1,657,874,020	1,629,549,478
14	Basel III leverage ratio (%) (row 2 /row 13)	7.29%	7.86%	7.59%	7.15%	7.14%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13)	7.29%	7.86%	7.59%	7.15%	7.14%
	Liquidity Coverage Ratio (LCR)					
15	Total high-quality liquid assets	327,814,238	327,273,626	367,185,957	365,148,186	353,774,423
16	Total net cash outflow	264,497,597	259,669,231	279,268,425	308,150,615	294,197,385
17	LCR ratio (%)	123.94%	126.03%	131.48%	118.50%	120.25%
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	1,080,149,176	1,096,172,686	1,115,355,471	1,107,844,836	1,092,488,697
19	Total required stable funding	916,825,504	910,350,299	919,158,902	913,917,149	894,448,814
20	NSFR ratio(%)	117.81%	120.41%	121.35%	121.22%	122.14%

【Table 9】

Overview of RWA (standalone)

Jun-30-2024

(Unit: NT$1,000)

items		RWA		Minimum capital requirements
		30-Jun-24	31-Dec-23	30-Jun-24
1	Credit risk (excluding counterparty credit risk) (CCR)	876,647,943	871,805,300	70,131,835
2	Of which standardised approach (SA)	876,647,943	871,805,300	70,131,835
3	Of which internal rating-based (IRB)			
4	Counterparty credit risk	1,746,609	1,483,677	139,729
5	Of which standardised approach for counterparty credit risk (SA-CCR)	1,746,609	1,483,677	139,729
6	Of which internal model method (IMM)			
7	Equity positions in banking book under market-based approach			
8	Equity investments in funds – look-through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall-back	149,220	149,220	11,938
11	Equity investments in funds – combination of the three approaches			
12	Settlement risk	0	0	0
13	Securitisation exposures in banking book	739,770	1,161,459	59,182
14	Of which IRB ratings-based approach (RBA)			
15	Of which IRB Supervisory Formula Approach (SFA)			
16	Of which SA/simplified supervisory formula approach (SSFA)	739,770	1,161,459	59,182
17	Market risk	76,194,050	48,299,464	6,095,524
18	Of which standardised approach (SA)	76,194,050	48,299,464	6,095,524
19	Of which internal model approaches (IMM)			
20	Operational risk	49,469,728	49,469,728	3,957,578
21	Of which Basic Indicator Approach	49,469,728	49,469,728	3,957,578
22	Of which Standardised Approach			
23	Of which Advanced Measurement Approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight)			
25	Floor adjustment			
26	Total	1,004,947,320	972,368,848	80,395,786

【Table 9-1】

Overview of RWA（consolidated）

Jun-30-2024

(Unit: NT$1,000)

	items	RWA		Minimum capital requirements
		30-Jun-24	31-Dec-23	30-Jun-24
1	Credit risk (excluding counterparty credit risk) (CCR)	1,369,541,967	1,385,293,052	109,563,357
2	Of which standardised approach (SA)	1,369,541,967	1,385,293,052	109,563,357
3	Of which internal rating-based (IRB)			
4	Counterparty credit risk	4,872,946	3,454,833	389,836
5	Of which standardised approach for counterparty credit risk (SA-CCR)	4,872,946	3,454,833	389,836
6	Of which internal model method (IMM)			
7	Equity positions in banking book under market-based approach			
8	Equity investments in funds – look-through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall-back	149,220	149,220	11,938
11	Equity investments in funds – combination of the three approaches			
12	Settlement risk	0	0	0
13	Securitisation exposures in banking book	739,770	1,161,460	59,182
14	Of which IRB ratings-based approach (RBA)			
15	Of which IRB Supervisory Formula Approach (SFA)			
16	Of which SA/simplified supervisory formula approach (SSFA)	739,770	1,161,460	59,182
17	Market risk	98,605,561	69,433,996	7,888,445
18	Of which standardised approach (SA)	98,605,561	69,433,996	7,888,445
19	Of which internal model approaches (IMM)			
20	Operational risk	77,354,590	77,354,590	6,188,367
21	Of which Basic Indicator Approach	77,354,590	77,354,590	6,188,367
22	Of which Standardised Approach			
23	Of which Advanced Measurement Approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight)			
25	Floor adjustment			
26	Total	1,551,264,054	1,536,847,151	124,101,124

