兆豐證券
Mega Securities

2024

SUSTAINABILITY REPORT



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About this Report

Reporting Period

The Mega Securities 2024 Sustainability Report (hereafter referred to as "The Report") discloses the specific actions, performance and outcomes of Mega Securities in the environmental sustainability, sustainable finance, customer commitment, employee care, social prosperity, and corporate governance aspects, as well the management measures adopted in response to the impacts of material topics, between January 1 and December 31, 2024. In 2023, we published our first sustainability report, and will continue to publish a sustainability report on an annual basis. There is no restatement of information in this Report.

Reporting Scope

The financial data in the Report is consistent with the scope of disclosure in the consolidated financial statements of Mega Securities, including the two subsidiaries, Mega Futures Co., Ltd. (hereinafter referred to as "Mega Futures") and Mega International Investment Services Co., Ltd. (hereinafter referred to as "Mega International Investment Services"). The currency used for financial data is the New Taiwan Dollar (NTD) and the data was certified by the accounting firm PwC Taiwan.

The scope of non-financial data disclosure in the Report includes the operating activities of all operating sites of Mega Securities and its subsidiaries. Any inconsistencies between the content of the report and the aforementioned scope will be annotated accordingly.

Reporting principles

Standards Body	Reference Standard
United Nations	Sustainable Development Goals (SDGs) United Nations Global Compact (UNGC)
The Global Reporting Initiative (GRI)	2021 edition of the GRI Standards (GRI Standards 2021)
Taiwan Stock Exchange (TWSE)	Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
Taipei Exchange (TPEx)	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms, Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TPEx Listed Companies
Sustainability Accounting Standards Board (SASB)	Investment Banking & Brokerage
Financial Stability Board (FSB)	Task Force on Climate-related Financial Disclosures (TCFD)

Note：The corresponding chapters and pages of the reporting principles can be found in Appendix 9.2: Comparison Table of Sustainability Standards and Indicators.

Report Quality

Category	Reference Standard	Verification/Assurance Body	Certification Period
Sustainability Information	TWSAE3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (based on ISAE 3000)	• PwC Taiwan	2024
Financial Data	Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant, and Generally Accepted Auditing Standards (GAAS)	• PwC Taiwan	2024
Environmental Data	ISO 14064-1:2018 Greenhouse Gases	• DNV Business Assurance Co. Ltd. (Taiwan) (DNV)	2024
	ISO 14001: 2015 Environmental Management Systems	• British Standards Institution (BSI Taiwan)	2022/9/5~2025/9/4
	ISO 50001: 2018 Energy Management Systems	• SGS Taiwan	2022/10/16~2025/10/16
Social Data	ISO 27001:2013 Information Security Management Systems	• SGS Taiwan	2023/7/12~2025/10/31
	ISO 22301: 2019 Business Continuity Management	• British Standards Institution (BSI Taiwan)	2023/12/28~2026/12/27
	ISO 45001:2018 (formerly OHSAS 18001) Occupational Health and Safety Management Systems	• British Standards Institution (BSI Taiwan)	2023/2/1~2026/1/31
	BS 10012:2017 Personal Information Management System	• SGS Taiwan	2024/11/26 to 2027/11/26

Management Process

Step 1 — Data collection and compilation

- The implementation team under the Mega Securities Sustainable Development Committee collected and compiled the data of each department and subsidiary.

Step 2 — Internal review

- The content was integrated and compiled by thePlanning Office of Mega Securities, and reviewed and approved by the Sustainable Development Committee and reported to the Board of Directors for approval.

Step 3 — External verification

- Independent limited assurance is carried out by PwC Taiwan in accordance with TWSAE3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the Accounting Research and Development Foundation. The independent limited assurance report issued by KPMG can be found under Appendix 9.3 External Independent Assurance Statement.

Step 4 — External disclosure and filing

- Once the layout and composition of the Report has been finalized, it is disclosed on the Mega Securities corporate website (www.megasec.com.tw) and TWSE Market Observation Post System (MOPS).

Feedback

Please do not hesitate to contact us if you have any questions or suggestions regarding the contents or activities in this Report.

Contact Unit: Planning Office, Mega Securities
Contact Address: 11F, No. 95 Sec. 2 Zhongxiao E. Rd. Taipei City
Contact Number: 02-23278988 ext. 7123
E-mail: esg@megasec.com.tw

Mega Securities Sustainability Section | Mega Securities Sustainability Report

Message from the Chairperson

In 2024, the world continued to face the pressure and opportunities of sustainable transformation under the situation of intensifying climate change and frequent resource conflicts. Climate change not only restructures the industrial ecology and supply chain model, but also accelerates the promotion of sustainability policies and net zero pathways by governments around the world. Taiwan also announced the carbon fee collection rate in 2024, which will be officially implemented in 2025. The competent authority will also strengthen the regulations for the disclosure of sustainability information and the reference guidelines for identifying sustainable economic activities. In doing so, the flow of funds to companies with transformation potential and resilience is guided, and the connection model between finance and industrial value restructured.

In December 2023, the Company joined the "Coalition of Movers and Shakers on Sustainable Finance" established by the Financial Supervisory Commission (FSC) to actively take responsibility for leading sustainable transformation. In June 2024, the Company received approval from the SBTi for its science-based emissions reduction targets to set a clear path for carbon reduction, hoping to achieve net zero emissions by 2050. The Company adheres to the core values of "Respect and Inclusion", "Professional Trust", and "Integrity and Accountability" of the Mega Securities Group and is committed to embedding the concept of sustainability into its business strategy.

Committed to net zero - leading the transformation

As a means to achieve Mega Group's net-zero goal, in terms of operation and management, Mega Securities has taken practical actions to take on corporate responsibility for environmental sustainability. All our operating sites have passed ISO 14001 environmental management systems certification, the headquarters building has passed the ISO 50001 energy management system certification and was received the Green Building Diamond Certification. Year by year, we have increased the percentage of green power usage. In terms of business promotion, Mega Securities has incorporated ESG factors into the considerations of investment and financial product design, actively engaged in ESG discussions with investees, and promoted corporate resilience through market mechanisms. In terms of disclosure of sustainability information, Mega Securities is committed to following the “Anti-Greenwashing Declaration” and continuing to reinforce its internal management mechanism. In 2024, the underwriting of sustainability bonds by Mega Securities amounted to NTD 2.1 billion, and we launched the first ETN product in Taiwan with the core design concept of climate net zero to exert our professional influence of the financial sector. By doing this, we prompted the flow of resources into sustainability-centered targets, working hand in hand with corporate partners to move towards a more resilient future.



Chairperson of Mega Securities Co., Ltd.

陳佩君

Chen Pei-Chun

Fight against financial fraud - committed to protecting customers

The Company adheres to the core value of “integrity and accountability" and enforces the Fair Customer Treatment Principles, while actively promoting financial inclusion and digital innovation. We continue to optimize the digital platform and service experience to meet the needs of different generations and asset customers. We have launched products that are convenient and inclusive, such as "Mega Bond", "Mega eShare Deposit" and "MegaLoan" while strengthening the personal data protection mechanism. We have also passed the third-party certification - BS 10012 Personal Data Protection System. In addition, to fight against financial fraud, we have promoted anti-fraud awareness among all employees and actively participated in cross-industry joint defense, and were awarded the "Outstanding Award for Anti-Fraud Evaluation" by the Taiwan Stock Exchange. In 2024, the Company was rated by the Financial Supervisory Commission as one of the top 25% of large brokerage firms in terms of fair customer treatment for four consecutive years. The subsidiary, Mega Futures, also won this honor for three consecutive years. Winning the awards demonstrated the commitment of the Company and its subsidiaries to protecting the trust of our customers and the interests of our investors.

Create a happy workplace - promote social prosperity

We deeply understand that talent is the foundation of corporate sustainability. The Company has long been committed to workplace safety, employee care, and functional training, and has promoted a diversified and inclusive work environment. The Company continues to provide the EAP and diversified training courses to create a safe, healthy, and developing workplace. In 2024, the Company and its subsidiary, Mega Securities, will receive the "Taipei City Middle-Aged and Elderly Friendly Enterprise Certification" again, demonstrating our support and commitment to diverse groups. In terms of social engagement, Mega Securities has continued to promote the "Mega Brings Light to Remote Areas" program, focusing on four major aspects—financial education, cultural heritage, care for the disadvantaged, and ecological sustainability. We have also combined our resources to engage in campus, community, and local activities. From the establishment of financial libraries and the provision of internships and educational opportunities on the prevention of fraud for new immigrants, disabled persons, and other ethnic groups, Mega Securities has been active in spreading positive energy for sustainable value and connecting the hopes of different corners of society.

Adhering to ethical corporate management and creating sustainable value

Integrity has always been the belief of Mega Securities. We have established an open and transparent corporate governance mechanism through our professional, diverse, and independent board structure and the manager’ s accountability system. We have also established an Ethical Corporate Management Committee under the Board of Directors to formulate integrity management-related measures and implementation guidelines. Through the design of three lines of defense, we implement compliance and risk control. Since 2019, we have been continuously received the highest risk management rating by the Taipei Exchange, and were ranked among the top 25% of all TPEx-listed companies in the 2nd Corporate Sustainability Evaluation by the Financial Supervisory Commission in 2024. Looking ahead, the Company will continue to focus on its financial expertise, integrate environmental responsibility, social value, and governance principles, and work with stakeholders to create a win-win sustainable ecosystem, pursue environmental co-prosperity, social inclusion, and enhanced governance. Moreover, the Company will continue to practice our vision of "Illuminate the Future and Enrich Life” to continue to be a positive influence, lead sustainable development, and create value for the next generation.

Key Sustainability Accomplishments

Environmental sustainability

- Mega Securities Xingying Branch attained the Green Building Label
- In 2024, Mega Securities' headquarters building used 1,651,000kWh of green electricity, accounting for 69.03% of the annual electricity consumption.
- All domestic operating sites of Mega Securities and its subsidiaries passed "ISO14064-1:2018 GHG Inventory" certification
- "ISO 14001:2015 environmental management systems" certification (including renewal certification) for all domestic operating sites of Mega Securities and subsidiaries
- "ISO 50001:2018 Energy management systems" certification renewed for Mega Securities Headquarters building
- To fulfill responsible procurement, the green procurement of Mega Securities in 2024 was NTD 69,826,500, accounting for 22.49% of the total procurement of NTD 310,444,533; the green procurement of Mega Futures in 2024 was NTD 2,898,840, accounting for 19.93% of the total procurement of NTD 14,547,571
- "Supplier Sustainability Declaration" was signed by 100% of contract suppliers

Sustainable Finance

- Mega Securities underwrote NTD 2.1 billion in sustainability in 2024 and the balance of investment in domestic and overseas sustainability bonds totaled NTD 4.974 billion.
- Mega Securities assisted with 5 capital-raising projects for small and medium enterprises, raising a total of NTD 3.084 billion
- The balance of investments in sustainable development industries, as defined by the Mega Group, amounted to NTD 14.616 billion and accounted for 37.58% of total of investment positions (excluding hedging) of proprietary underwriting and non-subsidiary subsidiaries.
- At the end of 2024, the positions of the SBT Science-based carbon reduction targets set by Mega Securities accounted for 27.13%, a significant increase from 9.49% in 2023.
- In December 2023, Mega Securities issued the "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN", the first climate ETN in Taiwan (five-year duration)
- In 2024, Mega Securities discussed ESG issues with investees on 462 occasions, covering 1,505 items.

Customer Commitment Team

- In 2024, 39,192 new accounts (including Taiwan stock and sub-brokerage accounts) were opened through digital channels at Mega Securities, an increase of 33.25% from 29,412 households in 2023.
- "Mega eStock" services offer regular savings plans, dollar cost averages, conditional orders for Taiwanese fractional shares, and deposit share services for US shares. There were a total of 49,013 new share plans in 2024.
- Mega Securities has established the "Mega Bond" for electronic trading of overseas bonds and reduced the subscription threshold for certain quality bonds to USD 1,000.
- In 2024, Mega Securities conducted a customer satisfaction survey. All customers were 92% satisfied with the overall service, with a satisfaction rate of 92% for the young generation (18-30 years old), 93% for the middle-aged (55-64 years old), and 95% for the elderly generation (over 65 years old), surpassing the target of 86%. The results come from conducting two mystery customer surveys.
- Mega Securities passed the "ISO 27001:2013 Information Security Management Systems" certification renewal
- The core brokerage system of Mega Securities passed the "ISO22301:2019 Business continuity" certification renewal
- Mega Securities attained BS 10012:2017 Personal Information Management System certification
- In 2024, the percentage of electronic transactions of Mega Securities was 87.49%. In 2024, the percentage of electronic transactions of Mega Futures was over 90%. In 2024, 2,928 research reports by Mega International Investment Services was published on its website, with the number of clicks exceeding 130,000.
- The paperless account platform began operating in 2024, with 5,389 accounts opened, an increase of 16.32% compared to the 4,633 accounts in 2023. The online account opening rate of Mega Securities reached 76.08% in 2024.
- The ESG smart sustainability data platform of the official website of Mega Securities was launched in 2024 to provide rich ESG data and data for investors.

Employee Care

- Mega Securities passed “ISO 45001:2018 occupational health and safety management system” certification renewal
- The total number of training hours of employees of Mega Securities and its subsidiaries was 89,946, with an average of 55.42 training hours per employee (in particular, the Mega Securities organized 964 training courses, totaling 84,756training hours, with an average of 55.18 training hours per employee, an increase of 8.5% from the average of 50.87 hours in 2023).
- An employee engagement survey was conducted in concert with Mega Holdings. Employee response rate was 100% and employee engagement score was 3.83 (out of 5), slightly lower than the score of 3.89 in 2023.
- 5 seminars on employee healthcare were held by Mega Securities, benefiting 451 participants. One seminar on health care for middle-aged and elderly people, benefiting 73 participants.
- 31 employees received maternity subsidies, totaling NTD 298 thousand; 19 employees received wedding subsidies, totaling NTD 201 thousand.
- Organized free Employee Assistance Program (EAP) for the 4th consecutive year

Mutual Prosperity

- 223 volunteers participated in the social prosperity activities, accumulating 882 hours of volunteer service. A total off 46 activities were sponsored or organized, benefiting a total of 10,448 people, through a total investment of NTD 8.23 million
- 10 financial seminars and visits were organized, benefiting 316 students. The seminars included four anti-fraud lectures (such as the elderly lecture held with the Southern Taiwan Joint Services Center, Executive Yuan, and the "Eye Care and Financial Anti-Fraud" lecture held with the Taiwan Prevent Blindness Foundation), raising anti-fraud awareness among 233 people.
- 53 college students were offered the opportunity to work in eight departments, including the Brokerage Department, Capital Market Department, Share Agency Department, Legal Affairs Department, and Information Department, as well as at Mega Futures and Mega International Investment Services.
- Sponsored 14 financial charity events to promote financial literacy, prevent fraud, and support innovative entrepreneurship, benefiting 9,755 people.

Corporate Governance

- The performance evaluation of the Board of Directors and functional committees in 2024 was conducted by Mega Securities, and the achievement rate of all evaluation items was over 90%
- Starting from 2023, the Company has been conducting compliance tests (including regular tests and case tests for penalties) every year. In 2024, a total of 14 units were subject to compliance tests.
- 100% of directors and employees above the grade of manager have signed the “Ethics and Compliance Statement”
- Mega Securities was rated as a Class 1 (excellent) securities dealer twice in a row by the Taipei Exchange in its risk management evaluation since 2019 (evaluations are held once every three years)
- Mega Securities received a long-term rating of “twAA” and short-term rating of “twA-1+” for eight consecutive years from Taiwan Ratings with a outlook rating of “Stable”
- 2024 - Mega Holdings was once again chosen as a constituent stock by the “Dow Jones Sustainability Indices (DJSI) for the “Emerging Markets” and “World Index” (Mega Securities included in scope)



Awards and Accolades

Awarding Organization	Award
Financial Supervisory Commission	• 2024 - Mega Securities was rated among the top 25% of all securities firms in the Fair Customer Treatment Evaluation; Mega Futures was rated among the top 25% of all futures firms in the Fair Customer Treatment Evaluation, for three consecutive years. • Mega Securities received its 2nd Sustainable Finance Evaluation "Securities Group Top 25%"
Taiwan Stock Exchange (TWSE)	• 2024 - Mega Securities has been on the List of Companies with Better Institutional Investor Stewardship Disclosures (Domestic Group) for four consecutive years • 2024 - Mega Securities received Securities Dealer Anti-Fraud Evaluation Outstanding Award • 2024 - Mega Securities received the Innovation Promotion Award • 2024 - Mega Securities received Q3 Listed Stock Market Making Competition Incentive Program "ESG Special Award", "Price-to-Book Ratio Activation Award"
Futures Exchange	• 2024 - Mega Futures won the Special Contribution Award at the 10th Futures Diamond Awards
Taipei Exchange	• 2024 - Recommendation and Guidance for TPEx Listing Performance Award 3rd Place • 2024 - Awarded the TPEx Stock Market Maker Competition Market-Making Achievement Award 3rd Place for the first half of 2024 and TPEx Stock Market-Maker Competition Incentive Program Fame Building Award 3rd Place for Q3 of 2024.
Taipei City Government	• 2024 - Mega Securities and Mega Futures received the Middle-aged and Older People Friendly Enterprise Certificate for two consecutive years
National Enterprise Competitiveness Development Association	• 2024 - Mega Securities received the National Brand Yushan Award - Outstanding Enterprise Category for three consecutive years (19 - 21st) • 2024 - Mega Securities received the Brand Yushan Award "Best Popular Brand Category" National Grand Prize at the Fair Customer Treatment at the 21st National Brand Yushan Awards • 2024 - The three products of Mega Securities, namely, “ESG Smart Sustainability Data Platform” , "MegaLoan Stock eFinancing Service", and "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" won Best Product at the 21st National Brand Yushan Awards • 2024 - Mega Futures received the National Brand Yushan Award - Outstanding Enterprise Category for two consecutive years (20- 21st) • 2024 - Mega Futures received the National Brand Yushan Awards Best Popular Brand Category National Grand Prize: Fair Customer Treatment at the 21st National Brand Yushan Awards, Mega Futures Instagram (IG)
Taiwan Institute for Sustainable Energy	• 2024 - Mega Futures received the "Sustainability Report Award - Financial and Insurance Industry Platinum Award", "Workplace Welfare Leadership Award", and "Age-Friendly Leadership Award" at the 17th TCSA Taiwan Corporate Sustainability Awards
Commercial Times	• 2024 - Mega Futures received the "Best Securities Dealer Wealth Management Trust Excellence Award" and "Best Securities Trust Innovation Excellence Award" at the 2024 Diversified Trust Innovation Awards
Excellence Global Media	• 2024 - Mega Futures won the "Best Service Quality Award" in the Financial Holdings category.
Business Today	• 2024 - Mega Futures received the "Best Sales Team Award" in the 18th Wealth Management Bank and Securities Evaluation
DailyView	• 2024 - Mega Futures received the 7th Online Reputation Star, "Digital Securities Category - Strategic Excellence Award"
CMoney	• In 2024, the Company won the "Best Comeback Award" at the 4th CMoney Awards.

Key international initiatives and ratings that the Mega Group (including Mega Securities) took part in, signed, or adheres to

Key Initiatives	• Sustainability Development Goals (SDGs) (voluntary compliance), Science Based Targets initiative (SBTi) (targets were approved in June 2024), Carbon Disclosure Project (CDP) (voluntary participation in questionnaire), Global Reporting Initiative (GRI) (compliance in accordance with government regulations), Task Force on Climate-related Financial Disclosures (TCFD) (pledge signed in April 2020,) Sustainability Accounting Standards Board (SASB) (compliance in accordance with government regulations), Principles for Responsible Investment (PRI) (voluntary compliance), United Nations Global Compact (UNGC) (voluntary compliance), Convention on Biological Diversity (CBD) (voluntary compliance), IFC Performance Standards & EHS Guidelines), IFC Exclusion List (voluntary compliance), Universal Declaration of Human Rights (voluntary compliance), United Nations Global Compact (voluntary compliance), International Labour Conventions (voluntary compliance), United Nations Guiding Principles on Business and Human Rights (voluntary compliance), ILO Declaration on Fundamental Principles and Rights at Work (voluntary compliance) Taskforce on Nature-related Financial Disclosures (TNFD) (voluntary compliance).	
Key Ratings and Outcomes	Dow Jones Sustainability Indices (DJSI)	Selected for the third time as a constituent stock of the “Dow Jones Sustainability Indices (DJSI) for the “Emerging Markets” and “World Index” categories.
	CDP Climate Change Questionnaire	CDP Climate Change Questionnaire was rated A, ranking in the leading level for three consecutive years
	ISS ESG Ratings	Grade C (A-D, Grade A being the best)
	Moody’ s ESG Score	42 (0 - 100, with 100 being the best)
	MSCI ESG Ratings	AA (AAA - CCC, with AAA being the best)
	Sustainalytics ESG Risk Ratings	12.15 (100-0, with 0 being the best)
	FTSE Russell ESG Score	3.2 (0~5, with 5 being the best)





1 About Mega Securities

1.1 Background
1.2 Operational performance

Corresponding United Nations Sustainable Development Goals (SDGs)



Material Topic GRI indicators

- GRI 201 Economic Performance

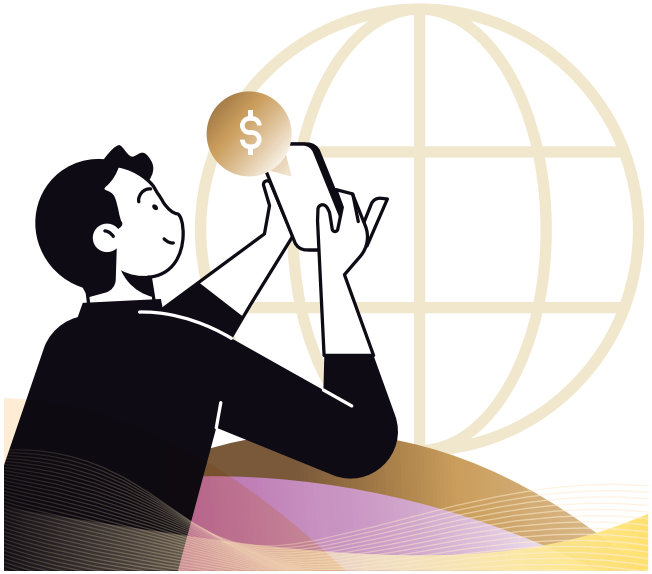
Corresponding material topics

- Operational Performance

Stakeholders with priority access

- All stakeholders

Mega Securities is a 100% owned security of Mega Holdings. Formerly Barits International Securities made up of International Securities, Barits Securities and Chung Hsing Securities, the company was rebranded as Mega Securities in 2006 as part of the brand consolidation strategy under the Mega Group' s financial business master plan. Mega Securities has also established two other subsidiaries - Mega Futures specializes on domestic/overseas futures option broker and consulting services while Mega International Investment Services focuses on domestic/overseas securities consulting services.