【Table 13】

General qualitative information about credit risk
2024

Items		Contents
1	How the business model translates into the components of the bank's credit risk profile	Corporate banking remained the core business. SCSB also made continued effort to upgrade the rest of business units, they are: foreign exchange business, Cross-Strait Banking, SME finance, Personal Banking and Wealth Management. Based on the risk strategy, risk appetite and business profit targets approved by the Board of Directors, the Bank established appropriate credit risk management policies, formulated various business credit risk management regulations, such as risk pricing and limits, and strengthened risk dispersion principles to effectively reduce concentration risks. , and pre-transaction risk management and measurement, regular review after the transaction and asset quality monitoring, etc., to determine the management basis of each product business or
2	Criteria and approach used for defining credit risk management policy and for setting credit risk limits	SCSB has developed a credit risk management policy in accordance with the Banking Law and applicable regulations, and the SCSB Risk Management Policy. SCSB conducts businesses in credit, investment and financial derivatives in strict compliance with the Banking Act and applicable laws and regulations, and in alignment with government policies for economic and financial development, while balancing security, liquidity, profitability, growth and public benefits. Strategy for credit risk management seeks risk diversification, prudent evaluation based on the 5P principles, and a right balance between risk and return. The risk management process grants credit authorization to heads of business units and regional centers. Pursuant to the Banking Act and SCSB credit risk management policies, individual customers, groups, industries, and countries (regions) are subject to credit limits in order for the Bank to avoid excessive risk concentration.
3	Structure and organisation of the credit risk management and control function	SCSB's risk management is led by the Board of Directors, with the Risk Management Committee overseeing risk management across SCSB. The Assets and Liabilities Management Committee reports to the President and is responsible for managing SCSB's assets and liabilities, while an independent Risk Management Department is responsible for establishing and implementing a Bank-wide risk management mechanism. Each unit has set up dedicated risk management teams, according to its size, importance and complexity, for implementing risk management. In addition, there are the Credit Review Committee and the Investment Review Committee under the President responsible for credit risk management and investment risk management respectively; and the operation centers that handle credit checks, estimates, credit reviews, drawdowns, settlements, and check clearings. Foreign exchange is handled by the foreign exchange division of branches where each operation center is located.
4	Relationships between the credit risk management, risk control, compliance and internal audit functions	A comprehensive system of internal auditing and self-checking has been established, and compliance officers are appointed. Work guidelines are in place for routine operations, and all transactions are monitored by computer systems. The compliance department and the compliance officer of all departments and operating units should be responsible for enhancing awareness of compliance. The internal audit checks the compliance and implementation of the nuclear credit risk specification and is directly responsible to the board of directors. Regularly check and evaluate the integrity and actual implementation of various risk management mechanisms, and provide improvement suggestions in a timely manner to ensure the sustainable and effective implementation of various risk management mechanisms.
5	Scope and main content of the reporting on credit risk exposure and on the credit risk management function to the executive management and to the board of directors	SCSB has set up a Risk Management Department to monitor reports and integrate Bank-wide risk management .A Board - level Risk Management Committee is set up to oversee risk controls and the Risk Management Department reports Bank-wide risk status regularly to the Board of Directors. The report contains information on national, industry, group, single customer, liquidity and other business risks. Establish a clear notification procedure, each transaction has a limit and stop loss provisions, if the transaction reaches the stop loss limit should be executed immediately; if the stop loss is not implemented, the transaction unit should indicate the non-stop reason and response plan, report to the higher management level Approved and reported to the Committee on Accountability on a regular basis.
6	Core features of policies and processes for, and an indication of the extent to which the bank makes use of, on-and off-balance sheet	When the following requirements are met, the Bank can reduce the credit risk by offsetting the in-table liabilities to the table: 1. Have a sound legal basis: ensure that the net settlement or write-off agreement is in the jurisdiction, and whether there is no counterparty The solvency is both mandatory; 2. It can determine that all assets and liabilities of the same counterparty have been included in the bank's net settlement contract; 3. There are appropriate control measures for significant risks on a net basis.
7	Core features of policies and processes for collateral evaluation and management.	The Bank has adopted a number of policies and measures to reduce credit risk for credit business. One of the main methods is to require borrowers to provide collateral. The collateral provided by the borrower shall be subject to compliance, independence, reliability, and realizable value to ensure the creditor's rights of the Bank. The Bank shall determine the conditions of the collateral and the procedures for the valuation, management and disposal of the collateral to ensure the creditor's rights of the Bank. The collateral of other non-credit business is determined by the nature of the financial instrument. Only asset-based securities and other similar financial instruments are secured by a group of asset instruments.
8	Information about market or credit risk concentrations under the credit risk mitigation instruments used (ie by guarantor type, collateral and credit derivative providers).	1.In order to mitigate credit risks, checks on the client's credit, use of funds and ability for loan repayment are required before every credit transaction. Additionally, the use of collaterals or credit guarantee funds as risk reduction tools is set forth in the credit policies of Corporate and Personal Banking Departments. Document reviews or on-site inspections are conducted on a regular basis regarding clients' use of funds, operations, finances, and repayment ability to ensure the claims. 2.In order to strengthen SCSB's credit risk control, the Corporate and Personal Banking Departments use a credit rating system to aid their credit decision-making and loan interest rate setting. This helps increase credit quality and makes credit pricing more objective and reasonable. 3.Pursuant to the Banking Act and SCSB credit risk management policies, individual customers, groups, industries, and countries (regions) are subject to credit limits in order for the Bank to avoid excessive risk concentration.

【Table 14】

Credit quality of assets

Jun-30-2024

(Unit: NT$1,000)

Items		Gross carrying values of		Allowances/ impairments C	Net values D
		Defaulted exposures A	Non-defaulted exposures B		
1	Loans	5,517,583	877,612,167	1,762,698	881,367,052
2	Debt Securities	0	420,764,221	0	420,764,221
3	Off-balance sheet	3,111	487,292,811	873	487,295,049
4	Total	5,520,694	1,785,669,199	1,763,571	1,789,426,322

【Table 15】

Changes in stock of defaulted loans and debt securities

Jun-30-2024

(Unit: NT$1,000)

Items		Amounts A
1	Defaulted loans and debt securities at end of the previous reporting period	1,459,970
2	Loans and debt securities that have defaulted since the last reporting period	6,954,241
3	Returned to non-defaulted status	130,507
4	Amounts written off	2,437,874
5	Other changes	(328,247)
6	Defaulted loans and debt securities at end of the reporting period	5,517,583

【Table 16】

Additional disclosure related to the credit quality of assets
2024

Items		Contents
1	The scope and definitions of “past due” and “impaired” exposures used for accounting purposes and the differences, if any, between the definition of past due and default for accounting and regulatory purposes.	The impaired and default definitions for accounting and regulatory purposes refer to those loans for which the principal or interest has been in arrears for three months or more, and those loans which the principal or interest has not yet been in arrears for more than three months, but with regard to which the bank has sought payment from primary/subordinate debtors or has disposed of collateral. The so-called "payment period" in the first paragraph shall be the agreed-upon date for restructured loans and other extensions of credit. However, if the bank requests earlier repayment inaccordance with contract, the repayment period of which the bank notifies the debtor shall be the payment period. The impaired exposures include the aforementioned default definition and objective evidence of impairment held by the Bank. The impaired and default definitions for regulations of capital adequacy:the loan has been in arrears for three months or more. The “impaired”and default definitions for accounting purposes could include objective evidence of impairment, which might have wider scope than the definitions used for regulations of capital adequacy.
2	The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.	The exposures that overdue more than 90 days are impaired.
3	Description of methods used for determining impairments.	Objective evidence of impairment for a portfolio of loans and receivables could include the Group’s past experience with collecting payments, an increase in the number of delayed payments in the credit portfolio, as well as observable changes in national or local economic conditions that correlate with defaults on such financial assets.
4	The bank’s own definition of a restructured exposure.	

【Table 17】

Credit risk mitigation

Jun-30-2024

(Unit: NT$1,000)

Items		Exposures unsecured: carrying amount A	Exposures secured by collateral B	Exposures secured by collateral, of which: secured amount C	Exposures secured by financial guarantees D	Exposures secured by financial guarantees, of which: secured amount E	Exposures secured by credit derivatives F	Exposures secured by credit derivatives, of which: secured amount G
1	Loans	811,727,042	28,339,480	23,597,204	41,300,530	41,300,530	0	0
2	Debt securities	420,764,221	0	0	0	0	0	0
3	Total	1,232,491,263	28,339,480	23,597,204	41,300,530	41,300,530	0	0
4	Of which defaulted	3,172,973	0	0	424,637	424,637	0	0

【Table 18】

Qualitative disclosures on banks’ use of external credit ratings under the standardised approach for credit risk

2024

<table>
<tr><th colspan="2">Items</th><th>Contents</th></tr>
<tr><td></td><td>Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) used by the bank, and the reasons for any changes over the reporting period</td><td rowspan="4">The should be followed the rule of "the Methods for calculating Bank's regulatory capital and Risk Weighted Assets" that is issued by the competent authority.</td></tr>
<tr><td>2</td><td>The asset classes for which each ECAI or ECA is used</td></tr>
<tr><td>3</td><td>A description of the process used to transfer the issuer to issue credit ratings onto comparable assets in the banking book</td></tr>
<tr><td>4</td><td>The alignment of the alphanumerical scale of each agency used with risk buckets (except where the relevant supervisor publishes a standard mapping with which the bank has to comply).</td></tr>
</table>

【Table 19】

Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

Jun-30-2024

(Unit: NT$1,000，%)

Items		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes		On-balance sheet amount A	Off-balance sheet amount B	On-balance sheet amount C	Off-balance sheet amount D	RWA E	RWA density F
1	Sovereigns and their central banks	258,575,100	0	258,575,100	0	3,027,704	1.17%
2	Non-central government public sector entities	13,721,083	821,964	13,721,083	164,393	8,187,152	58.96%
3	Banks(including Multilateral development banks and central	173,998,303	264,565	173,998,303	264,565	73,890,970	42.40%
4	Corporates(including Securities firms and Insurance company)	299,599,581	460,284,488	283,398,813	47,997,580	303,261,537	91.51%
5	Retail portfolios	76,031,086	5,842,540	68,637,216	3,220,744	40,367,986	56.18%
6	Secured by real estate	554,068,964	20,082,365	554,066,397	18,471,347	369,909,580	64.61%
7	Equity	17,082,386	0	17,082,386	0	39,463,148	231.02%
8	Equity investments in funds、venture capital	11,938	0	11,938	0	149,220	1249.96%
9	Other assets	46,691,364	0	46,691,364	0	38,539,866	82.54%
10	Total	1,439,779,805	487,295,922	1,416,182,600	70,118,629	876,797,163	58.99%

【Table 20】

Standardised approach – exposures by asset classes and risk weights

Jun-30-2024

(Unit: NT$1,000;%)

	Risk weight* / Asset classes	0%	2%	4%	10%	20%	35%	50%	75%	100%	150%	250%	1250%	LTA	MBA	FBA	Combination	Residential	Commercial	ADC	Total credit exposures amount (post CCF and post-CRM)
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
1	Sovereigns and their central banks	249,947,829	0	0	0	5,325,601	0	2,678,173	0	623,497	0	0	0	0	0	0	0	0	0	0	258,575,100
2	Non-central government public sector entities	0	0	0	0	2,603,497	0	7,231,053	0	4,050,926	0	0	0	0	0	0	0	0	0	0	13,885,476
3	Banks(including Multilateral development banks and central counterparties)	7,424,776	0	0	0	39,333,485	0	122,960,668	0	4,543,939	0	0	0	0	0	0	0	0	0	0	174,262,868
4	Corporates(including Securities firms and Insurance company)	0	0	0	0	16,460,472	0	30,029,713	0	284,809,451	96,757	0	0	0	0	0	0	0	0	0	331,396,393
5	Retail portfolios	0	0	0	0	29,893,678	0	0	30,300,130	11,664,152	0	0	0	0	0	0	0	0	0	0	71,857,960
6	Secured by real estate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	336,534,618	181,089,833	54,913,293	572,537,744
7	Equity	0	0	0	0	0	0	0	0	2,161,877	0	14,920,509	0	0	0	0	0	0	0	0	17,082,386
8	Equity investments in funds、venture capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,938	0	0	0	0	11,938
9	Other assets	10,566,868	0	0	0	0	0	0	0	34,514,250	0	1,610,246	0	0	0	0	0	0	0	0	46,691,364
10	Total	267,939,473	0	0	0	93,616,733	0	162,899,607	30,300,130	342,368,092	96,757	16,530,755	0	0	0	11,938	0	336,534,618	181,089,833	54,913,293	1,486,301,229