1.1 Background

Company name	Mega Securities Co., Ltd
Date established	October 19, 1989
Headquarters address	3F, No. 95 Sec. 2 Zhongxiao E. Rd. Zhongzheng Dist., Taipei City
Chairperson	Chen Pei-Chun
General Manager	Wu Ming-Tsung
No. of employees	Mega Securities: 1,536 persons (Note 1); Mega Futures: 64 persons (Note 2); Mega International Investment Services: 23 persons (Note 3); total: 1,623 persons
Paid-in capital	$11,600,000 thousand
Total assets	NTD 110,239,042 thousand (consolidated); NTD 104,685,830 thousand (parent company only)
Main services	Main business lines include securities brokerage, wealth management (including trusts), proprietary trading, underwriting, and stock affairs agencies. The operating revenue in 2024 was mainly from securities brokerage, underwriting, and proprietary trading, accounting for 67.26%, 9.35%, and 20.60% of the operating revenue, respectively.
Main Customers	Domestic and overseas institutional investors as well as general investors
Number of Operating Sites	43(https://www.emega.com.tw/emegaTran/saleSpot.do)

Note 1 : This is the number of current permanent employees at Mega Securities as of December 31, 2024 (not including the chairman and interns).
Note 2 : This is the number of current permanent employees at Mega Futures as of December 31, 2024 (not including the chairman and interns).
Note 3 : This is the number of current permanent employees at Mega International Investment Services as of December 31, 2024 (not including the chairman and interns).

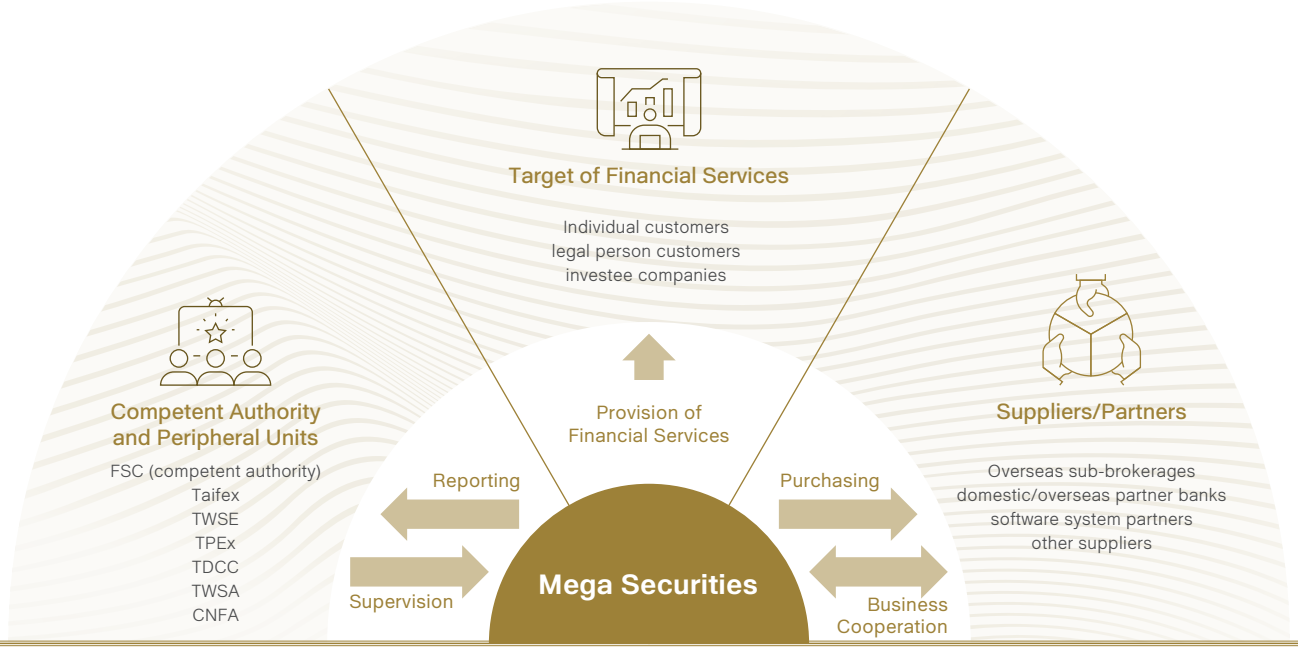
1.1-1 Business profile

Product lines	Main businesses
Brokerage business	• Acceptance of brokerage orders for trading domestic and overseas securities (sub-brokerage business) • Marketable securities margin trading • Lending and borrowing of money in connection with securities • Lending and borrowing of money in connection with marketable securities • Handling of non-restricted purpose loans • Other businesses relating to securities commission agency, brokerage, agency, and other relevant businesses approved by the Competent Authority. • Operating of futures introducing broker business
Wealth management	• Consulting in connection with asset allocation or financial planning, or services in connection with the sale of financial products.. • Conducting financial planning and the execution or handling of asset allocation on behalf of the customer by means of a trust
Capital Market	• Mentoring of domestic and foreign public companies applying for domestic listing on the TWSE or TPEx • Handling of capital increase or issuing of convertible company bonds for cash • Provision of financial planning, mergers and acquisitions, public tender offer and other financial consulting companies for the issuing company
Stock Affairs Agency Business	• Proxy solicitation, stock affairs agency, and shareholder inquiry services • Public tender offers
Proprietary Business	• Proprietary trading of TWSE/TPEx-listed securities • Proprietary trading of overseas securities and engaging in hedging transactions of related overseas derivative products
Bond business	• Outright purchase of NTD-denominated bonds, conditions precedent transactions, and related interest rate derivative product transactions • Outright purchase of foreign currency-denominated bonds, conditions precedent transactions, and related interest rate derivative product transactions • Brokerage and underwriting of corporate bonds, financial bonds, international bonds, and asset securitization products
Financial Products Business	• Issue and trading of warrant products, structural products, and Exchange-Trade Notes (ETN) • Market maker for quality low price issues • Strategic trading of ETF, spot shares, and futures options

1.1-2 Subsidiary profile

Company name	Mega Securities Shareholding	Business profile	Business overview
Mega Futures	100%	Mega Futures was established in 1999 and its main business lines include accepting of orders for trading of domestic and overseas futures products, securities trading assistance, and futures consulting. In terms of overseas futures, Mega Futures accepts orders for trading of products in global futures markets such as Singapore, Hong Kong, US, Europe, and Japan.	1. The average market share of futures brokerage business in 2024 was 1.33%. 2. Mega Futures reported a net income of NTD 57,063 thousand in 2024 for an EPS of NTD 1.43 and ROE of 6.83%.
Mega International Investment Services	100%	Mega International Investment Services was established in 1997. Business lines include consulting on domestic/overseas securities and publication of research reports.	The 2024 revenue was NTD 40,872 thousand with an EPS of NTD 0.03.

Value Chain Profile



Membership of associations

Mega Securities and its Subsidiary promotes the development of the domestic financial industry by actively participating in industry associations as directors/supervisors or sitting on the committees of said associations. Mega Securities' chairman is the President of the Chinese National Future Association (CNFA), Executive Director of the Taiwan Securities Association, and Convener of the Supervisory Committee for the Trust Association of R.O.C. Most of the officers of Mega Securities and its subsidiaries serve as members of the relevant business associations or working groups, and they help promote the sound development of the financial sector as a whole. Mega Securities and its subsidiary was the member of 12 associations at the end of 2024.

Membership of associations	Memberships and positions held in associations by Mega Securities and its subsidiaries
Taiwan Securities Association (TWSA)	Member Representative / Executive Director, Member
Chinese National Future Association (CNFA)	Member Representative / Chairperson, Director, Member
Trust Association of R.O.C.	Group Member / Member Representative / Executive Supervisor, Member
Securities Investment Trust & Consulting Association of R.O.C.	Group Member / Member Representative
Taiwan Securities Analysis Association	Consultant
Futures Exchange	Directors, Member
Taiwan Financial Services Roundtable	Director
Taiwan Finance Association	Permanent Institutional Member
Financial Engineering Association of Taiwan	Permanent Institutional Member
Corporate Operating and sustainable Development Association	Group Membership
Taiwan Venture Capital Association	Sponsorship for group membership
Taiwan Listed Companies Association	Group Membership

1.2 Operational performance

Relationship between internal and external environments and organizational operations

In 2024, the global economy continued the rebound trend that began from the fourth quarter of 2023 and showed a gradual improvement. Taiwan's overall economy maintained a high level, and the Taiwan stock market hit a number of record highs, including a closing index of 23,035 points, a gain of 28.47%, and a total trading volume of NTD 99 trillion. Mega Securities' brokerage, proprietary trading, and underwriting businesses responded well to changes in the overall environment. The consolidated net profit after tax in 2024 was NTD 2.55 billion, EPS after tax was NTD 2.2, and ROE was 12.38%. All of these are the second highest levels in the Company' s history. Looking ahead, the securities industry will have growth opportunities and challenges in 2025, including rapid evolution of digital technology, information security risks, and diversified customer needs. The securities sector will continue to promote digital transformation, enhance information security protection, and improve customer service experience. It is necessary for the Company to focus on talent cultivation and strengthen product innovation. The performance of each business unit is described as follows.

By Business	2024 Operational Performance
Brokerage and wealth management business	• Brokerage market share was 2.57%, ranking 9th among securities firms; financing balance was NTD 22 billion and market share was 5.45%, ranking 5th among securities firms. • The sub-brokerage business generated NTD 179.2 billion in revenue, representing 2.31% of the market share and 11th place among peers. • The average balance of the Company' s securities lending business was NTD 11.262 billion, an increase of NTD 2.42 billion (27.37%) from 2023, and ranking 9th in the market. • Unrestricted money borrowing balance of NTD 7 billion, an increase of NTD 4.2 billion (150% growth) from the end of 2023. • The balance of trust properties was NTD 18 billion, an increase of NTD 300 million (growth of 1.69%) at the end of 2023, ranking 4th among securities firms. • The cumulative transaction amount of the wealth management service for high asset customers was NTD 9.063 billion, an increase of NTD 5.753 billion (173.81%) comparing to NTD 3.31 billion of 2023, ranking third among securities firms.
Capital market business	• Number of items submitted: 5 for IPO, 7.69% market share, ranked 4th; 9 for SPO cases, 11th. • Listings: 6 IPO cases, 9.68% market share, ranked 4th; 6 for SPO cases, 2.45% market share, 13th place.
Proprietary Business	• ESG factors are taken into consideration in investment evaluations, and the Company carefully selects companies with good prospects as its core investment positions, and flexibly adjusts its trading positions in response to market changes. In doing this, the Company is able to increase the profitability of its operating positions while balancing risk.
Bond business	• The Company was the main underwriter for 2 bond issues and joint underwriter for 22 issues, so we participated in a total of 24 bond issues as main/joint underwriter. Our participation rate of 25% was ranked 9th in the market among securities firms.
Financial Products Business	• In response to the competent authority' s policy of becoming a market maker of listed stocks, we received the 2024 Q3 Listed Stock Market-Making Competition Incentive Program "ESG Special Award", "Price-to-Baook Ratio Activation Award", as well as the 2024 Q3 TPEx Stock Market-Maker Competition Incentive Program "Fame Building Award, 3rd Place". • Issued the "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" , the first climate ETN in Taiwan on December 25, 2023 (three-year duration).

The following table shows the credit rating of Mega Securities in 2024, obtained from Taiwan Ratings. The rating results are the same as those of 2023, indicating that Mega Securities maintained consistent performance in terms of business stability and financial soundness; hence the continuous recognition by credit rating agencies.

Credit Rating Report Date	Credit Rating - Long-term	Credit Rating - Short-term	Rating Outlook
2024/10/24	twAA	twA-1+	Stable

Unit: thousand

Economic Value Generated and Distributed by Mega Securities, 2021 – 2024

Item		2021	2022	2023	2024
Direct economic value generated (A)	Income (C)	7,473,107	4,176,752	6,494,623	8,482,423
Economic value distributed (B)	Operating cost (D)	1,828,903	1,593,003	2,267,552	3,120,888
	Employee salaries and benefits	2,689,084	1,929,090	2,289,758	2,724,717
	Donations	2,230	1,912	3,427	4,960
	Distribution of shareholder dividend	1,910,888	240,733	773,012	2,005,664
	Income tax expenses	363,765	253,198	205,390	427,304
	Subtotal of economic value distributed (B)	6,794,870	4,017,936	5,539,138	8,283,533
Residual economic value (Note 4)	Subtotal of residual economic value (A-|B|)	678,237	158,816	955,485	198,890

Note 1 : C: Income is the total income from the income statement in the Mega Securities 2024 Consolidated Financial Statements.
D: Operating cost = Handling fee expense + STO administrative expense + Finance costs + Loss from securities borrowing transaction + Futures commission expense + Expense of clearing and settlement + Other operating expenditure + Depreciation and amortization expense + Other operating expense.
Note 2 : Mega Securities donations in 2024 were mainly made to educational, cultural, social welfare, and charitable organizations/bodies engaged in social welfare activities. There were no political contributions or other improper donations.
Note 3 : Mega Securities received no government grants in 2024.
Note 4 : Residual economic value = Direct economic value generated - Economic value distributed.

Unit: thousand

Mega Securities Financial Performance, 2021 - 2024 (consolidated)

Item	2021	2022	2023	2024
Total assets	92,138,726	62,677,530	94,063,317	110,239,042
Total liabilities (before distribution)	72,824,931	45,845,400	74,626,063	88,472,174
Total equity	19,313,795	16,832,130	19,437,254	21,766,868
Net income	2,748,330	603,229	2,002,610	2,550,019
Return on Assets (ROA) (%)	3.21	0.78	2.56	2.50
Return on Equity (ROE) (%)	14.99	3.34	11.04	12.38
Earnings per Share (EPS) (NTD)	2.37	0.52	1.73	2.20

Note : For more information, please refer to the Mega Securities Consolidated Financial Statements.

Unit: thousand

2024 Financial Performance of Mega Securities and Subsidiaries

Company	Total assets	Pre-tax income	Net income	Earnings per Share (EPS) (NTD)
Mega Securities	104,685,830	2,964,210	2,550,019	2.20
Mega Futures	6,855,868	70,188	57,063	1.43
Mega International Investment Services	68,007	127	138	0.03

Note : The financial data of the listed companies is for individual entities. For more information, please refer to the individual financial statements of the listed companies.

Unit: thousand

2024 segment revenues of Mega Securities and its subsidiaries

Department	Department Income	Percentage (%)
Brokerage	5,705,429	67.26
Proprietary Trading	792,743	9.35
Underwriting	1,747,094	20.60
Other	237,157	2.79
Total	8,482,423	100

Note : For details, please refer to page 73 of the 2024 Annual Report of Mega Securities.



2 Sustainability Strategy

2.1 Sustainable Governance Structure
2.2 Sustainability Vision and Strategy
2.3 Stakeholder Engagement and Communication
2.4 Material Topic Analysis and Management

Corresponding United Nations Sustainable Development Goals (SDGs)



Stakeholders with priority access

- All stakeholders

2.1 Sustainable Governance Structure

The Sustainable Development Committee was established by the Board of Directors of Mega Securities to promote sustainability-related matters. The Committee is responsible for the planning and submission of short, medium and long-term sustainable development goals and action plans to the Board for approval, to provide effective supervision of sustainability initiatives. Sustainability-related internal audits and compliance and risk management measures are developed under the supervision of the Mega Securities Board of Directors. Sustainability-related bylaws and material actions for promoting sustainability are also disclosed through the Sustainability Report, Annual Report, or corporate website to keep stakeholders up to date on developments at the Company. Suppliers, customers and investees are invited to join in the building of a sustainability ecosystem through the promotion of sustainable development and initiatives.



General Manager of Mega Securities Co., Ltd.

吳明宗

Wu Ming-Tsung

Message from the Chairperson

n the face of the sustainable development trend, under the dual responsibilities of achieving profitability and sustainable development, we continue to develop with a sustainability mindset and innovation. We also incorporate sustainability issues into various operational strategies and daily business, in order to lead all employees to implement sustainable development plans. At the same time, we share the concept of sustainability with our value chain partners, and jointly plan a new future of net zero transformation. Our aim is to realize the vision of sustainable development of the Group, while hoping to bring positive influence to society and the environment.

Sustainable Development Committee

The Sustainable Development Task Force was established by Mega Securities in June 2021 In June 2023, the unit was upgraded to become the Sustainable Development Committee reporting directly to the Board of Directors and the “Sustainable Development Committee Organic Charter” formulated. The Sustainable Development Committee is chaired by the Director and General Manager, with the heads of each department at its members. The Committee oversees six working groups (environmental sustainability, sustainable finance, customer commitment, employee care, social prosperity, and corporate governance). Each working group is headed by a unit supervisor or above and is responsible for the promotion of related affairs. The Sustainable Development Committee tracks the progress for each goal on a quarterly basis and reports them to the Board of Directors. Rolling adjustments to sustainable development goals are also made based on sustainable development trends and impact management of material topics. ESG goals for the following year are devised at the end of current year and submitted to the Board of Directors for discussion. Other functional committees involved in the promotion of sustainable development at Mega Securities include the Risk Management Committee responsible for climate risk management, the Fair Customer Treatment Promotion Committee responsible for the planning of Fair Customer Treatment Promotion Plan and Enhancement Measures, as well as the Ethical Corporate Management Committee responsible for evaluating the implementation of ethical corporate management. The Planning Office serves as the organizing unit for Sustainable Development Committee, the Fair Customer Treatment Promotion Committee, and the Ethical Corporate Management Committee. The organizing unit for the Risk Management Committee is the Risk Management Office.

Mega Securities Sustainable Governance Structure

Board of Directors

Risk Management Committee	Sustainable Development Committee	Ethical Corporate Management Committee	Fair Customer Treatment Promotion Committee
Responsible for climate risk management	Responsible for sustainability promotion	Responsible for assessing the implementation of ethical corporate management	Responsible for the promotion of fair customer treatment programs and enhancement measures
Conference Department: Risk Management Office	Conference Department: Planning Office	Conference Department: Planning Office	Conference Department: Planning Office

Mega Securities Sustainable Development Committee Structure

Board of Directors

Sustainable Development Committee
Chairperson (General Manager)

Conference Department Planning Office
Executive Secretary

Member

(The other members includes the Chief Risk Officer and the heads of the Brokerage Business Department, Wealth Management and Trust Business Department, Proprietary Business Department, Bond Business Department, Financial Commodity Business Department, Capital Market Business Department, Share Agency Department, Information Department, Administrative Management Department, Finance Department, Share Agency Department, Legal Affairs and Compliance Office, Planning Office, HR Department, and Digital Innovation Department.)

Environmental Sustainability Team	Sustainable Finance Team	Customer Commitment Team	Employee Care Team	Mutual Prosperity Team	Corporate Governance Team
Team leader: Manager of the Administrative Management Department	**Team leader**: Head of Integrated Planning Team, Planning Office	**Team leader**: Head of the Brokerage Business Department and the Channel Management Department	**Team leader**: Head of the Department of HR Department	**Team leader**: Head of Public Relations Team, Planning Office	**Team leader**: Head of Corporate Governance
• Environmental protection • Green Operations • Green sourcing • Supply chain management	• Green and transition finance • Responsible investment • Climate and natural risk management	• Inclusive Finance • Customer Relations • Information Security • Digital Innovation	• Diversified talent recruitment • Talent development • Salary and benefits • Occupational safety and health • Human Rights Protection	• Care for the disadvantaged • Cultural heritage • 4.2 Financial Education • Ecological sustainability	• Diversity of the Board of Directors • Risk Management • Ethical Corporate Management • Compliance • Other corporate governance-related matters

2.2 Sustainability Vision and Strategy

Mega Securities has embraced “Spreading Positive Influence and Leading the Way to Sustainable Development” as our mission in accordance with the Mega Group’s vision of becoming “the Model of Sustainability for the Financial Industry in Asia Pacific”. We uphold the values of "Respect and Inclusion”, “Professionalism and Reliability”, and “Integrity and Accountability" in our business activities, and abide by the commitments we make to the environment, society, investors, customers, and company management. We foster a corporate culture of sustainability, cultivate the ESG awareness of employees, and follow the three ESG strategies of "Developing Environmental Sustainability", "Promoting Social Prosperity", and "Implementing Responsible Governance" to realize UN Sustainable Development Goals (SDGs).

Sustainability Strategy Roadmap

Mega Securities focuses on eight SDGs and has developed our own ESG strategy in accordance with the “Sustainable Development Policy” that defines the core sustainability strategies of the Mega Group. Five strategic pillars are used to identify their corresponding sustainability topics. The working groups of the Sustainable Development Committee are responsible for developing the actual promotion plans, key performance indicators, as well as the short-, medium-, and long-term sustainability goals. The short-, medium- and long-term targets of Mega Securities are applicable to Mega Futures, and Mega Futures has set its short-, medium- and long-term goals in conjunction with the targets of Mega Securities. The short-, medium- and long-term targets of Mega Securities are also applicable to Mega International Investment Services.

◆ Mega Group’s Sustainable Development Strategy Pyramid

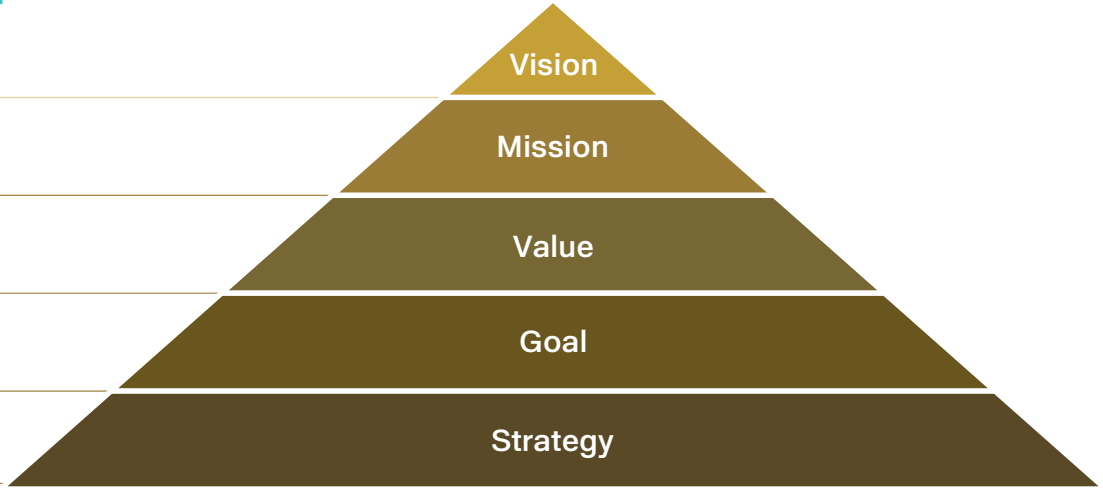
Model of Sustainability in the Asia-Pacific Financial Industry

Exert positive influence; be a leader in sustainable development

Respect and inclusion | Professionalism and trust | Integrity and accountability



Environmental Sustainability | For Mutual Prosperity in Society | Implementation of Accountable Governance



Note：Resolution resolved by the 9th meeting of the 8th Board of Directors on February 22, 2022

Short, Medium, and Long-term Goals for the Sustainability Strategy Axes

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Committing to Net-zero Emissions to Achieve Environmental Sustainability	7 人人可負擔的潔淨能源 12 負責任的生產消費循環 13 氣候變遷政策	Climate Action	1. Enhance employees' knowledge of climate change issues. 2. Continue to achieve the GHG reduction targets. 3. Expand "ISO 14064-1 GHG Inventory" certification to all domestic operating locations 4. Expand the introduction of "ISO 14001 Environmental Management Systems" to all domestic operating locations 5. Renew "ISO 50001 Energy Management Systems" certification for Headquarters building. 6. Continue to achieve the water consumption reduction targets for all domestic operating sites. 7. Carry on achieving the waste reduction targets for all domestic operating sites. 8. Practice responsible purchasing by giving preference to financial supplies with government approved energy-efficiency marks, environmental protection marks, and green building label. Circular purchasing that promotes the recycling of product resources is also incorporated into the green purchasing process. 9. Continue to practice supplier sustainable development management.	1. At least one session of education and training organized. 2. Continued to achieve the Group's GHG reduction targets. (2022 is the base year, and the total amount of Scopes 1 + 2 has decreased by more than 10.5% since) (1) Xinying branch attained Green Building Label. (2) More than 60% of green electricity was used at the headquarters. (3) The number of EVs or hybrid vehicles reached 80% of the total number of company vehicles purchased for the year. 3. Completed the "ISO14064-1 GHG Inventory" for all operating sites and attained third-party certification. 4. "ISO 14001 environmental management systems" certification (including renewal) for all domestic operating sites 5. "ISO 50001 Energy management system" certification for Headquarters building passed renewal. 6. Water consumption reduced by 2% compared to the base year of 2020. 7. The waste reduction rate of all domestic operating sites is 3.5% lower than that in 2022. 8. The amount of green procurement reached 2.5% of the total procurement amount. 9. "Supplier Sustainability Declaration" signed by 100% of contract suppliers.	1. Completed or participated in net zero courses. 2. Reduction of GHG emissions: (1) Xinying branch attained "Green Building Label" in 2024. (2) A total of 5 company vehicles were purchased, all of which were hybrid ones. (3) The headquarters building consumed 2,391,875 kWh of electricity, including 1,350,000 kWh of green electricity and 301,000 kWh worth of renewable energy certificates (totaling 1,651,000 kWh), representing a green electricity ratio of 69.03%. 3. All operating sites passed the "ISO 14064-1 GHG Inventory" certification. 4. All of the operating sites passed the "ISO14001 environmental management system" certification (including renewal). 5. The headquarters building passed the "ISO50001 energy management system" certification renewal. 6. Water consumption totaled 28,940 kWh, an increase of 4,134 kWh or 16.67% from 24,806 kWh in 2020. 7. The total amount of waste was 93,878.91kg, an increase of 11,489.91kg or 13.95% from 82,389kg in 2022. 8. Mega Securities' green procurement in 2024 was NTD 69,826,500, accounting for 22.49% of the total procurement amount of NTD 310,444,533; the green procurement of Mega Futures was NTD 2,898,840, accounting for 19.93 % of the total procurement of NTD 14,547,571. 9. "Supplier Sustainability Declaration" signed by all contract suppliers.	1. At least one session of education and training organized. 2. Continue to achieve the Group's GHG reduction targets. Reduce 2025 GHG (Scope 1+2) emissions by at least 15.75% from 2022 levels.) (1) Use more than 60% of green electricity at the headquarters. (2) 90% of company vehicle purchases for the year should be electric vehicles (cars and scooters) or hybrids. 3. Assess the introduction of internal carbon pricing 4. Complete the renewal of "ISO14064-1 GHG Inventory" certification for all operating sites. 5. Complete the renewal of "ISO 14001 environmental management system" certification for all operating sites. 6. Complete the renewal of "ISO 50001 energy management system" certification for the Headquarters. 7. Average per capita water consumption at all operating sites is reduced by 2% compared to the base year of 2021. 8. Average per capita general waste per person at all operating sites is reduced by 2% compared to the base year of 2023. 9. All of the operating sites to respond to the Ministry of Environment's "Net Zero Life - Green Office" as a green partner. 10. The amount of green procurement reaches 2.7% of the total procurement amount. 11. "Supplier Sustainability Declaration" signed by 100% of contract suppliers.	1. Formulate incentive mechanisms related to climate change, and organize or participate in relevant activities. 2. The Group's GHG emissions (Scopes 1 + 2) in 2022 will be the base year, and the reduction will be 31.50% by 2028 through carbon reduction measures. 3. Establish an internal carbon pricing mechanism. 4. Continue to conduct the renewal of "ISO 14064-1 GHG Inventory" for all operating sites in the consolidated financial statements. 5. Continue to renew "ISO 14001 Environmental Management Systems" certification for all operating sites. 6. Continue to renew "ISO 50001 energy management systems" certification the self-owned headquarters building. 7. Average per capita water consumption at all operating sites is reduced by 3.5% by 2028 compared to the base year of 2021. 8. Average per capita general waste per person at all operating sites is reduced by 5% by 2028 compared to the base year of 2023. 9. The amount of green procurement reaches 3.3% of the total procurement amount by 2028.	1. Formulate incentive mechanisms related to climate change, and organize or participate in relevant activities. 2. Using the Group's 2022 GHG emissions (Scope 1 + 2) as the base level, continue to adopt carbon reduction measures to achieve a 42% reduction by 2030, and realize the goal of net-zero emissions by 2050. 3. Establish an internal carbon pricing mechanism. 4. Continue to conduct the renewal of "ISO 14064-1 GHG Inventory" for all operating sites in the consolidated financial statements. 5. Continue to renew "ISO 14001 Environmental Management Systems" certification for all operating sites. 6. Continue to renew "ISO 50001 energy management systems" certification. 7. Average per capita water consumption at all operating sites is reduced by 4.5% by 2030 compared to the base year of 2021. [Per capita water consumption not exceeding 0.02112 million liters from 2031 to 2050]. 8. Average per capita general waste per person at all operating sites is reduced by 7% by 2030 compared to the base year of 2023. [Average general waste per capita from 2031 to 2050 not exceeding 0.03470 metric tons.] 9. The amount of green procurement reaches 3.5% of the total procurement amount by 2029.

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Improving Digital Technology to Promote Sustainable Finance		Sustainable Finance and Responsible Finance	1. Actively support sustainable development across the supply chain (environmentally friendly or socially responsible enterprises). 2. Practice sustainable investment, and increase the value of investments in sustainability bonds (including green bonds, social responsibility bonds and sustainable development bonds). 3. Support Group commitment on SBT by implementing the Scope 3 investment and financing carbon reduction roadmap.	1. Actively support sustainable development across the supply chain (environmentally friendly or socially responsible enterprises). 2. Invest up to NTD 1.5 billion in sustainability bonds. 3. Annotate and identify the SBT status of investment objects, and compile a SBT target list. 4. Engage with domestic mentoring and fund-raising customers through sustainability self-assessment surveys to establish the sustainability progress of the investee and facilitate future mentoring on sustainability.	**[Mega Securities]** 1. The sustainable position was NTD 14.616 billion, accounting for 37.80% of the total position of proprietary trading and underwriting (excluding hedging) for 38.668 billion. 2. As of the end of 2024, the balance of domestic and foreign sustainability bonds totaled NTD 4.974 billion (NTD 2.570 billion for green bonds, NTD 1.854 billion for sustainable development bonds, NTD 330 million for social responsibility bonds, and NTD 220 million for sustainable development-linked bonds). 3. The SBT status of the investment target has been marked on the Company' s intranet. The position ratio of SBT setting by the investment target completed at the end of 2024 was 27.13%. 4. In 2024, a total of 287 companies received the sustainability self-assessment questionnaire, to which 38 companies responded.	1. The balance of the sustainable corporate positions with environmental protection or social responsibility investment accounting for 30% of all proprietary trading and underwriting positions (excluding hedging positions). 2. Invest up to NTD 1.6 billion in sustainability bonds. 3. The position ratio of SBT targets set by the investment target completed at 25.98%. 4. Conduct sustainability self-assessment questionnaires with domestic customers and customers who are raising funds and proprietary trading departments to understand the progress of the sustainable development of the invested businesses, so as to assist customers and the invested businesses in sustainable development.	1. The balance of the sustainable corporate positions with environmental protection or social responsibility investment accounting for more than 30% of all proprietary trading and underwriting positions (excluding hedging positions). 2. Invest up to NTD 1.7 billion in sustainability bonds. 3. For the Group to achieve the target of holding 39.56% of the positions in SBTi investment by 2028 (the target of Mega Securities is 40.78%). 4. Continue to hold ESG engagement to assist customers and investees in sustainable development.	1. The balance of the sustainable corporate positions with environmental protection or social responsibility investment accounting for more than 30% of all proprietary trading and underwriting positions (excluding hedging positions). 2. Invest up to NTD 1.9 billion in sustainability bonds. 3. Achieve the long-term net zero goal of the financial sector by the end of 2050, continue to promote carbon reduction action plans, and disclose the implementation status to the outside world. 4. Continue to hold ESG engagement to assist customers and investees in sustainable development.
		Inclusive Finance	Increase the variety of financial inclusion products and services.	1. The official website maintains the effectiveness of the A-level accessibility mark of theDigital Development Department, Executive Yuan. 2. Participate in large-scale warrant competitions to promote the public' s knowledge of warrants. 3. Issuance or sale of sustainable financial instruments. 4. Promote fixed-term investment.	[Mega Securities] 1. The A-level accessibility mark on the official website is valid from April 14, 2023 to April 14, 2026. 2. Participated in the "Warrant Millionaire Challenge" held by Economic Daily News in 2024, promoting the knowledge of warrants, and won the "Warrant Holders Action King" award. 3. Issuance or sale of sustainable financial instruments. (1) Issued the "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" in December 2023, the first climate ETN in Taiwan (five-year duration). (2) Established the "Mega Bond" platform for electronic trading of overseas bonds, providing small-scale investors with an option to "save bonds". 4. The "Mega eStock" platform continued to be optimized, providing stock services for regular fixed amounts, fixed shares, conditional orders, and stock options of the U.S. stock market. In 2024, the cumulative shareholding plan reached 49,013 shares, an increase of 62.23% from 30,212 shares in 2023.	1. The official website maintains the effectiveness of the A-level accessibility mark of theDigital Development Department, Executive Yuan. 2. Continue to participate in large-scale warrant competitions to promote the public' s knowledge of warrants. 3. The "Mega e-Deposit" platform sets up more than 44,300 Taiwan stock market plans each year.	1. The official website maintains the effectiveness of the A-level accessibility mark of theDigital Development Department, Executive Yuan. 2. Continue to participate in large-scale warrant competitions to promote the public' s knowledge of warrants. 3. Continue to issue or sell sustainable financial instruments. 4. Continue to promote fixed-term investment.	

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Improving Digital Technology to Promote Sustainable Finance	1 消除貧窮 3 健全生活品質 5 性別平等 7 人人可負擔的永續能源 8 良好工作及經濟成長 9 工業化、創新及基礎建設 12 負責任的生產消費循環 13 氣候變遷政策	Information Security	1. Strengthen information security, privacy protection system, and response procedures/ mechanisms. 2. Ensure network and information system security, provide customers with secure, automated services, introduce international information security management standards and obtain related certifications.	1. Complete 2 social engineering drills (including opening of correspondence, clicking of links, opening of attachments, and successful phishing) with 100% employee coverage. 2. Organize at least one information security awareness and training session for all employees with a completion rate of 100%. 3. Obtain “BS 10012:2017 personal information management system” certification for PIMS.	**[Mega Securities]** 1. Completed the test drill, with an employee test rate of 100%. 2. Completed two information security promotion and education and training sessions, with a completion rate of 100%. 3. Passed ISO 27001:2013 information security management system renewal 4. Passed the ISO 22301:2019 business continuity management certification validation for the brokerage business core system. 5. Passed “BS10012: 2017 PIMS system” validation. **[Mega Futures]** 1. Conducted four social engineering drills in 2024, and the employee coverage rate was 100%. 2. The total number of hours of information security promotion and education and training for all employees through two online sessions was six, with a completion rate of 95%.	1. 0 successful hacking security incidents. 2. Maintaining the effectiveness of ISO27001:2022 (information security management system). 3. Maintain the validity of PIMS (personal information management system) "BS 10012:2017 PIMS". 4. Maintain the validity of ISO 22301 BCMS (business continuity management system) certificate.	1. Maintain 0 successful hacking security incidents. 2. Information security risk control is incorporated into the Company’ s internal culture to achieve the goal of "zero information leakage incidents” . 3. Continue to attain international professional certifications, practice information security, personal data protection, and business continuity, and keep up with international standards.
		Customer Relations	1. Organize customer satisfaction surveys to enhance service quality. 2. Refine the implementation of Principle of Fair Customer Treatment “ for the financial services industry. 3. Strengthen the prevention of financial fraud.	1. Enforce Fair Customer Treatment training with each employee taking part in at least 3 hours of training each year. 2. Optimize the browsing experience on the corporate website, and enrich the contents of the Friendly Financial Service, Senior Citizens, and Anti-Fraud sections. 3. Continue to improve the service quality of first-tier personnel at each operating location and add more friendly service facilities/equipment. 4. At least one customer satisfaction survey was conducted, achieving an overall satisfaction score of 86%. 5. Selected as one of the top 25% in the "Fair Customer Treatment Principles Evaluation" by the Financial Supervisory Commission. 6. Enhance public awareness of the risks of financial fraud.	**[Mega Securities]** 1. Each employee received at least three hours of education and training. 2. Optimized the fraud prevention section on the official website and expanded the section in different pages. 3. Reading glasses (or magnifiers) are available at each operating site. 4. A customer satisfaction survey was conducted for brokerage customers, and the satisfaction rate was 92%. Two mystery customer surveys were also conducted. 5. Ranked in the top 25% of large consolidated brokerage firms in 2024 by the competent authority under the Fair Customer Treatment Principles for the fourth consecutive year. 6. In 2024, a total of 245 fraud prevention activities (including 55 external lectures and activities, 47 employee education and training activities 47, and 143 media reports) were held. The Company was awarded the Taiwan Stock Exchange’ s 2024 Securities Fraud Prevention Evaluation. **[Mega Futures]** 1. Ranked in the top 25% of proprietary futures commission merchants in 2024 by the competent authority under the Fair Customer Treatment Principles for three consecutive years. **[Mega International Investment Services]** 1. Held the 2025 investment outlook online briefing. 2. The official website provided professional services to members. In 2024, the research report was published for 2,928 times, with a click rate of over 130,000.	1. At least one customer satisfaction survey was conducted, achieving an overall satisfaction score of more than 86%. 2. Selected as one of the top 25% in the "Fair Customer Treatment Principles Evaluation" by the Financial Supervisory Commission. 3. Continue to optimize financial-friendly services and improve the digital divide. 4. Continue to enhance public awareness of the risks of financial fraud. 5. Continue to improve the customer complaint handling mechanism.	1. Continue to organize customer satisfaction surveys and progressively improve the overall satisfaction score each year. 2. Organize regular customer relations training, raise awareness of related operating rules, and enhance staff professionalism. 3. Reinforce the implementation of the Fair Customer Treatment Principles; the target is to be ranked within the top 25%.	

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Improving Digital Technology to Promote Sustainable Finance		Digital Innovation	Accelerated digital transition through technology in order to boost paperless operations and use of online services.	1. Electronic orders account for 80% of transactions. 2. Continue to improve the customer experience by enhancing the online account opening process and electronic trading platform. 3. Enhance the digital operating process to improve accessibility of financial products and digital services.	[Mega Securities] 1. Electronic orders accounted for 87.49% of all transactions. 2. Optimized online account opening and electronic trading platform, and improved digital operating procedures. (1) Mega Bank' s FIDO identity verification and account bonding, as well as four credit services (online credit account opening, unrestricted lending, natural person securities lending, and T+5 money lending) have been added to the Online Account Opening Service. In 2024, the number of new digital channel accounts opened (including Taiwan Stock Exchange and sub-brokerage accounts) reached 39,192 households, an increase of 33.25% from 29,412 households in 2023. (2) Optimized platform for over-the-counter account opening. The introduction of digital writing tablets, media storage, and digital sign-off significantly shortens the waiting time for over-the-counter account opening. The paperless platform for account opening was completed in 2024, totaling 5,389 accounts, an increase of 16.32% compared to the 4,633 accounts in 2023. (3) Established the "ESG Smart Sustainability Data Platform" to integrate ESG information of listed companies and provide investors with the information of Taiwan TWSE and TPEx company ESG assessment indicators. (4) Developed the "Mega Wealth Management Pro" customized order placing system. [Mega Futures] 1. Increased the percentage of electronic transactions to over 90% in 2024. 2. Online account opening rate reached 76.08% in 2024.	1. Electronic orders account for 82% of transactions. 2. Continue to improve the customer experience by enhancing the online account opening process and electronic trading platform. The number of new securities accounts and sub-brokerage accounts opened online to exceed19,500each year. 3. Enhance the digital operating process to improve accessibility of financial products and digital services.	1. Electronic orders account for 83% of transactions. 2. Continue to enhance the digital experience to build a ubiquitous financial services enterprise that improves digital financial service experiences and establishes digital technology as the main axis for digital finance development to deliver secure and convenient financial services.	1. Electronic orders account for 84% of transactions. 2. Continue to enhance the digital experience to build a ubiquitous financial services enterprise that improves digital financial service experiences and establishes digital technology as the main axis for digital finance development to deliver secure and convenient financial services.

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Strengthening Talent Development Implement Employee Care	3 健全生活品質 5 性別平等 7 人人可負擔的永續能源 8 良好工作及經濟成長	Talent Attraction and Development	1. Control average employee turnover and keep turnover within a reasonable range. 2. Provide fair, reasonable, and competitive salaries benefits as well as create an inclusive and diverse workplace. 3. Establish proper channels for labor-management communication to boost employee retention and engagement. 4. Continue to organize employee training and provide related training subsidies. 5. Encourage employees to participate in finance-related professional licensing or qualification exams, and continue to provide related subsidies. 6. Employees to acquire "Sustainable Finance Certificate" (basic competency) and (advanced competency).	1. Keep total turnover rate under 8%. 2. Employ more people with disabilities than required by the statutory quota. 3. Convene statutory employer-management meetings to maintain harmonious labor relations. 4. Organize an employee engagement survey with a target survey response rate and employee participation rate of at least 80%. 5. Employees are to receive an average of 40 hours of training.	1. 7.22% of the employees of Mega Securities resigned and 39.06% of the employees of Mega Futures resigned. 2. The Company employed 11 employees with disabilities and exceeded the statutory quota of 6 people. 3. In 2024, each company heldfourlabor-management meetings. 4. The employee engagement survey was conducted in conjunction with Mega Group. The employee response rate at Mega Securities was 100% and employee engagement score was 3.83 (out of 5), a slight decline from the score of 3.89 in 2023. 5. In 2024, the total number of education and training hours was 89,946 hours, and the average number of training hours per employee was about 55.42 hours (among which 84,756 hours were provided by Mega Securities, with 1,536 full-time employees participating, and the average number of training hours per person was 55.18 hours, an increase of about 8.5% compared to 50.87 hours in 2023).	1. Keep total turnover rate under 11.5%. 2. Employ more people with disabilities than required by the statutory quota. 3. Convene statutory employer-management meetings to maintain harmonious labor relations. 4. Continue to organize employee engagement surveys with a target survey response rate and employee participation rate of at least 80%. 5. Employees are to receive an average of 42 hours of training. 6. Continue to provide subsidies for financial-related professional licenses or qualification examinations 7. The number of employees who obtain "sustainable finance certificates" (basic competency) and (advanced competency) to account for 1.5% and 0.1% of all full-time employees, respectively.	1. Organize employee engagement surveys and gradually increase the target survey response rate and employee participation rate each year to over 85%. 2. In addition to salaries and bonuses, take proper care of employees by also providing better-than-statutory employee benefits and working environments. 3. Identical compensation for new hires at each grade so that the ratio of compensation for men and women is 1:1. 4. Exceed the statutory quota on hiring of people with disabilities and comply with labor-related regulations as well as international labor rights standards. 5. Organize education and training, competitions, or industry-university collaboration to cultivate financial industry expertise (including FinTech, information security, and ESG). 6. Encourage employees to obtain licenses or pass qualification exams and continue to provide related subsidies to boost their career competitiveness. 7. Increase the number of employee training hours so that each person receives on average at least 45 hours of training each year. Annual ESG training completion rate of employees must also reach 90%. 8. Include ESG (such as occupational safety,privacyand other issues) as a factor for employee personal performance.	1. Organize employee engagement surveys and gradually increase the target survey response rate and employee participation rate each year to over 85%. 2. In addition to salaries and bonuses, take proper care of employees by also providing better-than-statutory employee benefits and working environments. 3. Identical compensation for new hires at each grade so that the ratio of compensation for men and women is 1:1. 4. Exceed the statutory quota on hiring of people with disabilities and comply with labor-related regulations as well as international labor rights standards. 5. Organize education and training, competitions, or industry-university collaboration to cultivate financial industry expertise (including FinTech, information security, and ESG). 6. Encourage employees to obtain licenses or pass qualification exams and continue to provide related subsidies to boost their career competitiveness. 7. Increase the number of employee training hours so that each person receives on average at least 50 hours of training each year. Annual ESG training completion rate of employees must also reach 95%. 8. Include ESG (such as occupational safety,privacyand other issues) as a factor for employee personal performance.