【Table 27】

Qualitative disclosure related to counterparty credit risk

2024

Items		Contents
Risk management objectives and policies related to counterparty credit risk, including:		
1	The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures;	The bank sets the counterparty limit based on the credit risk policy. The credit risk limit is based on the credit quality of the counterparty and the risk appetite of the Bank for the potential future risk of the transaction.（ex: 95% confidence interval）
2	Policies relating to guarantees and other risk mitigants and assessments concerning counterparty risk, including exposures towards CCPs	Policies of credit risk hedging or mitigation a. Collateral The Bank applies series of policies to decrease credit risks in its lending business. Among those policies is to request collateral from borrowers. To secure the creditor's rights, the Bank has established procedures for pledges, valuations, management, and disposals of collateral. The contracts between the Bank and the borrowers clearly state the protocols, including but not limited to the security of credit, procedures for collateral and for offsets. To further decrease credit risks, the contracts also proclaim that the Bank may decrease the credit facilities at its discretion, accelerate the maturity of the borrowings, demand immediate payback, or offset borrowers' assets in the Bank against the borrowings.
		b. Limitation of credit risk and credit concentration management The credit policies of the Bank regulate the credit limitations, as applied to a single counterparty or group, to avoid excessive credit concentration. The Bank further implements concentration policies, which monitor and manage the credit limitation and concentration in one single counterparty, different enterprises, related parties, industries, and countries. The policies are based on individual criteria in different categories including but not limited to industries, enterprises, and share-pledge related loans.
		c. Other mechanisms for credit risk management The contracts between the Bank and the borrowers clearly state the protocols, including but not limited to the security of the credit, procedures for collateral and setoff. To further decrease credit risks, the contracts also proclaim that the Bank may decrease the balances, shorten the maturity period, demand immediate payback, or use borrowers' assets in the Bank to offset their liabilities. In most circumstances, the Bank applies gross settlement with counterparties. However, to further decrease credit risks, the Bank applies net settlement or even terminates transactions with certain counterparties when default may occur.
3	Policies with respect to wrong-way risk exposures	The Bank doesn't formulate the policy of Wrong Way Risk.
4	The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade.	The Bank is based on a contract with a counterparty. When the Bank's credit rating is lowered, the amount of the collateral is required.

【Table 28】

Analysis of counterparty credit risk (CCR) exposure by approach

Jun-30-2024

(Unit: NT$1,000)

	項目	Replacement cost A	Potential future exposure B	EEPE C	Alpha used for computing regulatory EAD D	EAD post-CRM E	RWA F
1	SA-CCR (for derivatives)	627,615	1,111,683		1.4	2,434,685	1,209,165
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)					535,752	467,147
5	Internal Model Method (VaR for SFTs)						
6	Total						1,676,312

【Table 29】

Credit valuation adjustment (CVA) capital charge

Jun-30-2024

(Unit: NT$1,000)

Items		EAD post-CRM A	RWA B
Total portfolios subject to the Advanced CVA capital charge			
1	(1)VaR component (including the 3×multiplier)		
2	(2)Stressed VaR component (including the 3×multiplier)		
3	All portfolios subject to the Standardised CVA capital charge	4,482	70,297
4	Total subject to the CVA capital charge		

【Table 30】

Standardised approach – CCR exposures by regulatory portfolio and risk weights

Jun-30-2024

(Unit: NT$1,000)

Regulatory portfolio* \ Risk weight*		0%	2%	4%	10%	20%	50%	75%	100%	150%	1250%	Total credit exposure
1	Sovereigns	0	0	0	0	0	0	0	0	0	0	0
2	Non-central government public sector entities	0	0	0	0	0	0	0	0	0	0	0
3	Banks(including Multilateral development banks and central counterparties)	60,622	0	0	0	260,123	2,002,122	0	10,617	0	0	2,333,484
4	Corporates(including Securities firms and Insurance company)	0	0	0	0	0	43,474	0	583,052	0	0	626,526
5	Retail portfolios	0	0	0	0	0	0	10,428	0	0	0	10,428
6	Other assets	0	0	0	0	0	0	0	0	0	0	0
7	Total	60,622	0	0	0	260,123	2,045,596	10,428	593,668	0	0	2,970,438

【Table 32】

Composition of collateral for CCR exposure

Jun-30-2024

(Unit: NT$1,000)

Items	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency						
Cash – other currencies		2,412,525		943,971		
Domestic sovereign debt					7,823,972	7,314,809
Other sovereign debt						
Government agency debt						
Corporate bonds					4,920,302	0
Financial bonds					0	0
Equity securities						
Other collateral					0	507,357
Total	0	2,412,525	0	943,971	12,744,274	7,822,166

【Table 33】

Credit derivatives exposures

Jun-30-2024

(Unit: NT$1,000)

Items	Protection bought	Protection sold
Notionals		
Single-name credit default swaps		
Index credit default swaps		
Total return swaps		
Credit options		
Other credit derivatives		
Total notionals		
Fair values		
Positive fair value (asset)		
Negative fair value (liability)		

【Table 35】

Exposures to central counterparties

Jun-30-2024

(Unit: NT$1,000)

	項目	EAD (post-CRM) A	RWA B
1	**Exposures to QCCPs (total)**		
2	Exposures for trades at QCCPs (excluding initialmargin and default fund contributions); of which		
	(1) OTC derivatives		
	(2) Exchange-traded derivatives		
	(3) Securities financing		
	(4) Netting sets where cross-product netting has been		
3	Segregated initial margin		
4	Non-segregated initial margin		
5	Pre-funded default fund contributions		
6	Unfunded default fund contributions		
7	**Exposures to non-QCCPs (total)**		
8	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
	(1) OTC derivatives		
	(2) Exchange-traded derivatives		
	(3) Securities financing		
	(4) Netting sets where cross-product netting has been approved		
9	Segregated initial margin		
10	Non-segregated initial margin		
11	Pre-funded default fund contributions		
12	Unfunded default fund contributions		