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Strengthening Talent Development Implement Employee Care	3 健全生活品質 5 性別平等 7 人人可負擔的永續能源 8 良好工作及經濟成長	Happy Workplace	1. Attain ISO 45001:2018 occupational health and safety management system certification 2. Continue to organize Employee Assistance Programs (EAP). 3. Manage the Company's absentee rate to ensure stable manpower and keep track employee attendance. 4. Continue to provide employees with various subsidy plans. 5. Regularly organize health and safety seminars/training as well as related health promoting activities.	1. Maintained the validity of the ISO45001:2018 occupational health and safety management system. 2. 2. Implemented the Employee Assistance Program (EAP) and received counseling cases. 3. Kept employee absenteeism rate below 0.56%. 4. Organize employee health checkup subsidies. 5. Provided subsidies for weddings and childbirths. 6. Organized at least two health promotion activities (including health seminars).	1. Mega Securities passed ISO 45001:2018 occupational health and safety management system certification 2. Provided free Employee Assistance Programs (EAP). 3. The employee absenteeism rate of Mega Securities was 0.47% and the employee absenteeism rate of Mega Futures was 1.60%. 4. 1,568 employees received health checkup subsidies, totaling NTD 6,189,000. 5. 31 employees received maternity subsidies, totaling NTD 298 thousand; 19 employees received wedding subsidies, totaling NTD 201 thousand. 6. 6 health promotion activities and seminars were held, benefiting a total of 524 persons; 4 on-site physician consultation services were organized, benefiting a total of 14 persons.	1. Maintain the validity of ISO 45001:2018 occupational health and safety management system. 2. Continue to organize Employee Assistance Programs (EAP). 3. Keep employee absentee rate under 0.75%. 4. Continue to organize employee health checkup subsidies. 5. Continue to provide employees with health checkups, marriage and childbirth subsidies. 6. Organized at least two health promotion activities (including health seminars).	1. Obtain and maintain "ISO 45001 Occupational Health and Safety Management Systems" certification 2. Continuously implement the Employee Assistance Program (EAP). 3. Keep the Group' s absenteeism rate below 0.56%. 4. Provide for better-than-statutory maternal leave/paternal leave days and implement friendly maternal care measures. The retention rate of unpaid parental leave is to reach 90%. 5. Continue to provide employees with a variety of subsidy programs including subsidies for employee health checkups, marriages, and childbirth. 6. Organize at least 15 health seminars or related health promoting activities.	
Forging a Deeper Financial Inclusion For Mutual Prosperity in Society	1 消除貧窮 8 良好工作及經濟成長 13 氣候變遷政策	-	1. Sponsor or conduct financial education 2. Cultural heritage 3. Care for the disadvantaged 4. Ecological sustainability	1. Sponsored or organized financial knowledge promotional activities. 2. Sponsorship or organizing of concerts and diversified art and cultural activities. 3. Donated or provided financial or material assistance to the underprivileged children.	1. During the Dragon Boat Festival, the Company held a financial fraud prevention awareness session for the elderly at "Meihua Village, Zhongzheng District, Taipei City", which saw a total of 63 participants. 2. Donated NTD 500,000 for the "2024 Taiwan East Coast Land Arts Festival" organized by the Tourism Administration, MOTC, to support the development of local tourism and culture. 3. Mega Securities donated NTD 390,000 to the "Down Syndrome Foundation" to support the "Yangming Home for the Disabled - Yongfu Home Xin-Yen Park" , and purchased nutritional supplements and blenders. 4. Donated NTD 500,000 to the Taiwan Reading Culture Foundation, and set up the "Financial Literacy Charity Library" project at Chueiyang Elementary School in Chiayi City, promoting the popularization of children' s financial education. 5. Participated in the Group' s mountain cleanup and weed removal activities. A total of 76 volunteers and their families in northern, central, and southern Taiwan took part in the cleanup, accumulating 224 hours of volunteer time.	1. Combined with financial functions, the Group' s colleagues serve as lecturers to promote financial knowledge to rural areas, non-mountainous and non-municipal areas, or disadvantaged groups. 2. Support local arts and cultural development, sponsor or organize concerts, diverse arts and cultural activities. 3. Support sports development and cultural heritage, sponsor or organize sports activities (including green sports events), and cultivate sports talent. 4. Continue to organize or participate in volunteer service activities for disadvantaged groups and communities. 5. Continue to protect the sustainability of the Earth and maintain biodiversity. Sponsor or organize ecological conservation-related activities.	1. Continue to increase the number of sessions and participants in the promotion of financial knowledge to rural areas or disadvantaged groups. 2. Support local arts and cultural activities, continue to increase the number of sponsorships and budget for arts and cultural activities. 3. Support sports development and cultural heritage, sponsor or organize sports activities (including green sports events), and cultivate sports talent. 4. Expand the participation of employees in the Group' s volunteer service activities, and continue to provide resources or services needed by disadvantaged organizations or communities. 5. Continue to protect the sustainability of the Earth and maintain biodiversity. Sponsor or organize ecological conservation-related activities.	

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Adhering to Ethical Standards to Practice Corporate Governance	5 性別平等 8 良好工作及經濟成長	Corporate Governance and Ethical Management	1. Assist directors with ensuring that they remain up to date on international trends in corporate governance and the latest domestic regulatory changes. 2. Enhance the actual attendance rate of all directors to strengthen the functions of directors. 3. Strengthen professional training for Corporate Governance Officer to provide greater support for directors. 4. Practice gender equality, increase female participation in decision-making, and strengthen the Board structure. 5. Build a culture of integrity from the top-down to cultivate the values and behaviors of ethical management.	1. New directors must complete at least 12 hours of continuing education and existing directors must complete at least six hours of continuing education, including at least three hours of ESG-related courses. 2. The performance evaluations of the Board of Directors and functional committees were completed, and the achievement rate of all measurement items was 85%. 3. The Corporate Governance Officer must complete at least 18 hours of continuing education on corporate governance courses. 4. The ratio of directors of each gender should be more than 33% of the total directors. 5. 100% of directors and those at the level of manager and above signed the "Statement of Compliance with the Ethical Corporate Management Policy".	1. Seven directors of Mega Securities received a total of 390.2 hours of training, with an average 55.7 training hours per director; five directors of Mega Futures received a total of 401.5 hours of training, with an average of 80.3 training hours per director; and three directors of Mega International Investment Services received a total of 156 hours of training, with an average of 52 training hours per director. 2. The performance evaluations of the Board of Directors and functional committees for 2024 were completed by Mega Securities, and the achievement rate of all evaluation items was over 90%. 3. The Corporate Governance Officer of Mega Securities completed 18 hours of continuing education on corporate governance courses. 4. Among the seven directors of Mega Securities, four are female, accounting for 57% of the Board. 5. 100% of directors, supervisors, and those at the level of manager and above signed the "Statement of Compliance with the Ethical Corporate Management Policy.	1. New directors must complete at least 12 hours of continuing education and existing directors must complete at least six hours of continuing education, including at least three hours of ESG-related courses. 2. The actual attendance rate of all directors at Board of Directors' meeting should exceed 85%, and at least two independent directors should attend the Board of Directors' meetings in person. 3. The Corporate Governance Officer must complete at least 18 hours of continuing education on corporate governance courses. 4. The ratio of directors of each gender should be more than 33% of the total directors. 5. Organize at least one ethical corporate management training session for all employees with a completion rate of 95%. 6. Signing of "Ethics and Compliance Statement" by directors and employees above the grade of manager.	1. Actively evaluate that the number of independent directors is higher than 50% of the total number of total directors. 2. Increase the ratio of directors from each gender to 40% ~ 50% of total Board membership. 3. The performance evaluation of the Board of Directors and functional committees should be conducted annually, and the results reported to the Board of Directors. 4. Strengthen Board supervision on implementation of ethical management by making at least 2 reports on the implementation of ethical management to the Board each year. 5. The annual completion rate of all employees' physical and online ethical management education and training reaches 100%. 6. Include employee performance on ethical management into annual performance evaluation metrics and establish reward/disciplinary mechanism linked to compensation.	
		Operational Performance	Focus on diversification of the securities business, making steady improvements to business operational performance, as well as effectively managing the generation and distribution of economic value.	Net income after tax of NTD 1.695 billion in 2024.	Brokerage, underwriting, and proprietary trading are the core businesses of Mega Securities. The percentages of the departmental revenues from brokerage, underwriting, and proprietary trading in the Company' s total revenues in 2024 were 67.26%, 9.35%, and 20.60%, respectively. The consolidated net profit after tax of Mega Securities was NTD 2,550,019 thousand, the EPS was NTD 2.20, and the ROE was 12.38%.	1. Diversification of handling fee income sources. 2. Development of diversified trading strategies. 3. Promote digital transformation and combine financial expertise to develop sustainable management (ESG). 4. Periodic review of financial position and honest reporting of financial performance.	1. Promote digital transformation and develop brokerage, underwriting, and proprietary trading businesses in line with the sustainable development strategy to steadily improve the Company' s operational performance. 2. Improve business resilience, strengthen the long-term value of the Company, and demonstrate sustainable management ability.	1. Promote digital transformation and develop brokerage, underwriting, and proprietary trading businesses in line with the sustainable development strategy to steadily improve the Company' s operational performance. 2. Improve business resilience, strengthen the long-term value of the Company, and demonstrate sustainable management ability.

Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2024 Targets	2024 Performance	Short-term Targets (2025)	Mid-term Targets (2028)	Long-term Targets (Up to 2030)
Adhering to Ethical Standards to Practice Corporate Governance	5 性別平等 8 良好工作及經濟成長	Risk Management	1. Continue to analyze and apply all kinds of risk and asset liability management information to improve risk management performance. 2. Enhance the disclosure of the natural environment risks in the climate and natural report.	1. Conductvarious types of risk management education and training for employees to enhance their risk management knowledge. 2. The KMV model is applied to screen the list of companies with marginal credit risk for hierarchical management. 3. Strengthen disclosure of content related to climate change in the TCFD report: (1) Assess climate risks and opportunities as well as emerging risks and opportunities for control. (2) Continue to evaluate the physical and transition risks of climate change of the investees and the financial impact. 4. Achieve the target of 39.56% of the SBT by 2028 in line with the commitment of the Group, and assist in achieving the Group' s science-based carbon reduction targets (SBT) for Scopes 1, 2, and 3, through investment and financing to help in passing the SBTi organizational review.	1. In 2024, a total of over 22,025 people at Mega Securities participated in risk management-related training courses, with a total of 58,772 hours of training; a total of 1,857 people at Mega Futures participated in risk management-related training courses, with a total of 4,571 hours of training. 2. In 2024, the Company conducted 3 calculations based on the KMV model determine the theoretical expected default rate of 1% for listed companies, financial institutions and counterparties in the list of companies with marginal credit risk for hierarchical management 3. Mega Securities has evaluated its 2024 physical and transition risks and financial impacts of climate change on the investees and the risks and opportunities of climate change, and disclosed the results in the TCFD report. Mega Futures has evaluated its 2024 physical and transition risks and financial impacts of climate change on the investees for control. 4. The Group passed the SBTi organizational review in June 2024.	1. Continue to conduct various types of risk management education and training for employees to enhance their risk management knowledge. 2. Continue to apply the KMV model to screen the list of companies with marginal credit risk for hierarchical management. 3. Continue to assess climate risks and opportunities as well as emerging risks and opportunities for control. 4. Continue to evaluate the physical and transition risks of climate change of the investees and the financial impact.	1. Continue to conduct various types of risk management education and training for employees to enhance their risk management knowledge. 2. Disclosure of information in accordance in the Annual Report in accordance with the IFRS Sustainability Standards S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and S2 "Climate-related Disclosures." 3. Continue to assess climate risks and opportunities as well as emerging risks and opportunities for control. 4. Continue to evaluate the physical and transition risks of climate change of the investees and the financial impact.	1. Continue to conduct various types of risk management education and training for employees to enhance their risk management knowledge. 2. Disclosure of information in accordance in the Annual Report in accordance with the IFRS Sustainability Standards S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and S2 "Climate-related Disclosures." 3. Continue to assess climate risks and opportunities as well as emerging risks and opportunities for control. 4. Continue to evaluate the physical and transition risks of climate change of the investees and the financial impact.
		Compliance	1. Implement legal compliance education and training to enhance employees' legal compliance knowledge. 2. Enforce compliance by fostering a top-down compliance culture. 3. Strengthen the effectiveness of the grievance system.	1. Compliance personnel must also participate in additional compliance training courses in addition to the statutory compliance training courses. 2. Establish a culture of compliance: (1) Conduct risk assessment and testing of compliance (including ethical management). (2) Review and improvement of the deficiencies in the penalty cases, and follow-up. 3. Grievance cases are handled in accordance with the Procedures for the Reporting of Grievance Cases. Publication of grievance channels on internal and external websites to strengthen the effectiveness of the grievance system and ensure proper whistleblower protection.	1. The legal compliance personnel and their supervisors have completed the training. 2. A culture of compliance established: (1) In 2024, the competent authority imposed 2 penalties on Mega Securities, with a fine of NTD 390,000. The review and improvement were completed. (2) In 2024, the Company conducted compliance tests on 14 units and conducted two self-assessments on compliance. 3. Mega Securities has disclosed the reporting channels on its website and intranet. In 2024, Mega Securities received four grievance cases through the grievance channel, and one case turned into a full securities investigation through Mega Financial Holding. In 2024, Mega Futures received one grievance case through the grievance channel, and no case were turned into to securities investigations through Mega Financial Holdings. In 2024, Mega International Investment Services did not receive any grievance cases. All of the above have been investigated and verified in accordance with the "Procedures for the Reporting of Grievance Cases" .	1. Attend additional compliance training courses in addition to the statutory hours of compliance training. 2. Review and improvement of the deficiencies in the penalty cases, and follow-up. 3. Continue to conduct compliance (including ethical management) risk assessment through compliance tests. 4. Publication of grievance channels on internal and external websites to strengthen the effectiveness of the grievance system and ensure proper whistleblower protection.	1. Attend additional compliance training courses in addition to the statutory hours of compliance training. 2. Continue to review, improve and track the penalties. 3. Continue to conduct compliance (including ethical management) risk assessment compliance tests. 4. Continue to strengthen the compliance culture, refine the grievance channels and system, as well as cultivate a corporate culture of transparency and sound management.	

Note : The performance in 2024 is the total for the Company and its subsidiaries, and the performance of each subsidiary is disclosed separately.

2.3 Stakeholder Engagement and Communication

In order to fulfill corporate social responsibility and demonstrate the importance of stakeholder communication, the Company has established transparent and smooth communication channels with stakeholders. We include stakeholders' opinions in the Company's management policies and operating activities to achieve the goal of sustainable management. We have defined major stakeholders according to the five major principles of AA1000 Stakeholder Engagement Standard (responsibility, influence, tension, diverse perspectives, and dependency). Considering that there has been little change in the types of stakeholders valued by the Company's employees, we continued to determine the types of stakeholders as identified in the 2023 employee questionnaire in 2024. We have identified seven types of stakeholders: Customers, Employees and Unions, Government/Competent Authorities and Industry Associations, Shareholders and Investors, Suppliers, Communities/Schools and Non-profit Organizations, and Media. Mega Securities used a variety of communication channels such as our corporate website, questionnaire surveys, press releases, and in-house/Group seminars as well as this Report to understand and respond to the needs of our stakeholders. Sustained communication and engagement was utilized to create mutual benefits and trust. In order to help stakeholders understand the United Nations Sustainable Development Goals (SDGs) and the sustainable development policies of Taiwan, in 2024, Mega Securities organized 964 sessions of employee education and training (please refer to 6.1.5 Talent Training), 55 external physical lectures and activities, 14 internal employee awareness sessions and activities (excluding education and training), 143 fraud prevention publicity activities (please refer to 5.2.1 Fair Customer Treatment). A total of 1,176 sessions of employee education and training or activities for stakeholders were held, accounting for 112.34% and 106.68% of the individual total assets of NTD 104,685 million and the consolidated total assets of NTD 110,239 million at the end of 2024, respectively.

Stakeholders	Implications for the Company	Topic of Concern	Communication Channel and Frequency	Key Communication Accomplishments in 2024
Customer	Listening to the needs of customers, provide quality financial services, and work together with customers to create a sustainable future.	• Digital Innovation • Corporate Governance and Ethical Management • Information Security • Combating Crime • Customer Relations	**Periodic** • Annual customer satisfaction survey • Implementation of mystery call mechanism **Ad Hoc** • Organizing of online/physical investment and wealth management seminars and investment forums • News, advertisements **Standing** • Mega Securities Smart Customer Service (real-time) • Provision of online account registration and trading platform (real-time) • Mega Securities LINE@ account (real-time) • Corporate website, Mega Securities FB fan page, Mega Securities IG, and Mega Securities YouTube (YT) channel • Free customer service hotline and customer service e-mail	• In 2024, Mega Securities conducted a brokerage customer satisfaction survey and received 4,578 valid questionnaires. 92% of all customers were satisfied with the overall service, with a satisfaction rate of 92% for young customers (18-30 years old), 93% for the middle-aged and elderly customers (55-64 years old), and 93% for the elderly generation (over 65 years old), achieving the target of 95%. • The customer satisfaction survey for wealth management consultants at Mega Securities was conducted, and 3,401 valid questionnaires were received, with an overall service satisfaction rate of 96.56%. Among them, the overall service satisfaction rate for young customers (18-30 years old) was 94.21%, and the overall service satisfaction rate for elderly customers (over 65 years old) was 97.23%. • Mystery calls were conducted at 43 securities operating sites. 400 staff members were tested as a way to identify the top 10 and bottom 10 operating sites. Additional education was provided to under-performing operating sites. • One physical and online (Mega Securities official YouTube channel) briefing on investment outlook was held by Mega Securities. • Two online (Mega Securities' official YouTube channel) seminars on investment were held by Mega Securities. • Organized five seminars on investment at five separate locations in Taipei, Taoyuan, Hsinchu, Shalu, and Douliu in partnership with TWSE and TPEx. • Organized 15 customer briefings and fraud prevention awareness sessions at all domestic Mega Securities operating sites. • The "ESG Investment Section" of Mega Securities was completed and launched to provide information on individual stocks, industry ESG indicators, and comparison data with other companies in the same industry. This project won the "National Brand Yushan Award" in 2024. • Mega Securities LINE@ account is followed by 17,077 people, has 74,658 cumulative friends, and has made 128 posts. • The Mega Securities Facebook group has accumulated 15,000 followers and posted 186 posts (including on the Facebook and Instagram) in total. • In 2024, there were a total of 15 customer complaints and financial disputes (including 12 cases for Mega Securities and 3 cases for Mega Futures)The cases were closed within the prescribed time limit.

Stakeholders	Implications for the Company	Topic of Concern	Communication Channel and Frequency	Key Communication Accomplishments in 2024
Employees and Unions	Employees are the Company's most important asset. We look after employee needs, and listen to the voices of unions and employees to strengthen foundations for corporate sustainability.	• Information Security • Economic performance • Compliance	**Periodic** • Health and labor legislation knowledge is disseminated through e-mails twice a month • Quarterly labor-management meetings • Annual performance evaluations and communication • Employee engagement survey **Ad Hoc** • Holding of employee health seminars or activities **Standing** • Hosting of employee bulletin board on intranet	• "Mega Health" e-newsletters on health knowledge and motivational content were sent a total of 15 times and also reposted to the Health section of the corporate intranet. • Hosted 4 labor-management meetings to promote mutual cooperation between the two parties. • Employee engagement survey sampled 1,628 people and average engagement was 3.83 (out of 5) • The Company held five seminars on employee health care and 1 seminar on health care for middle-aged and elderly employees. • 57 posts were made to the employee bulletin board of Mega Securities and all were responded to.
Government/competent authorities and industry associations	Monitoring of policy and regulatory developments, and making recommendations through associations to promote the development of a favorable industry environment.	• Digital Innovation • Information Security • Risk Management • Combating Crime • Talent Attraction and Development • Responsible Finance • Customer Relations • Climate Action	**Periodic** • Filing or disclosure of information by the statutory deadlines • Attendance at association committees **Ad Hoc** • Policy information conferences or forums • Answering surveys from competent authorities and their peripheral units • Verification and provision of related information on request for competent authorities and their peripheral units • Telephone calls or in-person meetings	• Filing or disclosure of related information as required by law such as Statement on Internal Controls, and Statement on AML/CFT Internal Controls. There were no penalties for violation of filing or disclosure regulations. • Assignment of executives to participate in the committees or working groups of industry associations such as the TWSA, CNFA, and Trust Association. • Participated in policy promotion meetings or seminars, such as ESG policy promotion meetings, fair customer treatment evaluation seminars and recognition conferences, and financial industry sustainability financial evaluation briefings. • Cooperate with peripheral agencies and industry associations on responding to business surveys. For example: Surveys on the opinion of the Guidelines for Financial Institutions on Greenwashing Prevention, survey on the preparation of the sustainability report, and surveys on the planning of the Scope 3 carbon reduction targets and strategies. • Cooperated with the audits of competent authorities and peripheral agencies by providing information and responding in a timely manner. • Signed the Letter of Intent for cooperation in anti-fraud with the Criminal Investigation Bureau, Ministry of the Interior.
Suppliers	Suppliers are important Mega Securities business partners. Mutual survival and prosperity is achieved through our close collaboration.	• Information Security • Digital Innovation • Combating Crime • Customer Relations	**Periodic** • Supplier self-assessment surveys are conducted annually • Supplier evaluations are conducted annually • Supplier ESG seminars are co-organized with the Mega Group every year **Ad Hoc** • Inviting suppliers to sign the Sustainability Declaration	• 26 key suppliers were invited to participate in the "Sustainability Self-Assessment Questionnaire Survey" and completed responses were received from 26 suppliers. • Organized the supplier ESG seminar together with Mega Group, with eight key suppliers of Mega Securities attending. • "Supplier Sustainability Declaration" signed by 100% of contract suppliers. • Mega Securities' green procurement in 2024 was NTD 69,826,500, accounting for 22.49% of the total procurement of NTD 310,444,533; the green procurement of Mega Futures was NTD 2,898,840, accounting for 19.93 % of the total procurement of NTD 14,547,571.