【Table 36】

Operational risk
2024

Items	Contents
1.Strategies and Procedures for Operational Risk Management	For the management of operational risks, SCSB makes a division of duties to strengthen internal control and carry out training programs for business and regulatory awareness. A comprehensive system of internal auditing and self-checking has been established, and compliance officers are appointed. Work guidelines are in place for routine operations, and all transactions are monitored by computer systems. The Risk Management Department is also developing tools for operational risk management to enable more efficient and effective identification, assessment, monitoring and reporting of major risks.
2.Organization and Structure of Operational Risk Management	Operational risk management applies to all units of SCSB, including the business units, operational management units, and supporting logistical units. Board of Directors: the highest managing and supervisory body. Risk Management Committee: reviewing issues and activities related to risk management. President: establishing risk management procedures approved by the Board of Directors. Auditing Department: responsible for regular inspections of the effectiveness of operational risk management. Compliance Department and Compliance Officers of all departments and operating units: responsible for strengthening awareness of regulatory compliance. Risk Management Department: increasing awareness of the framework of operational risk management. All units and personnel of SCSB: following and implementing the Bank's policies for operational risk management.
3.Scope and Features of Operational Risk Report and Evaluation System	Any major risk exposures identified that can jeopardize SCSB's finances or normal operation, or the financial market in general must be reported to the audit units promptly, and to the regulators if deemed necessary, so that actions may be taken in response. Violations of the law have to be reported by the Compliance Officer to Compliance Department. The Risk Management Department makes regular disclosures on SCSB's operational risks, risk information and other major issues, and reports to the senior management, the Assets and Liabilities Management Committee, the Strategic Planning Committee, the Risk Management Committee, and the Board of Directors. SCSB is developing a control and self-evaluation system for major operational risks and setting up compliance officers and self-audit/self-check procedures as required by law to manage and mitigate operational risks.
4.Hedging or Mitigation Policies for Operational Risk; Strategies and Procedures for Assessing the Effectiveness of Hedging or Mitigation	Based on the severity and frequency of operational risk events, countermeasures such as risk avoidance, risk transfer, risk control and absorption are taken. SCSB reduces level of risk exposure or forgo the business altogether for risks with extremely high frequency and severity. For risks with very low frequency but high severity (significant contingencies), such risks can be transferred with insurance. For risks with very high frequency and low severity, regular internal self-checks, knowing the client, and staff training can facilitate real-time detection of potential risks, so that proper measures can be taken in response. For risk of very low frequency and low severity, losses from such risk can be absorbed by operational costs. For operational risks arising from business activities, potential losses are reduced by strengthening internal controls, risk monitoring and employee training, and transferring risks through insurance or outsourcing.
5.Approach for Legal Capital Requirement	Basic Indicator Approach.

【Table 37】

Legal Capital Requirement for Operational Risk - Basic Indicator Approch and Standard Approch

Jun-30-2024

(Unit: NT$1,000)

Year	Annual Gross Income	Legal Capital Requirement
2021	22,989,440	
2022	27,526,284	
2023	28,635,842	
Total	79,151,566	3,957,578

【Table 38】

Qualitative disclosure requirements related to market risk - standardised approach

2024

Items		Contents
1	Strategies and processes for market risk of the bank	Strategy for market risk management seeks risk diversification and prudent evaluation, with a focus on balancing risk versus return. SCSB has put in place market risk management policies, guidelines for authorization, guidelines for risk management of financial derivatives and investments, and operational procedures for various financial products, which set forth allowed investments, internal controls and risk management measures. Management of market risks is monitored by the responsible units of defense of first-line and second-line based on the approved transactions or investment limits and loss tolerance for financial instruments and trading units set by the Board of Directors. Underlying exposures and profits/losses are reported by the nature of the products on a regular basis. Any overrun, exception or major event has to be reported immediately to the heads of responsible units, who will decide on a response if needed.
2	Structure and organisation of the market risk management function	SCSB's risk management is led by the Board of Directors, under which the Audit Committee is responsible for reviewing major events and procedures for derivative transactions. The purpose of the Risk Management Committee is to oversee risk management policies and strategies, risk management assessment, and risk management mechanisms for novel businesses. The Assets and Liabilities Management Committee reports to the President and is responsible for reviewing Bank-wide market risk limits and procedures, while the Investment Review Committee reviews and approves SCSB's investment in securities. The independent Risk Management Department is responsible for establishing and implementing a Bank-wide risk management mechanism.
3	Scope and nature of risk reporting and/or measurement systems	Market-related risks are managed with the securities system, EDW system, KPMG financial products assessment system (including the Treasury Plus evaluation engine), KONDOR PLUS system, BLOOMBERG system、MGR system, and the Ulsteck ticket/bond trading system deployed on the mainframes. This analysis provides the necessary information to the Risk Management Department for timely control of trading and investment positions, daily evaluations, and other necessary management.

【Table 40】

Market risk-weighted assets under standardised approach

Jun-30-2024 (Unit: NT$1,000)

Items		RWA A
Outright products		
1	Interest rate risk (general and specific)	7,332,769
2	Equity risk (general and specific)	64,947,615
3	Foreign exchange risk	2,995,637
4	Commodity risk	0
Options		
5	Simplified approach	918,029
6	Delta-plus method	
7	Scenario approach	
8	Securitisation	0
9	Total	76,194,050

【Table 45】

Securitisation exposures in the banking book

Jun-30-2024

(Unit: NT$1,000)

Asset classes	Bank acts as originator			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Retail (total) – of which	0	0	0	0	1,849,425	1,849,425
residential mortgage						0
credit card						0
other retail exposures						0
re-securitisation					1,849,425	1,849,425
Wholesale (total) – of which	0	0	0	0	0	0
loans to corporates						0
commercial mortgage						0
lease and receivables						0
other wholesale						0
re-securitisation					0	0
Toal	0	0	0	0	1,849,425	1,849,425

【Table 46】

Securitisation exposures in the trading book

Jun-30-2024

(Unit: NT$1,000)

Asset classes	Bank acts as originator			Banks acts as investor		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Retail (total) – of which						
residential mortgage						
credit card						
other retail exposures						
re-securitisation						
Wholesale (total) – of which						
loans to corporates						
commercial mortgage						
lease and receivables						
other wholesale						
re-securitisation						
Toal						

【Table 47】

Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator

Jun-30-2024

(Unit: NT$1,000)