Stakeholders	Implications for the Company	Topic of Concern	Communication Channel and Frequency	Key Communication Accomplishments in 2024
Shareholders and Investors	Mega Holdings is the sole shareholder of Mega Securities. Sound communications ensure the effective implementation of the Group's business management and sustainability strategies.	• Sustainable Finance • Digital Innovation • Customer Relations	**Periodic** • Board of Directors meetings are convened every month • Submission of information every year to Mega Holdings to facilitate the preparation of the Sustainability Report • Participate in Mega Holdings meetings in accordance with Mega Holdings regulations on supervision of subsidiaries **Ad Hoc** • Reporting of related information based on the supervisory requirements of Mega Holdings	• Mega Securities convened 12 Board meetings. • Mega Securities actively cooperated with Mega Holdings on the preparation of the Sustainability Report, and provided Mega Holdings with quarterly updates on the implementation of sustainable development goals at Mega Securities. • Mega Securities regular attends meetings of Mega Holdings, including the monthly Mega Holdings Board of Directors meeting, monthly business management meetings, quarterly Sustainable Development Committee meetings, quarterly Risk Management Committee meetings, and quarterly Compliance meetings. • Material events and operating risk events were reported to Mega Holdings each month. • Mega Securities cooperated with Mega Holdings to conduct routine inspections and provide relevant information every six months. • All 13 material contingencies that took place were reported to Mega Holdings in a timely manner and dealt with appropriately.
Communities/Schools and Non-Profit Organizations	Mega Securities is actively leveraging our core business to cultivate financial talent and boost student understanding of the financial industry.	• Combating Crime • Financial Education • Happy Workplace • Inclusive Finance • Digital Innovation	**Periodic** • Promotion of industry-university collaboration programs every year • Organizing student visits in corporate • Organize campus finance lectures or career sharing sessions **Ad Hoc** • Organize financial education and anti-fraud awareness seminars • Hold or encourage employees to participate in volunteer activities • Sponsor and support the charity activities of disadvantaged groups	• Mega Securities actively develops the industry-academia cooperation. During 2024, 14 university students were offered internships or part-time careers with the Company. Internship agreements were also signed with nine universities • There were a total of 57 participants in the "Exploring the Multiverse of Mega Securities" event on the day of the corporate visit. • In addition, Mega Securities was invited to take part in the employment program of Ming Chuan University, and 34 students participated in the practical courses and job position training. • The Company has collaborated with colleges and universities, government agencies, and public welfare organizations to organize and sponsor 24 financial education and anti-fraud awareness seminars and activities. There were 53 volunteers for a total of 246 hours, benefiting a total of 10,357 persons • We sponsored and organized 11 public welfare activities to provide resources and assistance to disadvantaged groups, as well as to support the athletic development and innovative talent of students. There were 48 volunteers for a total of 171 hours, benefiting a total of 91 persons. • Sponsored and supported five arts, cultural and sports events organized by the central and local governments. • 6 sessions of environmental restoration, tree planting, and ecological conservation activities were held, with 122 volunteers and 465 hours of participation.
Media	Communication of Mega Securities information, maintenance of brand image, and enhancing stakeholder understanding of the Company.	• Combating Crime • Corporate Governance and Ethical Management • Operational Performance • Risk Management • Responsible Finance • Sustainable Finance • Inclusive Finance • Green Operations	**Periodic** • Press releases are sent to columns in leading media every month. **Ad Hoc** • Media interviews and promotions **Standing** • Appointment of spokesperson and PR personnel to establish a line of communication	• A total of 29 press releases were released during the year. • In 2023-2024, the Company was awarded the "Taipei City Senior Citizen Friendly Enterprise Certification" for two consecutive years. From 2021-2024, the Company was awarded the "List of Companies with Better Institutional Investor Stewardship Disclosures" for four consecutive years. From 2019-2024, the Company was awarded the "Fair Customer Treatment Evaluation for the Top 25% of Securities Firms" by the Financial Supervisory Commission for six consecutive years. In 2024, the Company was awarded the "Taiwan Stock Exchange Corporation's List of Excellent Corporate Governance Information for Securities Firms" by the Taiwan Stock Exchange Corporation, and the Company achieved "Ranking in the Top 25% of the Securities Sector" by the Financial Supervisory Commission for two consecutive years. For the period of 2021-2024, the Company was awarded the "TCSA - Platinum Award for Sustainability Report" by the Taiwan Institute for Sustainable Energy Research. • Ranked in the top 25% of proprietary futures commission merchants in 2024 by the competent authority under the Fair Customer Treatment Principles for three consecutive years; in 2024, received "Taipei City Middle-Aged and Elderly Friendly Enterprise Certification" for the second consecutive year.

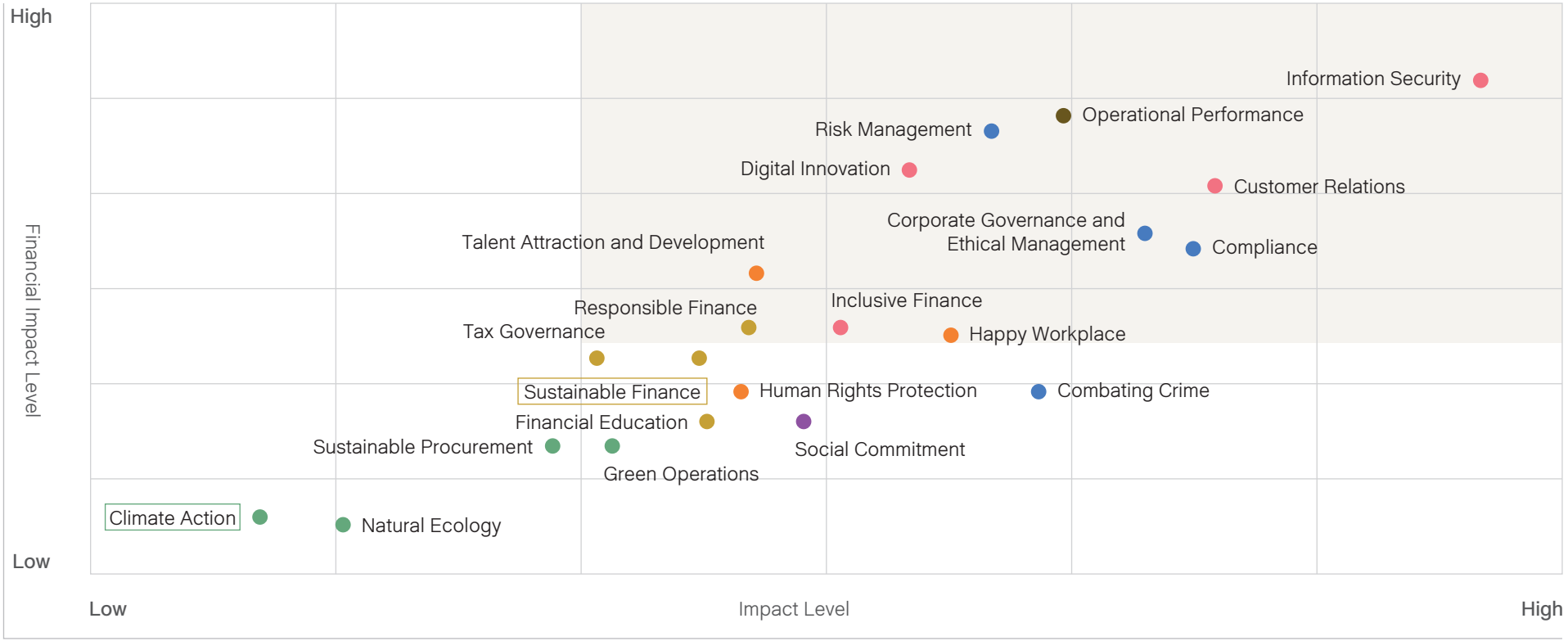
2.4 Material Topic Analysis and Management

Material topic identification process

In order to understand the impact of sustainability issues on stakeholders, including their financial impact, as well as to review the sustainable management results, the following five steps of the Company are used to communicate with stakeholders and identify material topics, and to conduct financial impact assessments on the three major topics identified (information security, customer relations, and legal compliance), as well as the issue of climate action:

Identification of stakeholders	In accordance with the five principles of Influence, Tension, Responsibility, Dependency and Diverse Perspectives defined by the AA1000 Stakeholder Engagement Standard (AA1000 SES), a questionnaire was distributed in 2023 to identify the seven key stakeholders: Customers, Employees and Unions, Government/Competent Authorities and Industry Associations, Shareholders and Investors, Suppliers, Communities/Schools and Non-profit Organizations, and Media. Considering that there was no significant change in the category of stakeholders, the 2023 questionnaire of employees were used in 2024.
Gathering of sustainability topics	With reference to international sustainability standards such as GRI and TCFD, the United Nations Sustainable Development Goals (SDGs), the Company’ s goals and vision, industry characteristics, material topics of Mega Holdings and benchmarking companies, sustainable development trends, and stakeholder concerns, each topic was discussed and assessed by the organizing unit of the “Sustainable Development Committee.” A total of 21 sustainability topics were compiled after consulting with external consultants.
Assess impact	• The Sustainable Development Committee of Mega Securities, the heads of various executive teams, branch managers, ESG-related executive employees, and the ESG-related employees of the subsidiaries Mega Futures, and Mega International Investment Services completed a sustainability issue impact assessment survey, focusing on the probability of positive and negative impacts of various sustainability topics on the economy, environment, and society, as well as the level of financial impact. 104 and 96 valid questionnaires were recovered, respectively. • **Negative impact** : Assessed in terms of severity and likelihood. The negative human rights impact of the topic was also taken into account. • **Positive impact** : Assessed on the scale, scope, and likelihood of impact. • **Financial impact** : Evaluate the positive and negative impacts of each issue on the financial impact.
Survey results and major topics	• The questionnaire results were compiled, and the positive and negative impact scores were added and the financial impact scores were calculated. Each issue was sorted through the impact matrix according to the scores, and the threshold values of the material topics were set. The 11 sustainability topics for 2024 were selected, namely, "information security", "corporate governance and ethical management", "regulatory compliance", "risk management", "operational performance", "customer relations", "happy workplace", "talent attraction and development", "digital innovation", "responsible finance", and "inclusive finance". • Considering the sustainability report to be fair and balanced, the Financial Supervisory Commission’ s Green Finance Action Plan 3.0, which encourages the financial sector to conduct GHG inventory, encourages the support of green industries and sustainable development fields with funds, and encourages pathways to achieving the government’ s 2050 net zero policy, "climate action" has been added to the 2024 material topics. Considering industry sustainability trends, such as the Financial Supervisory Commission’ s Green Finance Action Plan 3.0, two material topics identified through questionnaires, "responsible finance" and "sustainable finance", have been judged to be quite similar in nature. Therefore, these two material topics have been merged and renamed "sustainable finance and responsible finance". • The 12 material topics for 2024 were determined and reported to the Sustainable Development Committee and the Board of Directors after being approved by the general manager.
Disclosure Material Topics	Company management then followed the relevant reporting requirements for material topics from the GRI Standards to describe the corresponding response strategies, management actions, indicators, and targets in this Report to ensure that the Report provides an appropriate and faithful representation on ESG implementation by the Company.

2024 Impact Matrix of Material Topics on Mega Securities



Note：Considering the sustainability report to be fair and balanced, the Financial Supervisory Commission' s Green Finance Action Plan 3.0, which encourages the financial sector to conduct GHG inventory, encourages the support of green industries and sustainable development fields with funds, and encourages pathways to achieving the government' s 2050 net zero policy, "climate action" has been added to the 2024 material topics. Considering industry sustainability trends, such as the Financial Supervisory Commission' s Green Finance Action Plan 3.0, two material topics identified through questionnaires, "responsible finance" and "sustainable finance", have been judged to be quite similar in nature. Therefore, these two material topics have been merged and renamed "sustainable finance and responsible finance".

Material Topic Impact Management

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Company Operations	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Climate Action	• Positive Impact Climate change may bring new business opportunities. By following the trend and engaging in low-carbon transition, the Company can improve its future competitive edge. • Negative Impact Climate change may increase the Company' s operating costs, investment and credit risks. Failing to transform in a timely manner, the Company may be eliminated from the market. *With reference to the increase in electricity tariffs in 2023 for the climate risks (warming/increase in sustainability regulations/customer failure in low-carbon transition) identified, the increase in electricity costs when the Company used 100% green electricity, and the increase in precautionary measures for typhoons, floods and earthquakes in 2024 for the two climate risks (extreme climate events - operating sites/increased risk of investment in high-carbon emitting assets) identified, the assessment of the highest financial impact of climate change is about NTD 7.49 million.	●	●	●	• Management Purpose: Keep track of and manage the climate-related risks and opportunities identified in order to reduce possible future losses and enhance the Company' s future competitiveness. • Mitigation of Impact Measures: Mega Securities incorporates climate risks into its risk management system, identifies risks and opportunities, and regularly implements employee education and training and adopts GHG reduction-related management measures, and set targets.	In accordance with the "Climate Risk Management Principles" established by the Mega Group, Mega Securities added climate risk management policies to the "Risk Management Policy" and the emerging risks to the Risk Management Rules in 2019, to manage the potential risks resulted from climate change to the Company's operations and finance, and respond to the impacts of climate change.	1. Present the climate risk assessment data to the Risk Management Committee and the Board of Directors: Completed. 2. Completed the ISO14064-1 GHG inventory and verification for domestic operating sites: in May 2024, ISO14064-1 GHG verification declaration was obtained. 3. The green procurement target for 2024 was 2.2%, which was achieved by the Mega Securities and Mega Futures. 4. Climate change education and training: Completed.	GRI 201 Economic Performance GRI 302 Energy GRI 305: Emissions TCFD governance, strategy, risk management, indicators and targets	CH3 Environmental Sustainability CH 8 Corporate Governance

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot			Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
		Upstream Suppliers	Company Operations	Downstream Customers					
Sustainable Finance and Responsible Finance	• Positive Impact: The Company issues sustainable financial products and follows the Principles for Responsible Investment and engages in discussions with customers. The goal is to drive the Company to focus on and address environmental and social issues, slow down the speed of global warming to reduce climate change risks, and enhance the Company' s reputation. • Negative Impact: Providing financial products or services that are harmful to the environment or that fail to comply with the Principles for Responsible Investment will demonstrate that Mega Securities has failed to fulfill its responsibility to the environment and society, resulting in a negative impression of the investors, customers, or suppliers, affecting business.	●	●	●	• Management Purpose: By implementing sustainable investment and sales through its securities, futures, and consulting businesses, the Company has led other companies to pay attention to environmental and social issues, to work together to mitigate global warming and enhance the Company' s reputation. • Mitigation of Impact Measures: 1. Formulate management guidelines for sustainable products and investments, and report the implementation status to the Board of Directors on a regular basis. 2. ESG engagement with the issuing company is conducted every year.	Formulate the "Sustainable Finance Policy", "Stewardship Principles", and "Administrative Regulations for Promoting the Development of Sustainable Finance " to provide sustainable products and services and responsible investment guidelines, and encourage investment departments to increase investment in low-carbon industries and design sustainable financial products. We will reduce investment in industries with high carbon emissions to achieve the goal of promoting low-carbon economic transformation, accelerate the realization of the Paris Agreement to control global warming to within 2° C, and achieve the vision of net zero by 2050.	1. The target of the investment and underwriting of domestic sustainability bonds in 2024 by Mega Securities was NTD 1.5 billion: The actual investment in domestic sustainability bonds in 2024 was NTD 2.4 billion. 2. The Company aims for the allocation of responsible investment assets to account for less than a certain percentage of the total positions of proprietary trading and underwriting (excluding hedging): The actual percentage in 2024 was 37.80%. 3. By following the goal set by the Group, Mega Securities' investment positions in SBTi will gradually increase, and assist the Group as a whole in reaching the target of 39.56% by 2028: As of 2024, the proportion of SBT holdings was 27.13%.	Inclusion of SASB ESG factors in investment banking and scurities: FN-IB 410a.1 FN-IB 410a.2 FN-IB-410a.3 SASB Corporate Operational Indicators: FN-IB-000.A FN-IB-001.B FN-IB-002.C The Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms - Article 2, No 4. Number of securities firms in accordance with the Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms - Products or services designed by each operating business to create environmental or social benefits	CH4 Sustainable Finance

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot			Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
		Upstream Suppliers	Company Operations	Downstream Customers					
Inclusive Finance	• Positive Impact: Provide financial products or convenient investment channels for small-scale or disadvantaged groups, and offer financial education to help investors grow wealth, promote economic growth, and reduce wealth gap. • Negative Impact: If the Company fails to provide financial products or convenient investment channels for small-scale or disadvantaged groups, it will not help investors to grow wealth, which is not conducive to economic growth.		●	●	• Management Purpose: Provide products and channels that are convenient for investors and boost economic growth. • Mitigation of Impact Measures: 1. Develop financial products or services suitable for diverse or disadvantaged groups, and optimize the digital investment platform. 2. Hold financial education seminars for customers.	Mega Securities has established the "Administrative Regulations for Promoting the Development of Sustainable Finance" to specify the continued development of financial products or services applicable to diverse or disadvantaged groups to enhance the Company' s financial service breadth. The Company is also committed to fully utilizing Fintech to promote business development, and to continue to develop safe, prompt, and convenient financial products and services.	[Mega Securities] 1.The "Mega eStock" platform continues to optimize diversified shareholding functions, pproviding stock services for regular fixed amounts, fixed shares, conditional orders, and stock options of the U.S. stock market. In 2024, the cumulative shareholding plan reached 49,013 shares, an increase of 62.23% from 30,212 shares in 2023. 2. Establish the "Mega Bond" platform for electronic trading of overseas bonds, providing small-scale investors with an option to "save bonds" : Completed in 2024. 3. 2024 External financial education seminars: Conducted.	The Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms - Article 2, No 2. Number and amount of funds raised to assist SMEs in the capital market; No. 3. Number of participants in financial education for disadvantaged groups lacking securities services.	CH5 Customer Commitment

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot			Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
		Upstream Suppliers	Operations Company	Downstream Customers					
Customer Relations	• Positive Impact: Establish a comprehensive fair customer treatment system and customer complaint procedures, and implement the top ten principles of fair customer treatment to protect customer rights and interests, gain customer trust, and enhance customer stickiness. • Negative Impact: If the Company fails to implement the top ten principles of fair customer treatment and prevent investment fraud, it may cause financial losses to customers resulting in loss customer trust for the Company and may cause the Company to face the risk of being penalized by the competent authority. *Refers to the customer-related litigation fees, fines for supervisors' disciplinary actions due to involvement of customers, and the information system expenditure for fraud prevention in the past three years, the maximum amount of financial impact on customer rights and interests was about NTD 11.16 million (approximately NTD 10.13 million for customer-related litigation costs / NTD 0.78 million for penalties / approximately NTD 0.25 million for costs of phishing website detection and take-down services).		●	●	• Management Purpose: Implement the top ten principles of fair customer treatment and assist in the prevention of investment fraud to protect customer rights and interests and enhance customer retention. • Mitigation of Impact Measures: 1. Establish a dedicated unit under the Board of Directors to promote related matters in accordance with the Fair Customer Treatment Principles and the Prevention of Investment Fraud. 2. Conduct a customer satisfaction survey every year to understand customer experience and optimize relevant operating procedures and transaction platform design. 3. Implement education and training on fair customer treatment and fraud prevention and organize financial friendly experience activities.	The Company has established the "Fair Customer Treatment Implementation Committee Charter, "Fair Customer Treatment Principles and Strategies", and "Customer Complaint Handling System" approved by the Board of Directors. The Company has also set up a Fair Customer Treatment Promotion Committee under the Board of Directors to promote fair customer treatment and fraud prevention related plans, establishing a corporate culture that emphasizes the protection of financial consumers.	1. A Fair Customer Treatment Promotion Committee meetings is held at least once a quarter: The Committee held at least one meeting in 2024. 2. The customer satisfaction survey is conducted by Mega Securities every year, and the score reaches 86%. The results of the customer satisfaction survey in 2024 met the target. 3. Finish processing customer grievances within the given time: The customer grievances and financial consumer disputes in 2024 were all closed within the given time. 4. Employees must complete at least 3 hours of education and training on fair customer treatment per person per year: Target achieved in 2024.	Custom Topics	CH5 Customer Commitment

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Operations Company	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Information Security	• Positive Impact: Strengthen information security protection practices to prevent unauthorized use, disclosure, destruction, and destruction of customer information; establish an information security monitoring system to facilitate the reporting process and emergency response measures in the event of an information security incident. • Negative Impact: Mega Securities is in the financial services industry. Due to the nature of the industry, there is a greater likelihood of cyberattacks and higher information risk so we are closely regulated by the competent authority. Data leaks may lead to service disruptions, customer complaints, litigation and investigation. These in turn lead to recovery or threat elimination costs, damage to the Company's reputation, as well as undermining of customer, supplier and other stakeholders' confidence in the Company. * Based on recent accounting errors due to system problems and the amount of hacker ransoms, the financial impact of a cyber attack is assessed to be in excess of $15 million (over $5 million in business losses from system disruption, over $10 million for ransoms, or system replacement cost).		●	●	• Purpose of management: Comprehensive information security management measures can protect the rights and interests of the Company and stakeholders, and reduce possible damage. • Mitigation of Impact Measures: 1. Ensure the confidentiality of company secrets, customer privacy, and transaction security through the establishment of a comprehensive internal information security policy and information management system. 2. Conduct annual information security training and social engineering exercises to raise information security awareness and prevent related incidents in order to minimize the impact to stakeholders from data leaks.	The "Information Security Policy" and "Information Security Policy - System Access Controls" and "Regulations on Personal Data File Security Maintenance Plan and Handling of Personal Data After Termination of Services" were defined by Mega Securities; ensure that all internal regulations on personal data protection are aligned with the latest domestic and overseas legislation to ensure that information security and protection of customer privacy all comply with the requirements of international standards.	1. Report the overall information security planning and implementation to the Board of Directors every year to strengthen information security supervision. 2. Establish a personal data team and an information security team to handle personal data issues and information security incidents, including reporting, resource allocation, incident handling, and post-improvement review to minimize incident damage. 3. There were no information security or data leaks during 2024.	GRI 418 Customer Privacy The Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms - No 1. Number of information breach incidents, percentage of personal data breach incidents, number of customers affected by data breach incidents.	CH5 Customer Commitment Team CH8 Corporate Governance