Items			Exposure values (by RW bands)					Exposure values				RWA				Capital charge after cap			
			≤20% RW A	>20% to 50% RW B	>50% to 100% RW C	>100% to <1250% RW D	1250%E	IRB RBA (including IAA) F	IRB SFA G	SA/SSFA H	1250% I	IRB RBA (including IAA J	IRB SFA K	SA/SSFA L	1250% M	IRB RBA (including IAA N	IRB SFA O	SA/SSFA P	1250% Q
1	Traditional securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total																	
2	Synthetic securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total																	
3	Total exposures																		

【Table 48】

Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

Jun-30-2024

(Unit: NT$1,000)

Items			Exposure values (by RW bands)					Exposure values				RWA				Capital charge after cap			
			≤20% RW A	>20% to 50% RW B	>50% to 100% RW C	>100% to <1250% RW D	1250%E	IRB RBA (including IAA) F	IRB SFA G	SA/SSFA H	1250% I	IRB RBA (including IAA J	IRB SFA K	SA/SSFA L	1250% M	IRB RBA (including IAA N	IRB SFA O	SA/SSFA P	1250% Q
1	Traditional securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation																	
		Of which senior																	
		Of which non-senior																	
		Sub-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Synthetic securitisation	Of which securitisation																	
		Of which retail underlying																	
		Of which wholesale																	
		Of which re-securitisation		1,849,425						1,849,425				739,770				59,182	
		Of which senior		1,849,425						1,849,425				739,770					
		Of which non-senior																	
		Sub-total	0	1,849,425	0	0	0	0	0	1,849,425	0	0	0	739,770	0	0	0	59,182	0
3	Total exposures		0	1,849,425	0	0	0	0	0	1,849,425	0	0	0	739,770	0	0	0	59,182	0

【Table 49】

Interest Rate Risk in the Banking Book Management System

2024

Items	Content
1.Interest Rate Risk in the Banking Book Management Strategies and Procedures.	SCSB has established "Interest Rate Risk Management Standards" which include in setting interest rate risk management indicators, defining the responsibilities of related units, and establishing a mechanism for identifying , measuring ,monitoring and reporting interest rate risk. The standard's establishment and amendment have been approved by the board of directors.
2.Organization and Framework of Interest Rate Risk in the Banking Book Management.	The Board of Directors is the highest decision-making unit for SCSB’s interest rate risk management in the banking book. The supervision unit of SCSB’s interest rate risk is the Asset and Liability Management Committee, the management unit is the Risk Management Department, and the execution unit is each business department and each business unit. The Asset and Liability Management Committee will hold regular monthly review meetings to enable the responsible units to understand the implementation of the interest rate risk in the banking book management, and promoted to the heads of various departments through the ALCO members.
3.Scope and Characteristics of Interest Rate Risk in the Banking Book Reporting and Measurement	To manage the bank’s IRRBB, SCSB uses risk measurement methods such as gap analysis, earnings-based and economic value measures to evaluate the impact on SCSB's future earnings and current capital from adverse movements in interest rates on its banking book. In order to allow senior management and the Board of Directors understand the interest rate risk of the banking book as a reference for decision-making, the Risk Management Department regularly monitors various interest rate risk-related indicators, and reports the results to the Asset and Liability Committee monthly, to the Risk Management Committee and the Board of Directors quarterly.
4.Interest Rate Risk in the Banking Book Hedging or Mitigation Policy, and Strategies and Procedures for Monitoring the Continuing Effectiveness of Hedging and Mitigation Instruments.	Interest rate risk in the banking book management is based on gap analysis. If there are special products and/or activities those significantly affect SCSB's banking book interest rate risk such as issuing fixed-rate financial bonds and undertaking large-scale fixed-rate loans, it will be assessed on a case-by-case basis. SCSB considers all on-balance sheet items in the gap analysis, sets interest rate risk limits and regularly monitors them; if the limit is exceeded, the relevant units will report to the Asset and Liability Management Committee for review and the appropriate measures should be taken in a manner.

【Table 50】

Liquidity risk management
2024

Items	Contents
1.Strategies and Procedures for Liquidity Risk Management	According to the SCSB's liquidity risk management guidelines, the liquidity risk measurement indicators and the assessment of liquidity risk support capabilities, the establishment of monitoring, periodic assessment and immediate reporting mechanisms, and the establishment of the liquidity crisis, SCSB's contingency plan With the relevant units, the appropriate measures should be taken in a timely manner.
2.Organization and Structure of Liquidity Risk Management	The Board of Directors is the highest decision-making unit for liquidity risk management of SCSB, and the Asset and Liability Management Committee reviews and evaluates issues related to liquidity risk management. It usually meets once a month and reports management situation and related recommendations to Risk Management Committee and the Board of Directors on a quarterly basis; Department of Risk Management is the monitoring and reporting unit of various liquidity risk indicators, and the Financial Department is the executive unit that controls the liquidity of the day and the fund scheduling.
3.Scope and Features of Liquidity Risk Report and Evaluation System	To manage liquidity risk,SCSB establishes a management mechanism for various liquidity risk indicator limits. The risk management unit regularly monitors whether indicators such as deposit reserve, current ratio, deposit ratio, and liquidity limit comply with regulations and implementation stress tests. And report the results to Risk Management Committee and the Board of Directors for reference.
4.Funding strategy, including policies on diversification in the sources and tenor of funding, and whether the funding strategy is centralised or decentralised.	SCSB’s funding strategy is to adopt centralized management, planned by the Treasury Department, and reported to the Assets and Liabilities Management Committee for decision-making; in addition to maintaining diversified and stable funding sources, SCSB strives to diversify funding sources and time periods, and has established various liquidity management indicators in terms of asset-liability structure and concentration, which are controlled by the Treasury Department.