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Operations	Value Chain Impact Hotspot: Company	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Digital Innovation	• Positive Impact: Digital services provide more complete, diverse, and real-time information than traditional methods, which can reduce information gaps, making it easier for investors to make investments. They can also improve the investment performance of the Company and customers, and increase customer satisfaction. • Negative Impact: In the digital age, the traditional financial product business is under threat. If the Company fails to actively develop an online trading platform and optimize the digital operating process, the Company will reduce customer satisfaction and weaken the Company's competitiveness.		●	●	●	• Management Purpose: Lower investment cost, improve investment performance of the Company and customers, and reduce digital divide to promote inclusive finance. • Mitigation of Impact Measures: 1. Establish a dedicated digital innovation department to coordinate the development of digital innovation. 2. Actively grasp the development trends of Fintech, develop and optimize digital services, and enhance service efficiency.	1. Mega Securities has established the Digital Innovation Department 2. Mega Securities has launched the digital transformation project and has made the development of digital finance its medium and long-term strategic goal, aiming to provide secure and convenient financial services.	1. In 2024, the percentage of electronic order placement transactions at Mega Securities to reach 80%, and the percentage of online account opening at Mega Futures to reach 55% or more: Achieved. 2. Continue to optimize digital services: For example, the digital services, such as "Mega e-Deposit" and "MegaGo Purchase by Share" launched in 2023: Optimized.	Custom Topics	CH5 Customer Commitment
Operational Performance	• Positive Impact: The Company's sound operating performance can increase the financial income of employees, bring stable operating revenue to suppliers, and provide customers with comprehensive investment resources to ensure the Company's sustainable operation. • Negative Impact: Poor operational performance of the Company will result in low financial income for employees and impact the operating revenue of suppliers, leading to the Company to not be able to provide customers with comprehensive investment resources, which will affect the Company's sustainability.		●	●	●	• Management Purpose: Stable business performance can enhance employee cohesion and the confidence of other stakeholders in the Company, which is beneficial to the Company's sustainability. • Mitigation of Impact Measures: 1. Hold monthly management meetings to review the performance of each product line. 2. Disclose information on consolidated and parent company only financial statements on #MOPS to meet the information needs of shareholders and other stakeholders.	1. Improve customer structure and increase market share. 2. Develop wealth management and increase regular income. 3. Explore diverse sources of revenue and expand the scope of underwriting. 4. Develop a long-short strategy to improve operational performance. 5. Make good use of the Group's resources and exert the joint sales advantages.	The Company holds monthly management meetings to review operational performance and disclose its financial status on MOPS in accordance with regulations: The consolidated net profit after tax in 2024 was NTD 2,550,019 thousand, the EPS was NTD 2.20, and the ROE was 12.38%.	GRI 201 Economic Performance	CH1 Foreword and About Mega Securities

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot			Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
		Upstream Suppliers	Company Operations	Downstream Customers					
Talent Attraction and Development	• Positive Impact: Human resources are an important asset of a company, and outstanding talent can enhance its productivity and competitive advantage. • Negative Impact: Improper talent management may result in talent loss, labor shortage, labor disputes, or damage to brand image.		●	●	• Management Purpose: Attract and retain outstanding talent to make the Company competitive. • Mitigation of Impact Measures: 1. Deepen the cultivation in campus talent management and actively conduct the industry-academia cooperation. 2. In response to the ESG wave, the Company strengthens the recruitment of talents in three major fields: digital, sustainable, and diversified finance, to enhance the Company's power to embrace the diversified development trend. 3. Improve the professional ability of employees by organizing various trainings.	Mega Securities has established the "Regulations Governing Recruitment and Appointment", "Employee Performance Appraisal Rules", and "Employee Education and Training Regulations" to facilitate the recruitment and retention of outstanding talents. The Company also organizes diverse education and training to assist employees in their career development.	1. Control the total turnover rate to a certain percentage: In 2024, the target was achieved by Mega Securities, but not by Mega Futures. This is mainly due to the higher number of sales personnel who left the Company voluntarily. We have discussed improvement measures and asked the supervisors to look after the wellbeing and work status of the employees. 2. Continue to organize industry-academia cooperation programs and provide internship or work-study opportunities: In 2024, a total of 49 college students were arranged to work in the Company as interns or for work-study programs; internship agreements were also signed with nine universities 3. Continuously organize diverse education and trainings: in 2024, various statutory education and training courses, education and training courses on relevant management skills, and consensus camps for middle and senior executives were organize.	GRI 401 Employment GRI 402 Labor Relations GRI 404 Training and Education GRI 405: Employee Diversity and Equal Opportunity SASB Diverse Employees FN-IB-330a.1	CH6 Employee Care

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Company Operations	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Happy Workplace	• Positive Impact: Employees are an important asset of the Company. Creating a happy and inclusive workplace can enhance employee cohesion and willingness to stay, and help recruit talent and promote the Company' s steady operations. • Negative Impact: A poor workplace environment will reduce the work momentum of employees and result in high turnover or safety concerns, which is not conducive to the Company' s recruitment of talent and steady operations.	●	●		• Management Purpose: Create a happy and inclusive workplace to enhance employee cohesion and willingness to stay and promote the Company' s steady operations. • Mitigation of Impact Measures: 1. Formulate and implement occupational safety and health related measures. 2. Establish transparent communication channels to enhance labor relations. 3. Establish a friendly, diverse workplace environment and a fair and legal labor and promotion system.	1. Mega Securities has established the "Human Rights Policy" and is committed to complying with labor-related laws and regulations and internationally recognized basic human rights. The employment policy does not discriminate against employees based on factors such as gender, age, race, marriage, and religion. 2. Mega Securities has established the "Principles for Anti-discrimination and Anti-harassment" to respect the diversity of employees, and eliminate all forms of discrimination and harassment. 3. We have established the "Occupational Safety and Health Managerial Standards" to reduce occupational disasters and Work-related illness, and ensure the provision of a good working environment and physical and mental health for the employees.	1. Mega Securities maintained the validity of ISO 45001 occupational health and safety management system certification in 2024: Completed. 2. Continuously provide employees with health checkups, and marriage and childbirth subsidies: Completed 3. Continuously implement the Employee Assistance Program (EAP): Completed. 4. Organize health promotion activities (including health seminars) annually: Conducted.	GRI 201 Economic Performance GRI 401 Employment GRI 403 Occupational Health and Safety GRI 405 Diversity and Equal Opportunity	CH6 Employee Care

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Company Operations	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Corporate Governance and Ethical Management	• Positive Impact: Good ethical corporate management helps with corporate sustainable development and builds a good brand image and reputation in the market. • Negative Impact: Violations of ethical management will not only damage stakeholder trust and interests but increase operational, legal, reputation, and financial penalty risks. Using ethics-related fines that were actually imposed against the Company between 2021 and 2023 as a guide, the financial impact from violations of ethical management for the year may be as high as $780,000.	●	●	●	• Purpose of management: Good corporate governance can bring stable business results and long-term competitiveness, and avoid potential legal risks. • Mitigation of Impact Measures: 1. Strengthen the functions of the Board of Directors through the diversity of the Board of Directors and the performance evaluation of the Board of Directors. 2. Establish Ethical Management Committee to review the Company's ethical management policy as well as conduct regular evaluations of implementation and risks. 3. Incorporate ethical management into the Company's business strategy and corporate culture through company regulations, training and education.	1. The Company has established the "Articles of Incorporation", "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles", "Ethical Corporate Management Procedures and Code of Conduct", "Ethical Code of Conduct", "Employee Code of Conduct", "Procedures for the Handling of Grievance Cases" at the Board level. The Company has also clearly stated its ethical management policies and practices on its official website and in external documents to promote and prevent unethical conduct. The Company reports the implementation of ethical management to the Board of Directors every year, and is committed to establishing a sound corporate governance system to create an ethical culture.	1. Exceed the statutorily required training hours for directors: 100% completion rate in 2024. 2. Completion of at least 18 hours of training by the Corporate Governance Officer of Mega Securities: Target achieved in 2024. 3. 100% of directors and employees above the grade of manager have signed the "Ethics and Compliance Statement": 100% signing rate in 2024. 4. Completion rate of the annual ethical corporate management training for employees of Mega Securities is 95%: Target achieved in 2024.	GRI 205 Anti-corruption GRI 405 Employee Diversity and Equal Opportunity GRI 415 Public Policy SASB Business Ethics: FN-IB-510a.2 SASB Professional Integrity: FN-IB-510b.2, FN-IB-510b.3, FN-IB-510b.4 Employee motivation and risk taking: FN-IB-510b.2, FN-IB-550b.1, FN-IB-550b.2	CH8 Corporate Governance

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Company Operations	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Risk Management	• Positive Impact: The Company has established a comprehensive risk management procedure to significantly reduce the possibility of major losses suffered by the Company, thereby stabilizing the confidence of the financial market and customers. In doing this, we ensure that the Company can minimize the damage in the event of an emergency or an abnormal event, and protect the life and safety of employees, protect the Company' s assets, and enable the Company' s business to return to normal as soon as possible. • Negative Impact: Improper risk management may cause the Company to suffer major losses, which will affect its business operations and cause customers to lose faith in the Company' s rights and interests, affecting trust and cause turbulence in the financial market.	●	●	●	• Purpose of management: Establish and maintain an effective risk management mechanism to reduce the impact of unexpected events on the Company, and prevent the Company from suffering major financial losses or even business interruptions or suspensions due to operational risks. • Mitigation of Impact Measures: 1. Formulate comprehensive risk management procedures, including risk management policies, identification, and evaluation processes, to manage traditional operational risks, mitigate negative impacts, and continue to improve emerging risk management. 2. The Risk Management Committee, which reports directly to the Board of Directors, was established for reviewing risk related policies and targets as well supervising the implementation of risk management operations to ensure the Company' s overall risks adhere to the risk management policy defined by the Board.	1. The "Risk Management Rules" were formulated by Mega Securities to ensure that an effective risk management system is established by the Company. Risk management targets are reviewed and formulated annually to ensure that all operational risks are kept within an acceptable range. 2. Climate change risks have been incorporated into the risk management policy, with new emerging risks added to the risk management rules to strengthen the climate risk management mechanism.	1. Continued evaluation of risk and review of risk control performance: The Risk Management Office provides daily risk monitoring reports and briefs the Risk Management Committee and Board of Directors every two months. 2. Periodically conduct self-assessment of operations, compliance, and audit to track and evaluate the effectiveness of risk management: Completed in 2024. 3. Strengthen the identification and management of climate change risk: Completed. 4. Carry out physical risk scenario analysis and investment position transition risk: Completed in 2024.	SASB systemic risk management: FN-IB-550a.2 SASB employee motivation and risk taking: FN-IB-550b.3 TCFD risk management	CH 8 Corporate Governance

Material Topics	Impact Description and Reason for Materiality	Value Chain Impact Hotspot: Upstream Suppliers	Value Chain Impact Hotspot: Company Operations	Value Chain Impact Hotspot: Downstream Customers	Management Goal and Impact Mitigation Measures	Policy and Commitments	Evaluation Mechanism	Corresponding GRI/ SASB Standards, TCFD and Special Topics	Corresponding Chapter
Compliance	• Positive Impact: The Company has established a culture of compliance to ensure that its various operations comply with laws and regulations and reduce legal risks. • Negative Impact: Violations of laws or internal regulations may negatively affect business development and generate litigation costs or fines. Using the actual litigation and penalty amounts imposed against the Company between the past three years as a guide, the financial impact from violation of the law or internal regulations may be as high as NTD 109.9 million (NTD 101.3 million from litigation costs, and NTD 860,000 from fines).	●	●	●	• Purpose of management: Establish a good regulatory compliance culture to build a foundation for stakeholders' trust and reduce the risk of the Company's penalties. • Mitigation of Impact Measures: 1. Establish internal control system and regulations based on external standards, and update the Company's internal controls and regulations in a timely manner when new external laws are passed or updated. 2. Propose preventive and improvement measures in response to violations, and establish a reporting mechanism for material violations of the law. 3. Periodically organize compliance tests, inspections, and assessments, as well as education and training to enhance employees' awareness of compliance.	1. A compliance system has been established by Mega Securities in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" and the relevant laws and regulations governing securities and futures commission merchants. We strive to comply with regulatory and supervisory requirements to reduce potential financial losses as well as impact to the Company's reputation and operations. 2. The "Standard Operating Procedures for Compilation of Laws and Regulations and Consulting" have been formulated to ensure that all operating procedures and management measures are updated in a timely manner in line with the major policy issues and relevant laws and regulations announced by the competent authorities, so that the operating activities comply with the laws and regulations.	1. Completion of statutory training hours by compliance specialists: In 2024, 100% of Mega Securities compliance specialists completed and exceeded their statutory training hours. 2. Conduct general compliance testing, compliance self-inspection, and compliance risk self-assessment operations on a regular basis; conduct compliance project testing operations on an unscheduled basis; the results of which are then reported to the General Manager for approval or the Compliance Committee for review and the Board of Directors for approval: Completed in 2024.	GRI 206 Anti-competitive Behavior GRI 417 Marketing and Labeling SASB Business Ethics: ・FN-IB-510a.1 SASB Professional Integrity: ・FN-IB-510b.1	CH8 Corporate Governance



3 Environmental Sustainability

3.1 Climate Action
3.2 Green Operations
3.3 Sustainable Procurement
3.4 Natural Ecology

Corresponding United Nations Sustainable Development Goals (SDGs)



Material Topic GRI indicators

- GRI 201: Economic Performance
- GRI 305: Energy
- GRI 305: Emissions

Corresponding material topics

- Climate Action, Corporate Governance, and Ethical Management

Stakeholders with priority access

- Suppliers, government and competent authorities, shareholders/investors, employees/union, communities/schools/non-profit organizations

2024 was recorded as the hottest year in history, in which twenty countries and regions recorded the highest temperatures. The World Economic Forum (WEF) released the "Global Risks Report 2025," indicating that extreme weather events are ranked second in short-term risks (two years) and first in long-term risks (ten years); among the top ten long-term risks, environmental risks accounted for five. In response to the Paris Agreement's vision of limiting global warming to 1.5 ° C by the end of this century, Mega Holdings signed the Science Based Targets initiative (SBTi) commitment in April 2023, promising to set a carbon reduction pathway (approved in June 2024) based on the Science Based Targets (SBT), and achieve net zero emissions by 2050. In accordance with Mega Group's SBT carbon reduction policy and other environmental protection policies, we have passed ISO14001, ISO14064-1, and ISO50001 certifications, and have negotiated with our investees to encourage them to undergo carbon reduction transformation or set SBT carbon reduction targets. The Company's headquarter building and Xingying Branch both obtained the Green Building Label Diamond certification in 2023 and 2024, respectively. With the continuous efforts of the value key, we expect to gradually reduce carbon emissions in the future to achieve the effect of climate change mitigation and improve our living environment.

3.1 Climate Action

According to the World Economic Forum (WEF)' s Global Risks Report 2025 (GRR2025) published on January 15, 2025, the top ten global risks in the next decade include five environmental risks: extreme climate events, loss of biodiversity and ecosystem collapse, major changes in the environment, shortage of natural resources, and environmental pollution. It is clear that climate change is a serious challenge to the world.

According to the United Nations World Meteorological Organization (WMO), 2024 was the hottest year on record, with the global average surface temperature 1.55° C higher than the average between 1850 and 1900 (with a margin of error of ± 0.13 ° C). The accelerated loss of polar ice, the continuous rise of sea levels, and the intensification of ocean heating have significantly increased, and the frequency and severity of extreme weather events have become more frequent and severe.

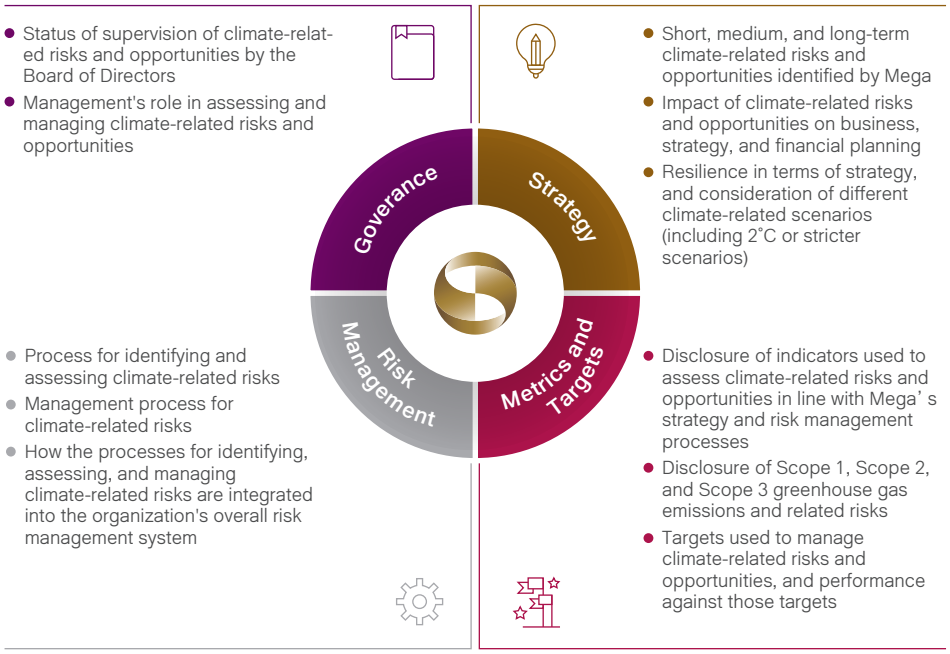
On August 29, 2024, Taiwan' s Ministry of Environmental Protection announced the "Regulations Governing the Collection of Carbon Fees" and the "Regulations Governing Self-determined Reduction Plans" and announced the "Designated GHG Emissions Reduction Goals for Entities Subject to Carbon Fees". The Ministry of Environmental Protection has completed the three supporting sub-laws of the carbon fee system, marking Taiwan' s official entrance into the era of carbon pricing. The carbon fee will be levied from 2025 onwards, aimed to encourage actual reduction through a preferential rate, coupled with a multi-dimensional mechanism such as the issuance of reduction credits for voluntary reductions, with a view to expanding participation by both the large and the small in accelerating the reduction pathway.

The mission of the Mega Group is "Spreading Positive Influence and Leading the Way to Sustainable Development" and we have actively responded to the "Green Finance Action Plan 3.0". At the end of 2023, we were invited by the FSC to join the "Pioneer Alliance" and serve on the "Financial Sector Net Zero Initiative Working Platform - Cross-Departmental Consultation Working Group" to help the financial industry understand and support the development of the technical industry of sustainable economic activities. In order to achieve the long-term goal of net zero by 2050, the Board of Directors approved the Group' s decarbonization strategy in May 2023, committing to completely withdraw from coal and non-conventional oil and gas investment and financing by 2040. We also ensure that all global "operational locations" comply with the principles of protecting biodiversity and "zero forest destruction", taking action to protect the earth, reduce the impact of natural environmental risks, and enhance the Group' s operational resilience.

Mega Group signed the Task Force on Climate-related Financial Disclosures (TCFD) initiative in April 2020. Mega Securities follows the four core elements and 11 disclosure items of the TCFD framework, clarifying the mechanisms of governance, strategies, and risk management adopted to address climate change issues, and demonstrating our determination to implement climate actions through climate goal setting and regular indicator tracking.

In 2024, the Company introduced the LEAP methodology in accordance with the "The Taskforce on Nature-related Financial Disclosures" (TNFD) and the Partnership for Biodiversity Accounting Financials (PBAF) framework for the first time. The systematic assessment of the dependency and impact of the financing business on natural resources shows the Company’ s emphasis on natural environmental issues.

Four cores of TCFD



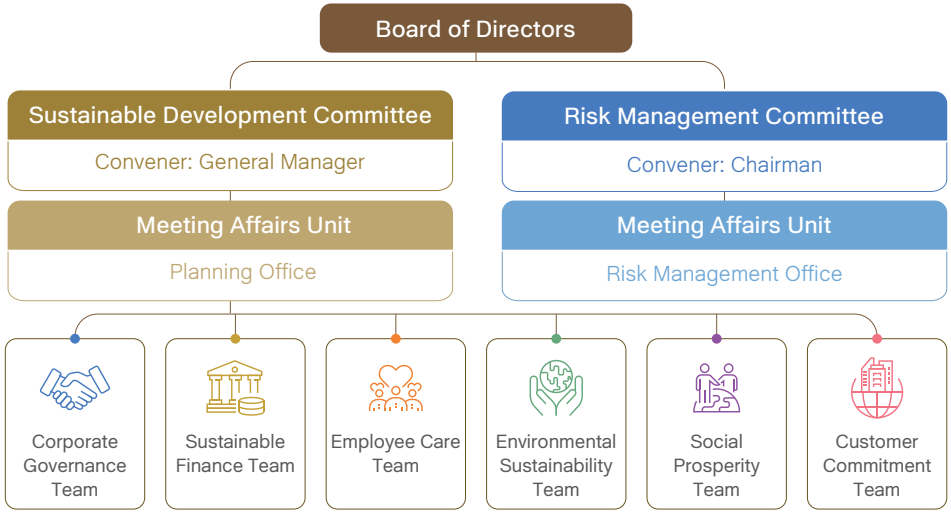
3.1.1 Climate governance

Climate governance operational mechanism

Mega Securities' Board of Directors is the highest governing body for climate change-related issues, and is responsible for supervising and reviewing the Company's climate-related risk policies and management systems. The Risk Management Committee and Sustainability Committee under the Board of Directors are responsible for identifying and managing climate change risks and opportunities.

In addition, to align with IFRS S1 and S2, Mega Securities established a task force and formulated an implementation plan in 2024. This plan was approved by the Board of Directors in December 2024, and implementation progress is reported to the Board on a quarterly basis. Mega Securities is carrying out related operations in accordance with the Group's policy.

Mega Securities Climate Governance Structure



Note : Since the 13th term of directors assumed office on April 22, 2025, the convener of the Risk Management Committee has been an independent director

Sustainable Development Committee

The Sustainability Committee of Mega Securities is composed of the Director concurrent General Manager, and heads of various departments, while chaired by the General Manager. The Committee is responsible for reviewing sustainable finance policies and regulations, deliberating annual environmental sustainability plans such as annual energy use and greenhouse gas reduction targets, as well as the education and trainings for identification and management of risk and opportunities on climate change. At least one meeting is held every quarter, and the meeting minutes and implementation status are reported to the Board of Directors; the dedicated unit for the meeting affairs is the Planning Office. Under the Committee, the Environmental Sustainability Team is responsible for the Company's environmental protection, green operations, and supply chain management. The Sustainable Finance Team is responsible for the Company's green and transition finance, responsible investment, climate and natural risk management. The Corporate Governance Team is responsible for the risk management matters.

Risk Management Committee

The Risk Management Committee of Mega Securities is compose of the Chairperson, Director concurrent General Manager, the Chief Risk Officer, and other department heads as members, and chaired by the Chairperson. The Committee is responsible for supervising the implementation of risk management business, deliberating the risk management policies, annual risk management objectives, the Articles of Incorporation of the Risk Management Committee, and risk management rules, and reviewing the overall risk appetite or risk limit. The Risk Management Committee convenes at least one meeting every quarter. Extraordinary meetings may also be convened as needed for business needs or for emergencies. The Risk Management Office is responsible for meeting affairs. The implementation of climate change-related financial disclosures is reported in each RMC general meetings, including Mega Securities' holdings of high carbon-emission industries and the implementation of the SBT in the proprietary trading and underwriting, and the climate risk-related operations by Mega Holdings or Taiwan Securities Association. The aforementioned contents are also reported in the board meetings of Mega Securities and its Risk Management Committee meetings.

Status of Supervision of Climate-Related Risks and Opportunities by the Board of Directors

Climate-related proposals of the Board of Directors in 2024

1. Mega Securities' risk management overview and implementation in November and December, 2023, and the minutes of the first regular meeting of the Risk Management Committee in 2024. (including TCFD implementation progress)
2. Mega Securities' risk management overview and implementation in January and February, 2024, and the minutes of the second regular meeting of the Risk Management Committee in 2023. (including TCFD implementation progress)
3. Mega Securities' risk management overview and implementation in March and April, 2024, and the minutes of the third regular meeting of the Risk Management Committee in 2024. (including TCFD implementation progress)
4. Mega Securities' risk management overview and implementation in May and June, 2024, and the minutes of the fifth regular meeting of the Risk Management Committee in 2024. (including TCFD implementation progress/including climate risk assessment report)
5. Mega Securities' risk management overview and implementation in July and August, 2024, and the minutes of the sixth regular meeting of the Risk Management Committee in 2024. (including TCFD implementation progress)
6. Mega Securities' risk management overview and implementation in September and October, 2024, and the minutes of the seventh regular meeting of the Risk Management Committee in 2024. (including TCFD implementation progress)
7. Establishment of the 2025 annual risk management targets for Mega Securities. (including 26% of carbon emission limit and 25.98% of SBT investment target)
8. Establishment of Mega Securities' 2025 ESG promotion plan, specific targets, and medium and long-term targets. (including climate action)



The management's role in assessing and managing climate-related risks and opportunities

For the climate-related issues at Mega Securities, the Sustainability Committee and the Risk Management Committee, under the Board of Directors, implement the supervision and management of climate change risks and opportunities. The execution units are the Environmental Sustainability Team and Sustainable Finance Team, the Environmental Sustainability Team, and the Risk Management Office, respectively. The supervisors are the Chair of the Sustainable Development Committee, the General Manager, and the Chief Risk Officer. The main duties of the General Manager are to supervise the promotion of ESG-related policies, supervise and manage the implementation of various sustainability management plans and goals. The General Manager also reports to the Board of Directors on a quarterly basis, prevents the occurrence of material sustainability risk events, and manages contingency plans in case of emergency. The Chief Risk Officer takes charge of the planning of risk management and formulates related policies and regulations, assists and supervises the promotion of risk management-related affairs and manages risk limits, while reporting to the Risk Management Committee or the Board of Directors at least quarterly to fully grasp the Company's overall risk tolerant capabilities and status.

Supervision: Board of Directors (the highest governance body for climate-related risk issues)

Implementation: Mainly responsible for supervising and reviewing climate risk-related plans and targets (including TCFD, scenario analysis, and ESG medium and long-term targets).

	Risk Management	Promotion of ESG-related policies
Supervision	Chief Risk Officer	General Manager
Implementation	【Risk Management Office】 The Risk Management Office is a cross-functional department responsible for communication and coordination across all departments. It handles matters related to market risk, credit risk, liquidity risk, operational risk, and their connection to climate risk. The office is progressively building and planning climate risk management tasks, which include: ● Collecting and adhering to relevant legal regulations ● Implementing risk management mechanisms ● Selecting climate risk models ● Identifying climate-related risks and opportunities ● Setting and promoting climate risk management targets ● Conducting climate change scenario analysis ● Overseeing climate-related financial risk disclosures	【Sustainable Finance Team】 The scope of business covers green and transition finance, responsible investment, climate and natural risk management. 【Environmental Sustainability Team】 The scope of business includes environmental protection, green operation, green procurement, and supply chain management. 【Corporate Governance Team】 The scope of business covers diversity, risk management, ethical corporate management, compliance, and other corporate governance-related matters.

Climate Performance Linkage System

In accordance with the "Sustainable Development Best Practice Principles" (the scope of the Principles is applicable to the overall operating activities of Mega Holdings and its subsidiaries) established by the parent company, Mega Securities, the salary and remuneration policies, and the employee performance evaluation system are closely related to sustainable development. The participation in education and training (including ESG), anti-money laundering and counter terrorism financing operations, legal compliance execution level, and risk management are included in the annual employee appraisal for additional or deducted points, up to 10 points. Mega Holdings has established the "Implementation Rules for the Annual Evaluation of Subsidiaries" (applicable to Mega Securities) and the "Procedures for the Risk Management Evaluation of Subsidiaries", which include ESG business and management performance indicators for the subsidiaries of Mega Holdings (including Mega Securities) as an important basis for the adjustment of bonuses and remuneration to the chairman and general manager. In 2024, as the proportion of evaluation for responding to climate change increased, the ESG management performance increased to 5% (including the achievement of compliance with social and environmental related laws and regulations, information security incidents and customer data leakage, greenhouse gas scopes 1 to 3 and general waste reduction, etc.), ESG business performance to 2% (growth rate of sustainable development bond investment and underwriting amount), and comprehensive assessment of risk management (active participation in and implementation of work related to the management related to emerging risks (including climate risk) increased to 5%, with the total impact accounting for 12% of the total score. In the future, we will continue to take a proactive approach to promote the linkage between senior executive performance and sustainability performance, and include ESG performance in all aspects of senior executive performance evaluation indicators.

3.1.2 Climate strategy

"We are committed to achieving net zero and environmental sustainability" . In response to the Paris Agreement and the goal of net zero by 2050, the Company signed the Science Based Targets Initiative (SBTi) in April 2023, pledging to set short-term science-based targets for reduction. At the same time, to improve the quality of carbon management in financing activities, the Company joined the Partnership for Carbon Accounting Financials (PCAF) to optimize the methodology for carbon inventory for financing. Moreover, the Company introduced ISO 14064-1 GHG inventory scopes (including Scope 3 - financing) at its operating sites worldwide. In November 2023, the Board of Directors passed the Group' s science-based emission reduction targets, action plans, and carbon reduction roadmap, which passed the review by the SBTi organization in June 2024. In 2024, Mega Group has established the "Management Focuses for the Divestment from the Coal and Non-Conventional Oil and Gas Sectors by Mega Group," proposing a gradual divestment plan for the Group, expecting a complete exit from the coal and non-conventional oil and gas industries by 2040 at the latest. The Company responds to the Group' s policies and implements carbon reduction action plans.

Mega Securities has set a short-term goal to help green industry players to obtain the capital needed for operations, and develop digital financial products and services, to reduce carbon emissions in the value chain. In the medium and long-term, we hope to promote environmentally friendly regulations and measures, to guide partner corporates, investors, and consumers value ESG, for reducing investment risks in climate-sensitive industries.

Climate-related risks and opportunities

To control the specific impact of climate change on the Company, we refer to TCFD, IFRS S2 framework, and the implementation guidelines of the industry, as well as the internal and external requirements of the Climate Change Response Act, domestic and foreign climate change research reports, and the climate risk assessment reports issued by the financial industry peers. We collect climate change-related risk and opportunity issues, in order to inventory the climate-related risks and opportunities that affect our financial business. Through education, training and questionnaires, department heads and senior executives at the deputy general manager level or above discuss the impact of climate-related issues on Mega' s value chain. They also identify climate risks and opportunities related to Mega Securities, and identify potential positive and negative financial impact on Mega Securities. The nine quantifiable climate-related risk factors and seven climate-related opportunity factors were evaluated to rank the significance of their potential financial impacts under different impact periods. Climate risks and opportunities:

Step 01

Collected risk and opportunity issues related to climate change; 9 risks and 7 opportunities that may affect the securities business were identified.

Step 02

Through surveys, the impact of climate risk factors on the financial position of the Company was examined in different periods (short, medium, long-term), with the level of impact on the financial position (risk exposure x hazard x vulnerability) assessed to prioritize the materiality.

Step 03

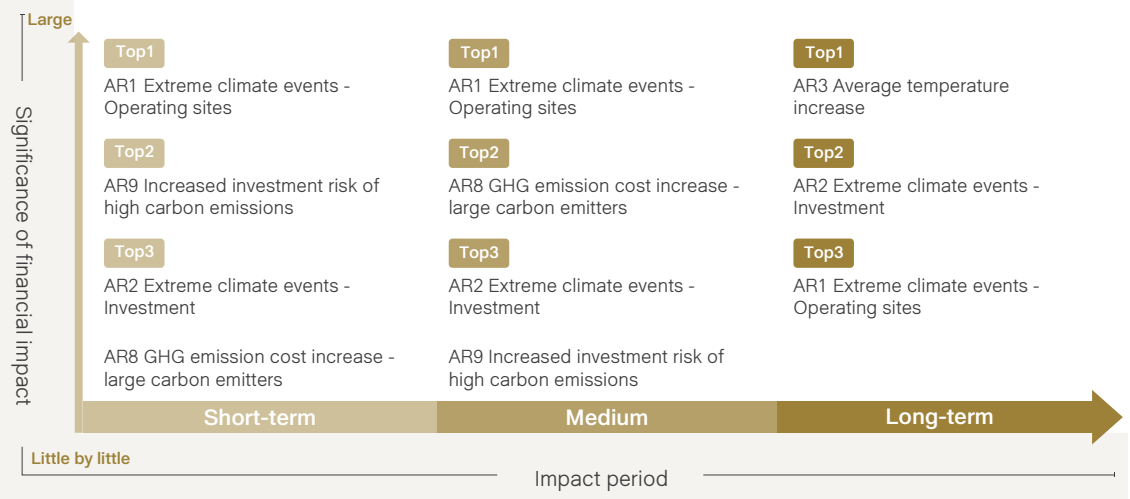
Quantitative analysis and control were performed by comprehensively sorting the Company' s short, medium, and long-term material climate risks, while taking business relevance and cost-effectiveness of countermeasures into account.

Climate Risk

Step 1 Collect issues of climate change-related risks to inventory nine risks impacting the securities business.

Code	Type		Issue	Potential financial impact	Risk linked
AR1	Physical risk	Immediate	Extreme climate events - Operating Sites	The Company' s business locations are affected by a single extreme climate event, causing asset losses, business disruptions, and declining profits, which indirectly affects the Company' s financial position.	Operational risk
AR2	Physical risk	Immediate	Extreme climate events - Investment	The loss of customers of Mega Securities is caused by a single extreme climate event, causing financial loss to Mega Securities.	Credit risk Market risk Operational risk
AR3	Physical risk	Long-term	Average temperature increase	The Company is subject to the continuous rise in long-term average temperature, causing a loss of assets or disruption of operations and a decline in profitability and earnings in the Mega Securities value chain, which indirectly affects the Company' s financial losses.	Credit risk Market risk Operational risk
AR4	Physical risk	Long-term	Sea-level rise	The Company is subject to the continuous rise sea levels, causing a loss of assets or disruption of operations and a decline in profitability and earnings in the Mega Securities value chain, which indirectly affects the Company' s financial losses.	Credit risk Market risk Operational risk
AR5	Transformation risks	Market	Increase in costs of raw materials - Food, livestock, and catering sectors	The cost of raw materials has increased due to climate change, impacting the food, livestock, and catering sectors, which indirectly affects the Company' s financial losses.	Credit risk Market risk
AR6	Transformation risks	Market	Increase in costs of raw materials - Construction sector	The cost of raw materials has increased due to climate change, impacting the construction sector, which indirectly affects the Company' s financial losses.	Credit risk Market risk
AR7	Transformation risks	Technology	Increase in costs of low-carbon transition - Transportation sector	Customers in the transportation sector are committed to low-carbon transition, resulting in increased costs or reduced profits, which indirectly affects the Company' s financial losses.	Credit risk Market risk
AR8	Transformation risks	Policies and regulations	Increase in GHG emission costs - Large carbon emitters	The competent authority' s tightening of climate-related laws and regulations or policies (e.g., 2024.8 Regulations Governing the Collection of Carbon Fees, which imposes a carbon fee on large carbon emitters) has resulted in an increase in operating costs for investment customers, which indirectly affects the Company's profitability.	Credit risk Market risk
AR9	Transformation risks	Policies and regulations	Increased risk of investing in high carbon emission assets	Due to the poor effectiveness of low-carbon transition for high-carbon emissions customers, the operating profit declined, resulting in an increase in the default rate of customers, which indirectly affected the finances of Mega Securities.	Credit risk Market risk

Step 2 Through surveys, the impact of climate risk factors on the financial position of the Company was examined in different periods (short, medium, long-term), with the level of impact on the financial position (risk exposure x hazard x vulnerability) assessed to prioritize the materiality.



Step 3 Quantitative analysis and control were performed by comprehensively sorting the Company' s short, medium, and long-term material climate risks, while taking business relevance and cost-effectiveness of countermeasures into account.

Rank	Issue	Impact period	Operational, strategic, and financial impacts, as well as the mitigation and adaption plans adopted.	Financial impact
1	AR1 Extreme climate events - Operating Sites	2024	• Formulated relevant regulations such as business crisis response measures and business continuity plans to mitigate the risk of business interruption. • The headquarters and branches are covered with commercial fire insurance, interior renovation insurance, electronic equipment insurance, and public accident liability insurance for 2025, and includes additional clauses for fire insurance, electronic equipment insurance, and public accident liability insurance for related business operations. In addition, employees are covered with group accident insurance. • The Datong Branch was relocated in 2024, to ensure the Company does not operate high-risk areas.	• The insurance premiums for all types of insurance totaled NTD 1.87 million. • Maintenance and repair expenses totaled NTD 0.17 million. • Certificate renewal expenses totaled NTD 0.44 million.
		Short-term (2025)	• Regular education and training for employees on the firefighting squad, as well as disaster prevention and escape drills for all employees. • Consider taking out building insurance and climate-related insurance, and purchase group accident insurance for employees. • Consider purchasing or installing waterproof equipment. • Every year, the Company regularly conducts physical risk scenario analysis on its business locations, evaluates the financial impact on the Company, and develops mitigation and adaptation countermeasures.	• Insurance premiums are NTD 1.87 million. • Maintenance and repair expenses are NTD 3 million. • Certificate renewal expenses are NTD 0.44 million.

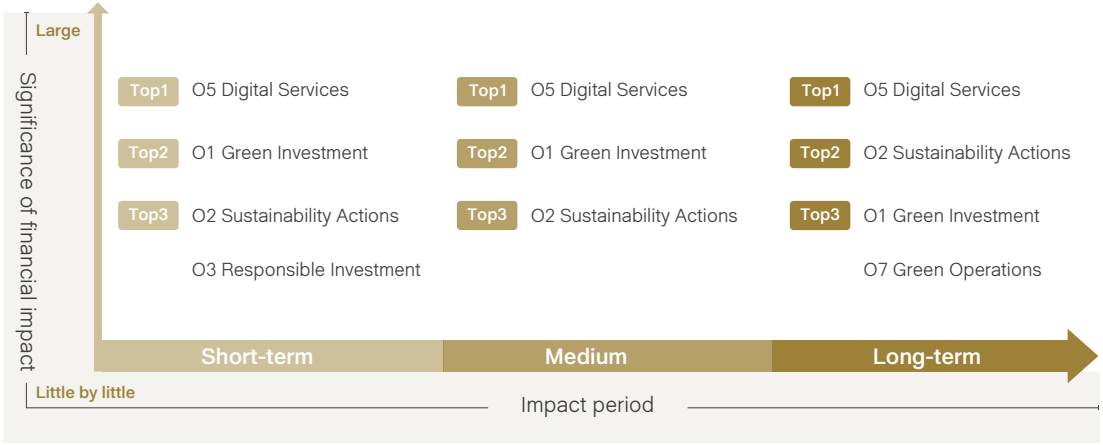
Rank	Issue	Impact period	Operational, strategic, and financial impacts, as well as the mitigation and adaption plans adopted.	Financial impact
1	AR1 Extreme climate events - Operating Sites	Medium-term (2026 - 2028)	• Consider the impact of extreme climate on new or merged business locations to mitigate possible losses suffered by the Company due to extreme climate. • Assess the installation of waterproof gateways in the self-owned Kaohsiung and Xinying branches and purchase sandbags for the leased Zhubei, Luigang, and Sanmin branches, to respond to extreme weather. • Measures for assessing the implementation of mitigation and adjustment for high-risk operating sites.	• It is estimated that the insurance premiums will be NTD 1.87 million/year. • It is estimated that the maintenance and repair expenses will be NTD 3 million. • It is estimated that the renewal fee will be NTD 0.44 million/year. • It is estimated that the capital expenditure of waterproof equipment will be NTD 0.3 million.
2	AR9 Increased risk of investing in high carbon emission assets	2024	• In response to the national goal of net zero by 2050, the limit of investment in high carbon emission industries is reduced year by year. • In April 2023, Mega Holdings signed the Science Based Targets Initiative (SBTi) commitment to set a carbon reduction pathway based on the Science Based Targets (SBT), committing to achieve the position ratio of 39.56%% by 2028. • At least one engagement questionnaire is sent to the investees every year to encourage them to plan carbon reduction pathways and set Science Based Targets (SBTs). • Through PCAF, we inventoried the risk areas of the investment portfolio and conduct a carbon inventory. We then disclosed the Scope 3 GHG emission data.	• NTD 0.28 million allocated for the Group' s SBT project. • Consulting fees for the analysis of climate risk scenarios for the investment positions will be NTD 0.35 million.
		Short-term (2025)	• Mega Securities will continue to cooperate with the Group to implement the carbon reduction action plan for the investment positions of Scope 3. The position ratio meeting SBT targets in 2025 is 25.98%. • The risk management target for 2025 is to set the investment limit for high carbon emissions industries at 26% of the balance of total investments. • At least one engagement questionnaire is sent to the investees every year to encourage them to plan carbon reduction pathways and set Science Based Targets (SBTs). • Every year, the Company conducts transition risk scenario analysis on its investment positions, evaluates the financial impact on the Company, and develops mitigation and adaptation countermeasures.	• NTD 0.75 million budget created for the Group' s SBT project.
		Mid-term (2026 to 2028)	• The position ratio meeting SBT targets is set at 40.78% for 2028. • The limit of the total cost of securities issued to high carbon emissions industries held by the Company' s proprietary trading and underwriting will decrease year by year, from 25% to 23%. • At least one engagement questionnaire is sent to the investees every year to encourage them to plan carbon reduction pathways and set Science Based Targets (SBTs). • Measures for assessing mitigation measures and adjustments for high-risk investment positions or industries. • Evaluate the introduction of internal carbon pricing to respond to the impact of climate change risks on the Company' s finances and business.	• NTD 0.75 million budget created for the Group' s SBT project.

Climate opportunity identification

Step 1 Collect issues of climate change-related opportunities to inventory seven opportunities impacting the securities business.

Code	Type	Issue	Potential financial impact
O1	Market	Green investment	In response to the low-carbon transition pathway (e.g., SBT carbon reduction target), Mega Securities increases green investment, such as green bonds and green loans, to achieve diversified operations and increase revenue.
O2	Resilience	Sustainability Actions	In response to climate change, Mega Securities implements carbon reduction measures (such as the SBT) to actively manage climate risks and develop sustainable green products to enhance climate resilience.
O3	Products and services	Responsible investment	Mega Securities strengthens responsible investment, embeds the ESG spirit into the investment evaluation process and risk management, and strives to increase customer transformation opportunities.
O4		R&D of Green Products	Mega Development is engaged in the development of low-carbon/green products and services (such as green bonds and financial products) to increase operating revenue and profits.
O5		Digital Services	Mega offers digital financial services such as online account opening/order placements. and electronic statements, to reduce carbon emissions while attracting new customers.
O6	Energy Source	Low Carbon/ Renewable Energy	In line with carbon reduction measures (e.g. SBT), we have adopted low-carbon energy or renewable energy sources, such as setting up solar energy branches andpurchasing renewable energy) at our business locations to reduce the reliance on traditional energy sources and implement low-carbon consumption measures in response to the low-carbon transition pathway.
O7	Resource Utilization Efficiency	Green Operations	The business locations of Mega adopt green building materials or eco-friendly measures, such as water conservation, power conservation, waste reduction, etc. These measures aim to reduce the consumption of water, electricity, and resources, improve the efficiency of resource use, and lower operating costs.

Step 2 Through surveys, the impact of climate opportunity factors on the financial position of the Company was examined in different periods (short, medium, long-term), with the level of impact on the financial position (risk exposure x hazard x vulnerability) assessed to prioritize the materiality.



Step 3 Quantitative analysis and control were performed by comprehensively sorting the Company' s short, medium, and long-term material climate opportunities, while taking business relevance and cost-effectiveness of countermeasures into account.

Rank	Issue	Impact period	Operational, strategic, and financial impacts, as well as the mitigation and adaption plans adopted.	Financial impact
1	O5 Digital Services	Short-term (2025)	• The "Digital Innovation Department" under the General Manager has been established to strengthen the cross-departmental information integration and analysis performance. This also demonstrates the convenience of digital service utilization, provides digital services comprehensively, improves data analysis capabilities and resource utilization, while enabling the Company to maintain competitiveness in the ever-changing digital era. • Diversified digital services are provided to create new customer experiences, such as: dual-opening (bank accounts and securities account), and reducing account opening service breakpoints. Continue to optimize the electronic order placement interface and increase the ratio of electronic order placements.	• Additional budget of NTD 13.84 million is created for the department. • The revenue from service fees of electronic transactions is estimated to be NTD 3,226 million.
		Medium-term (2026 - 2028)	• In terms of opportunities, the Company will continue to monitor the use of AI in the financial sector, and plan internal and external strategies under the circumstance that there is no security concern, and gradually introduce the AI mechanism and increase the budget for digital innovation in capital expenditure.	• The revenue from service fees from electronic transactions is estimated to be NTD 2,537 million/year.
		Long-term (2029~)	• In terms of opportunities, the Company will continue to monitor the use of AI in the financial sector, provide AI-related services to customers under the circumstance that there are no security concerns, create customer value and increase the budget for digital innovation in capital expenditure.	• The revenue from service fees of electronic transactions is estimated to be NTD 2,655 million/year.
2	O1 Green investment	Short-medium term (2025 - 2028)	• Continuously invest in sustainability bonds, including green bonds, social responsibility bonds and sustainable development bonds. • Continuously invest in sustainable development fields, including but not limited to bonds, equity investments, and ESG financial products related to green energy, low-carbon, renewable energy, circular economy, and other issues. • Active sustainability engagement with investees: in addition to paying attentions to the ESG implementation status of investees, the Company actively enhances investees' sustainable development efforts by exercising voting rights or engaging in appropriate dialogue and interaction with the management of investees. • The target for the sustainable development of the investment in the bonds of Mega Securities in 2024 (including green bonds, social responsibility bonds and sustainable development bonds) was NTD 1.5 billion, which will increase to NTD 1.8 billion in 2024. In 2024, the balance of domestic sustainability bonds totaled NTD 2.4 billion (NTD 1.4 billion for green bonds, NTD 500 million for sustainable development bonds, NTD 300 million for social responsibility bonds, and NTD 200 million for sustainable development-linked bonds), with a target achievement rate of 100%.	• It is estimated that the operating revenue from sustainable industries will be NTD 5 million/year.