Items	Contents
5.Hedging or Mitigation Policies for Liquidity Risk; Strategies and Procedures for Assessing the Effectiveness of Hedging or Mitigation	To properly control the rapid management of the risk, SCSB has established a liquidity risk limit management mechanism, set limits on various management indicators and regularly monitor them; If the limit is exceeded, the relevant units will report to the Asset and Liability Management Committee for review and implementation after responding to the countermeasures. In the event of a major liquidity crisis caused by an emergency,SCSB will adopt appropriate measures following SCSB's emergency response plan to ensure the normal operation of SCSB.
6.An explanation of how stress testing is used.	SCSB conducts a liquidity risk stress test every quarter. The execution procedures are as follows: . At the beginning of each year, based on the results of identifying potential sources of liquidity risks, and determining the scope of the stress test and designing the stress scenario, submitted to the Asset and Liability Management Committee for approval. . For each stress situation, regularly estimate the cash flow and accumulated funding gap of each balance sheet and off-balance sheet items. . If there is a gap, SCSB will evaluate the capital scheduling tools that can be used to make up the negative capital gap, such as the realization of financial assets. . After the stress test result report is produced, it is provided to the Asset and Liability Committee and the Risk Management Committee to take necessary measures to control the risk profile within the risk appetite.
7.An outline of the bank's contingency funding plans.	When the liquidity of funds is in crisis, the Treasury Department should immediately report to the level of Executive Vice President or above, and the Asset and Liability Management Committee should urgently discuss the principles and measures for crisis management, as well as the need to adjust the asset and liability structure, and formulate a comprehensive communication plan to stabilize the confidence of depositors, interbanks, and counterparties. SCSB's emergency response plan is as follows: 1. Borrow from interbanks. 2. Sell short-term bills, government bonds, financial bonds, and (convertible) corporate bonds. 3. Adjust the advertised interest rate and issuing negotiable certificates of deposit. 4. Issue subordinated financial bonds. 5. Sale listed and OTC stocks、beneficiary certificates. 6. Stop loan business and/or sell syndicated loans assets. 7. Rediscount or refinancing with the central bank. 8. Other feasible contingency measures.

【Table 51】

Liquidity Coverage Ratio (LCR)

(Unit: NT$1,000)

Items		Jun-30-2024		Mar-31-2024	
		TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE	TOTAL UNWEIGHTED VALUE	TOTAL WEIGHTED VALUE
HIGH-QUALITY LIQUID ASSETS					
1	**Total high-quality liquid assets (HQLA)**	**370,099,646**	**327,814,238**	**365,742,959**	**327,273,626**
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	625,198,326	44,928,809	624,332,600	44,776,614
3	Stable deposits	261,961,589	8,605,135	262,766,654	8,620,019
4	Less stable deposits	363,236,737	36,323,674	361,565,947	36,156,595
5	Unsecured wholesale funding, of which:	466,010,855	224,686,563	480,823,260	230,660,501
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks				
7	Non-operational deposits (all counterparties)	390,069,393	156,027,757	413,569,126	165,427,650
8	Unsecured debt	68,658,806	68,658,806	65,161,185	65,161,185
9	Secured wholesale funding	7,282,656	0	2,092,949	71,665
10	Additional requirements, of which:	538,633,412	90,664,938	549,163,081	95,273,502
11	Outflows related to derivative exposures and other collateral requirements	44,638,339	44,638,339	50,935,311	50,935,311
12	Outflows related to loss of funding on secured debt products include loss of funding on: assetbacked securities, covered bonds and other structured financing instruments				
13	Credit and liquidity facilities	367,816,438	38,091,013	370,950,019	38,558,060
14	Other contractual funding obligations	5,964,896	5,964,896	3,737,164	3,737,164
15	Other contingent funding obligations	120,213,739	1,970,690	123,540,586	2,042,966
16	**TOTAL CASH OUTFLOWS**	**1,629,842,593**	**360,280,310**	**1,654,318,942**	**370,710,616**
CASH INFLOWS					
17	Secured lending	12,680,454	1,041,116	5,301,087	0
18	Inflows from fully performing exposures	52,866,167	40,067,222	61,088,576	50,648,132
19	Other cash inflows	54,674,375	54,674,375	60,393,254	60,393,254
20	**TOTAL CASH INFLOWS**	**120,220,996**	**95,782,713**	**126,782,917**	**111,041,386**
LIQUIDITY COVERAGE RATIO					
21	TOTAL HQLA		327,814,238		327,273,626
22	TOTAL NET CASH OUTFLOWS		264,497,597		259,669,231
23	LIQUIDITY COVERAGE RATIO (%)		123.94		126.03

【Table 52】

NSFR common disclosure template

(Unit: NT$1,000)

	Items	this quarter Jun-30-2024 Unweighted value by residual maturity No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value	last quarter Mar-31-2024 Unweighted value by residual maturity No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
		a	b	c	d	e	a	b	c	d	e
ASF Item											
1	Capital:	188,802,732	-	-	89,539,150	278,341,882	185,326,664	-	-	91,386,403	276,713,067
2	Regulatory capital	188,802,732	-	-	55,265,543	244,068,275	185,326,664	-	-	57,955,728	243,282,392
3	Other capital instruments	-	-	-	34,273,607	34,273,607	-	-	-	33,430,675	33,430,675
4	Retail deposits and deposits from small business customers:	375,690,637	133,976,061	87,377,031	7,861,978	557,993,701	374,418,689	133,976,061	87,377,031	7,861,978	556,898,512
5	Stable deposits	144,385,610	58,915,148	52,546,564	6,397,900	249,452,856	145,376,899	58,915,148	52,546,564	6,397,900	250,394,581
6	Less stable deposits	231,305,027	75,060,914	34,830,467	1,464,077	308,540,845	229,041,790	75,060,914	34,830,467	1,464,077	306,503,931
7	Wholesale funding:	88,869,564	274,345,959	119,134,650	2,462,743	243,637,830	125,012,125	274,345,959	119,134,650	2,462,743	261,709,111
8	Operational deposits: including deposits in institutional networks of cooperative banks	-	-	-	-		-	-	-	-	
9	Other wholesale funding	88,869,564	274,345,959	119,134,650	2,462,743	243,637,830	125,012,125	274,345,959	119,134,650	2,462,743	261,709,111
10	Liabilities with matching interdependent assets	-	525,665	696,134	-	-	-	463,999	757,800	-	-
11	Other liabilities and equity :	132,338,081	105,640,444	-	-	-	96,195,519	94,454,924	-	-	-
12	Net NSFR derivative liabilities	-				-	-				-
13	All other liabilities and equity not included in the above categories	132,338,081	105,640,444			-	96,195,519	94,454,924			-
14	Total ASF	789,704,402	514,488,130	207,207,815	99,863,871	1,080,149,176	785,091,286	503,240,944	207,269,482	101,711,124	1,096,172,686
RSF Item											
15	Total NSFR high-quality liquid assets					53,071,068					51,548,844
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	-	-	-	-
17	Performing loans and securities:	117,154,844	273,125,072	184,508,686	558,901,640	736,582,657	115,539,085	275,992,690	184,134,583	558,228,254	800,762,445
18	Performing loans to financial institutions secured by Level 1	-	-	-	-	-	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		23,582,440	12,171,517	20,492,309	30,115,433		26,838,242	12,171,517	20,492,309	30,603,803
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	169,214,887	108,975,565	345,737,137	373,108,655	-	169,214,887	108,975,565	345,737,137	439,115,766

	Items	this quarter					last quarter				
		Jun-30-2024					Mar-31-2024				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
		a	b	c	d	e	a	b	c	d	e
21	With a risk weight of less than or equal to 35% under Standardised Approach for credit risk	-	-	-	-	-	-	-	-	-	-
22	Performing residential mortgages, of which:	-	73,563,519	61,302,933	110,345,279	159,387,625	-	73,114,596	60,928,830	109,671,894	158,414,957
23	With a risk weight of less than or equal to 45% under Standardised Approach for credit risk	-	307,195	262,409	62,083,118	40,638,828	-	307,195	262,409	62,083,118	40,638,828
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	117,154,844	6,764,227	2,058,671	82,326,916	173,970,944	115,539,085	6,824,966	2,058,671	82,326,916	172,627,919
25	Assets with matching interdependent liabilities	-	525,665	696,134	-	-	-	463,999	757,800	-	-
26	Other assets:	8,422	14,755,548	180,178	22,617,384	106,810,377	2,959	20,049,798	123,736	21,684,947	37,448,699
27	Physical traded commodities	-	-	-	-	-	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-				-	-				-
29	Net NSFR derivative assets	-				-	-				-
30	20% of derivatives liabilities unweighted value	8,422				8,422	2,959				2,959
31	All other assets not included in the above categories		14,755,548	180,178	22,617,384	106,801,955		20,049,798	123,736	21,684,947	37,445,740
32	Off-balance sheet items	488,019,131				20,361,402	494,474,993				20,590,311
33	Total RSF	648,965,853	739,436,749	238,667,265	690,811,602	916,825,504	653,144,075	655,886,774	219,968,351	689,205,780	910,350,299
34	Net Stable Funding Ratio (%)					117.81					120.41

【Table 53】

Remuneration policy
2024

(A)Information relating to the bodies that oversee remuneration.		
1	Name, composition and mandate of the main body overseeing remuneration	The remuneration committee Duties： 1. Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors and managerial officers. 2. Periodically evaluate and prescribe the remuneration of directors and managerial officers. 3. Other matters to be discussed by the board of directors.
2	External consultants whose advice has been sought, the body by which they were commissioned	None
	and in what areas of the remuneration process.	None
3	A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign branches.	Taiwan
4	**A description of the types of employees**	
	Senior management	President,(First) Executive Vice President
	Other material risk-takers	(First) Deputy Executive Vice President

(B)Information relating to the design and structure of remuneration processes		
1	An overview of the key features and objectives of remuneration policy.	Establish a remuneration policy that combines external market competitiveness and internal fairness to attract, motivate and retain outstanding talents. Cultivate a performance-oriented corporate culture, and implement the bank's business strategy objectives.
2	Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.	Meetings of the remuneration committee shall be held at least 2 times a year. There are no changes of remuneration policy have been proposed in the past year
3	A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee	None

(C)Description of the ways in which current and future risks are taken into account in the remuneration processes.	
Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include an overview of the key risks, their measurement and how these measures affect remuneration.	1.The metrics of sales performance appraisal includes non-financial indicators, and its incentive bonus needs to be withheld 20~30% as deferred bonus. 2.The appointed managers with grades above twelve consider their non-financial indicators and 30% of performance bonus needs to be retained as deferred bonus.

(D)Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.		
1	An overview of main performance metrics for bank, top-level business lines and individuals.	The performance metrics of the bank and individuals are finance, business process, customer service, internal control and learning/growth. As to sales, the metrics are finance, customer service, internal control and learning/growth.
2	A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	Performance pay is based on compensating the employee per individual contribution as well as achieving target. The units with higher earnings target, individuals with higher responsibilities and excellent performance appraisal results can obtain higher incentive bonuses.
3	A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the bank's criteria for determining "weak" performance metrics.	The incentive bonus is linked to the individuals' performance. When the performance metrics are weak, their incentive bonus will reflect accordingly.

(E)Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance.		
1	A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	The incentive bonus are withheld 20~30% and the performance bonus of the appointed managers with grades above twelve are withheld 30% as deferred bonus, and the proportion of deferred bonus is based on the results of non-financial indicators.
2	A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.	The assessment metrics of the deferred bonus is not part of the vested condition.

(F)Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms.		
1	An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms).	There are no different forms of variable remuneration.
2	A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.	There are no different forms of variable remuneration.

(G)Additional information

【Table 57】

Geographical distribution of credit exposures used in the countercyclical capital buffer

Jun-30-2024(Not applicable) (Unit: NT$1,000)

Geographical breakdown	Countercyclical capital buffer rate A	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate D	Countercyclical buffer amount E
		Exposure values B	Risk-weighted assets C		
(Home) Country					
Country 2					
Country 3					
…					
…					
Country N					
Sum(in jurisdictions with a non-zero countercyclical buffer rate)					
Total					