Climate scenario analysis

Climate scenario analysis is a climate scenario established on assumptions as a procedure for identifying and assessing potential impacts on climate states that may occur in the future within a certain range in the face of uncertainties. It is not intended to provide precise results or predictions, but allowing the Company to explore and understand how various climate-related risks will affect its business, strategy and financial impact over time.

Physical risk

With reference to the climate change stress testing framework and methodology announced by the relevant international supervisory institutions, we have adopted the warming scenarios (Note 1) and climate risk definitions (Note 2) defined by the Intergovernmental Panel on Climate Change (IPCC) to conduct scenario analysis, assess the physical risks of flooding in our operations, and understand the physical risk areas of various business exposures.

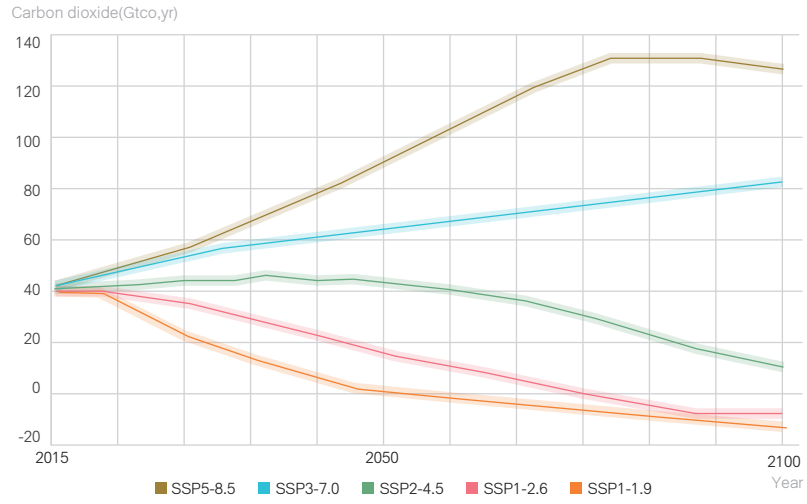
Source	Description	Pathway adopted	Corresponding to warming at the end of this century
Intergovernmental Panel on Climate Change (IPCC) of the United Nations	• Focus on physical impacts • Simulate future scenarios by different concentrations of greenhouse gases	• Moderate Pathway: SSP1-2.6	~2℃
		• Critical Pathway: SSP5-8.5	>4℃

Note 1: The simulation of the four climate warming pathways RCP2.6, RCP4.5, RCP6.0 and RCP8.5, respectively, represents an increase in radiative forcing, caused by the greenhouse effect, by 2.6, 4.5, 6.0 and 8.5 watts/sq. meters by the end of the 21st century. The carbon dioxide concentrations are 421, 538, 670, and 936 ppm, respectively, corresponding to the different RCP2.6/4.5/6.0/8.5 warming scenarios. In the sixth assessment report (AR6), "Shared Socioeconomic Pathway" (SSP, Shared Socioeconomic Pathway) is proposed in the climate change scenario setting to enrich the Representative Concentration Pathway (RCP) scenarios, which only consider GHG changes, by adding socioeconomic development elements. The SSP is divided into five scenarios - SSP1, SSP2, SSP3, SSP4, and SSP5. They include: SSP1 - a world of sustainability-focused development; SSP2 - a middle of the road; SSP3 - a fragmented world of resurgent nationalism; SSP4 - a world of ever-increasing inequality; and SSP5 - a world of rapid and unconstrained growth in economic output and energy usage. The scenario adopted by the Group is SPP1-2.6 (i.e. SPP1 combined with RCP2.6) and SPP5-8.5 (i.e. SPP5 combined with RCP8.5).

Note 2 : It is composed of three factors, namely hazard, vulnerability, and exposure. "Hazard" is the probability of occurrence of climate hazards and the severity of climate hazards. "Vulnerability" is the possible amount of loss or value impairment ratio of the target under the impact of climate hazards. "Exposure" is the location of the preserved object and the value of the preserved object

In order to improve the type, scale and precision of climate risk analysis, and to accurately grasp the physical risk exposure, we have introduced the S&P 1-2.6 and S&P 5-8.5 of the "Financial Climate Physical Risk Information Integration Platform Database" of JCIC to estimate the hazard, vulnerability and exposure of flooding hazards in different regions from 2021 to 2040 (2030), and 2041 to 2060 (2050), and then estimate the loss expectation of the Company' s operating sites, suppliers and investees

◆ IPCC AR6 - The 5 core pathways



Source / IPCC Sixth Assessment Report

1. Physical risks of operating sites

(1) Degree of risk impact

According to the administrative areas of each operating site of the Company, the probability of flooding with a depth of more than 3 meters in 2050 for SSP1-2.6 and SSP5-8.5 was estimated, and the expected loss (EL) per ping of the 43 business operating sites (including the headquarters building) of the Company is as follows:

Hypothetical scenario	Operating sites	Low	Low to Medium	Medium	Medium to High	High
		EL<0.04	0.04<EL<0.08	0.08<EL<0.12	0.12<EL<0.16	EL>0.16
SSP1-2.6	43	41	1	1	0	0
SSP5-8.5		30	10	2	0	1

Under the scenarios SPP1-2.6 and SPP5-8.5, among the Company's 43 operating data points, only Tianmu Branch has a high expected loss under SSP5-8.5 due to its high probability of flooding. Tianmu Branch is the Company's leased premises from Mega Bank.

(2) Estimated financial impact

The loss expectation of each operating site (calculated by multiplying the expected loss of the operating base by the asset floor area) is used to calculate the expected value of the cost of repairing the operating loss caused by flooding at each operating site:

Unit: NTD 10,000

Hypothetical scenario	Financial loss	Low	Low to Medium	Medium	Medium to High	High
		EL<0.04	0.04<EL<0.08	0.08<EL<0.12	0.12<EL<0.16	EL>0.16
SSP1-2.6	79	66	0	13	0	0
SSP5-8.5	181	43	107	0	0	31

Under the scenarios SPP1-2.6 and SPP5-8.5, the financial impacts on the Company were NTD 790,000 and NTD 1.81 million, respectively, accounting for 0.04% and 0.09% of the Company’ s real estate value of NTD 1,969.46 million at the end of 2024, respectively; all values are all less than 0.1%, and thus have a minimal impact on the Company.

(3) Response strategies

A. Mega Securities has formulated the Operating Rules for Corporate Crisis Response Measures, the Operation Continuity Plan, and the Business Continuity Plan to mitigate the risk of business interruption.

B. The headquarters and branches are covered with commercial fire insurance, interior renovation insurance, electronic equipment insurance, and public accident liability insurance for 2024, and add additional clauses for fire insurance, electronic equipment insurance, and public accident liability insurance for related business operations.

C. Consider the impact of extreme climate on new or merged business locations to mitigate possible losses suffered by the Company due to extreme climate. Relocation of Datong Branch in 2024, considering that physical risks are located in low-risk areas.

D. Regular education and training for employees on the firefighting squad, as well as disaster prevention and escape drills for all employees.

E. Every year, the Company conducts physical risk scenario analysis on its business locations, evaluates the financial impact on the Company, and develops mitigation and adaptation countermeasures. The results of this scenario analysis is that Tianmu Branch was in a high-risk area. The operating location is on the third floor to minimize the damage caused by flooding.

2. Physical risks of key suppliers

(1) Supplier Location Distribution

On December 31, 2024, the loss rate (LR) of the 38 key suppliers (suppliers with an annual contract amount of over NTD 1.5 million) of Mega Securities and its subsidiaries in the administrative areas of their addresses under the SPP1-2.6 and SPP5-8.5 scenarios in 2050 refers to the probability of flooding (year) (hazard) multiplied by the proportion of impairment of property value caused by flooding (vulnerability), and then the climate sensitivity level, is evaluated as follows:

Hypothetical scenario	Number of Suppliers	Low	Low to Medium	Medium	Medium to High	High
		LR <8.91%	8.91%< LR <17.83%	17.83%<LR<26.74%	26.74%<LR<35.65%	LR >35.65%
SSP1-2.6	38	37	1	0	0	0
SSP5-8.5		37	1	0	0	0

After reviewing the physical risks of the 38 key suppliers of Mega Securities and its subsidiaries, under the SPP1-2.6 and SPP5-8.5 scenarios in 2050, none of them are located in areas with medium to high climate sensitivity.

(2) Contract amount distribution

As of December 31, 2024, the total amount of contracts between the Company and its 38 key suppliers was NTD 267 million. The table below shows the contract amount by the level of climate sensitivity of the administrative areas where the suppliers operate under SPP1-2.6 and SPP5-8.5:

Hypothetical scenario	Contract Amount (NTD 100 million)	Low	Low to Medium	Medium	Medium to High	High	Hypothetical scenario
		LR <8.91%	8.91%< LR <17.83%	17.83%< LR <26.74%	26.74%< LR <35.65%	LR >35.65%	
SSP1-2.6	2.67	2.64	0.03	0	0	0	SSP1-2.6
SSP5-8.5		2.64	0.03	0	0	0	SSP5-8.5

When reviewing the contracts of the 38 key suppliers of Mega Securities and its subsidiaries under the scenarios of SPP1-2.6 and SPP5-8.5, the amounts of the contracts are distributed in areas with low to medium climate sensitivity.

(3) Financial Impact

The loss expectation of suppliers refers to the purchase contract amount multiplied by the probability of flooding (in one year) multiplied by the ratio of the property value impairment caused by flooding as shown in the table below:

Hypothetical scenario	Loss Expectation (NTD million)	Low	Low to Medium	Medium	Medium to High	High
		LR <8.91%	8.91%< LR <17.83%	17.83%< LR <26.74%	26.74%< LR <35.65%	LR >35.65%
SSP1-2.6	7.22	6.90	0.32	0	0	0
SSP5-8.5	7.27	6.95	0.32	0	0	0

The loss expectation of the 38 key suppliers of Mega Securities and subsidiaries under scenarios SSP1-2.6 and SSP5-8.5 is NTD 7.22 million and NTD 7.27 million respectively, accounting for 0.088% of Mega Securities' 2024 operating income of NTD 8,241.92 million (<< 0.1%), which has a minimal impact on Mega Securities.

3. Physical risks of investment positions

(1) Distribution of investees

On December 31, 2024, the Company reviewed the 301 domestic companies invested by Mega Securities, and estimated the loss rate (LR) (= flooding probability x impairment ratio of real estate) of the administrative areas of their registered addresses under SP1-2.6 and SP5-8.5 in 2050, to assess the climate sensitivity level as follows:

Hypothetical scenario	Investees No.	Low	Low to Medium	Medium	Medium to High	High
		LR <8.91%	8.91%< LR <17.83%	17.83%< LR <26.74%	26.74%< LR <35.65%	LR >35.65%
SSP1-2.6	301	220	55	15	4	7
SSP5-8.5		209	57	18	5	12

Under scenario SPP1-2.6, seven investees of Mega Securities are located in high climate sensitivity areas, and four are located in medium and high climate sensitivity area, accounting for 3.65% of the total investment of 301 investees.

Under scenario of SPP5-8.5, 12 investees Mega Securities are located in high climate sensitivity area, and five are located in medium and high climate sensitivity area, accounting for 5.65% of the total investment of 301 investees.

(2) Distribution of investment positions

The book value of the domestic companies invested by the Company as of December 31, 2024 is shown in the table below based on the climate sensitivity level of the investment companies' administrative areas under SP1-2.6 and SP5-8.5, as follows:

Hypothetical scenario	Investees Balance (NTD 100 million)	Low	Low to Medium	Medium	Medium to High	High	Total
		VaR<0.2%	0.2%<VaR<0.47%	0.47%<VaR<0.73%	0.73%<VaR<1%	VaR>1%	
SSP1-2.6	406.60	180.49	22.83	12.89	0.83	0.69	217.74
SSP5-8.5		171.75	24.1	13.27	5.96	2.63	

Under scenario SPP1-2.6, the carrying amount of the investees located in high climate sensitivity level was NTD 69 million, and the carrying amount of the investees located in the medium and high climate sensitivity level is NTD 83 million, accounting for 0.37% of the total investment balance of NTD 40.66 billion of Mega Securities.

Under scenario SSP5-8.5, the carrying amount of the investees located in high climate sensitivity level was NTD 263 million, and the carrying amount of the investees located in the medium and high climate sensitivity level is NTD 596 million, accounting for 2.11% of the total investment balance of NTD 40.66 billion of Mega Securities.

(3) Estimated Financial Impact

The loss expectation of the investment positions is calculated by multiplying the carrying amount of the investment by the probability of flooding (year) and the impairment ratio of the property caused by flooding as shown in the table below:

Hypothetical scenario	Loss Expectation (NTD million)	Low	Low to Medium	Medium	Medium to High	High
		LR <8.91%	8.91%< LR <17.83%	17.83%< LR <26.74%	26.74%< LR <35.65%	LR >35.65%
SSP1-2.6	1,145.59	511.04	302.19	275.84	28.05	28.47
SSP5-8.5	1,464.11	597.70	287.18	284.51	180.63	114.10

Under scenario SPP1-2.6, the loss expectation of 301 domestic companies invested by Mega Securities is expected to be NTD 1.146 billion, accounting for 2.82% of the total investment positions of Mega Securities, which is NTD 40.66 billion. Among them, positions located in areas with a medium to high level of climate sensitivity is NTD 56.52 million, accounting for 0.14% of the total investment positions.

Under scenario SSP5-8.5, the loss expectation of 301 domestic companies invested by Mega Securities is expected to be NTD 1.464 billion, accounting for 3.6% of the total investment positions of Mega Securities, which is NTD 40.66 billion. Among them, positions located in areas with a medium to high level of climate sensitivity is NTD 294.73 million, accounting for 0.73% of the total investment positions.

(4) Response Strategy

Among the investees with a medium to high level of climate sensitivity, those with a potential value loss expectation of NTD 100 million are Ta Ya Electric Wire & Cable. Mega Securities has listed such company as the target of negotiation in 2025.

Transition Risk of Investment Positions

1. Scenario assumptions, parameter setting, and assessment scope

(1) Scenario assumptions

The climate change scenarios set by the Network for Greening the Financial System (NGFS) are adopted for the analysis, including the orderly transformation, the disordered transformation, and the wayward global warming scenarios, defined as follows:

- Orderly transformation scenario (or orderly scenario): describing the hypothetical situation where the global society adopts an immediate and orderly progressive transformation to achieve specific carbon reduction targets.
- Disorderly transformation scenario (or disorderly scenario): Describing a more drastic transformation scenario where the activation of global transformation implementation is delayed, or the policy implementation encounters more challenges during the process but the carbon reduction targets are still required to be met.
- Wayward global warming scenario (or hot house world scenario): describing the consequences where the medium and long-term climate changes become more severe as the world does not, or barely implement transformational actions.

Type	Scenario	Policy Objectives	Policy Response	Technology Changes
Orderly transition	Zero Carbon Emission by 2050	1.5˚ C	Quick and Smooth	Fast
Disorderly transition	Slow Transformation	1.8˚ C	Delay	Accelerating after 2030
Global warming out of control	Slow Transformation	Below 3˚ C	None	Slow

(2) Parameter setting

We used the REMIND-MAgPIE model in IAMs (Integrated Assessment Models) to simulate the calculation of carbon price in 2030 and 2050 under the scenario with NGFS assumptions.

Carbon fee	Orderly transition		Disorderly transition		Global warming out of control	
	2030	2050	2030	2050	2030	2050
(US$/ton)	152.4	708.8	5.95	279	5.95	8.75

(3) Scope of assessment

Based on the balance sheet that has been reviewed by CPAs at the end of 2024, the transition risk of financial assets measured at fair value through profit or loss or other comprehensive income was evaluated, including stocks and bonds, and excluding risk write-off positions.

Equity securities is to assess shares measured at fair value through profit or loss or other comprehensive income or the convertible bond positions with conversion value at the end of 2024, excluding ETFs.

Fixed income securities is to assess bonds measured at fair value through profit or loss or other comprehensive income or the convertible bond positions without conversion value at the end of 2024, excluding the government bonds.

The financial industry is excluded because it is not directly impacted by climate change risks.

2. Assessment methods

Calculating the possibly increased carbon fee costs due to transformation policies for the investees in the carbon reduction process, thereby affecting the price of securities issued by the investees, to assess the financial impact on Mega Securities.

For equity securities, it calculates the net worth of a company after the carbon fee is increased, and the share price with the carbon fee cost is calculated by using the net worth method, and the impact on the finances of Mega Securities is measured further.

Fixed income securities are calculated by taking into account the national, industrial, and corporate transition risks' impact on the investee's credit rating, and then calculating the investee' s credit risk discount to measure the financial impact on Mega Securities.

3. Evaluation results

The equity and bonds of Mega Securities measured at fair value through profit or loss or other comprehensive income by the end of 2024 are adopted to assess the impact on the finances of Mega Securities under the scenarios of transformation, disorderly transformation, and wayward global warming by 2030 and 2050.

(1) Overall analysis

Under the "orderly" transition scenarios by 2050, Mega Securities will suffer relatively large losses. Of which, the loss rate of equity securities is 7.46%, respectively, and the fixed income securities is 0.94%, respectively, and the average loss rate is 2.96%; followed by the 2050 orderly transition scenario, with an average loss rate of 1.51%.

Base date: 2024/12/31

Securities	Investment positions Carrying amount (NTD million)	Loss expectation to market value ratio					
		Orderly transition		Disorderly transition		Global warming out of control	
		2030	2050	2030	2050	2030	2050
Equity securities	7,729.19	1.75%	7.46%	0.08%	3.10%	0.08%	0.12%
Fixed income securities	17,210.77	0.70%	0.94%	0.58%	0.80%	0.58%	0.58%
Total	24,939.97	1.02%	2.96%	0.42%	1.51%	0.42%	0.43%

(2) Industry analysis

A. Loss ratio of equity securities

By sector, the investments in equity securities with larger positions at the end of 2024 are the semiconductor, electronics manufacturing, general manufacturing, and chemicals industries. However, the paper manufacturing, airfreight, utilities, and iron and steel industries were the ones with the larger loss ratios. Of which, under the orderly and disorderly transition scenarios by 2050, the loss ratios of paper manufacturing is higher than 65% and approximately 25%, respectively, and under the orderly transition scenario by 2050, the loss ratio of paper manufacturing is approximately 14%.

B. Loss ratio of fixed income securities

By sector, the industries that the Company' s largest fixed income securities investment by the end of 2024 are the service, electronics, semiconductor, and general manufacturing industries. However, the industries with the largest loss ratios are the steel and iron, fossil fuel power generation, and cement industries. The loss ratios under orderly and disorderly transition scenarios in 2050 are 4.77% and 4.21% for the steel and iron industry, 2.78% and 2.47% for the fossil fuel power generation, and 2.67% and 2.67% for the cement industry, respectively.

2. Industry distribution of investment positions and carbon emissions

According to the Management Focuses for ESG Sustainable Development Industries and High-Risk Industries of Mega Group, regarding the high carbon-emission industries, the statistics show that the balance of Mega Securities' investment in proprietary trading and underwriting positions as of December 31, 2024 totals NTD 3.240 billion, accounting for 8.38% of NTD 38.668 billion, the total investment cost of Mega Securities; the carbon emission attributed to high carbon emission industries in Mega Securities' proprietary trading and underwriting properties is 37,906.66 tons/CO_2e, accounting for 37.9% of 100,015.21 tons/CO_2e, the total carbon emission attributed to Mega Securities. The statistics are as the table below:

Industry Code	Industry name	Fixed income securities	Equity securities	Total positions	Carbon emissions to be borne by the Company (Unit: tons/CO_2e)
0500	Extraction of Crude Petroleum and Natural Gas	0	0	0	0
1500	Pulp, Paper, and Paper Products Manufacturing	0	NTD 160 million	NTD 160 million	2,133.45
1700	Petroleum and coal products Manufacturing	NTD 501 million	0	NTD 501 million	3,250.06
1810	Chemical Materials Manufacturing	NTD 100 million	NTD 335 million	NTD 435 million	4,625.30
1841	Manufacture of Plastic Materials	0	0	0	0
2331	Cement Manufacturing	0	NTD 275 million	NTD 275 million	778.15
2411	Smelting and Refining of Iron and Steel	NTD 100 million	NTD 143 million	NTD 243 million	3,515.18
2420	Aluminum Manufacturing	0	0	0	0
3510	Electricity Supply	NTD 1.625 billion	0	NTD 1.625 billion	23,604.52
High Carbon-Emission Industries		NTD 2.326 billion	NTD 914 million	NTD 3.240 billion	37,906.66
Total investment		NTD 29.686 billion	NTD 8.982 billion	NTD 38.668 billion	100,015.21 (Note)
Percentage		7.83%	10.17%	8.38%	37.9%

Note : The carbon emissions borne by the investment in sovereign bonds of Mega Securities was 31,305.83 tons/CO_2e, accounting for 31.3% of the carbon emissions of the total investment positions of Mega Securities.

Mitigation and adaptation plans

1	Mega Group signed the Science Based Targets initiative (SBTi) commitment in April 2023 and sets carbon reduction pathways using Science Based Targets (SBT), committing to achieve a 39.56% proportion of positions completing SBT target setting by 2028. Official confirmation from SBTi was received on June 5, 2024, confirming passage of the target review. Mega Securities will continue to cooperate with the Group to implement the carbon reduction action plan for the investment positions of Scope 3. The position ratio of SBT setting by 2028 is 40.78%.
2	In order to achieve the Group' s SBTs, the investment department of Mega Securities should send at least one engagement questionnaire to the investees every year to encourage them to sign the Science Based Targets Initiative (SBTi). The environmental engagement issues include climate change response, effective use of resources, and the impact on biodiversity and the environment.
3	In October 2021, Mega Securities set the cap percentage for the total costs of marketable securities of high carbon emission industries under proprietary trading and underwriting to the total amount of the marketable securities under proprietary trading and underwriting of Mega Securities at 30%. In line with Taiwan's net zero by 2050 policy, a 1% decrease year by year is aimed, and the 2025 climate risk management target is 26%.
4	In line with Mega Group's decarbonization strategy, since May 2023, Mega Securities will no longer add investment in companies that only extract coal, mines, or in non-conventional oil and gas industries, nor the investment in power plants with coal-fired power accounting for more than 50%. In addition, to further clarify the Group's decarbonization policy, on April 12, 2024, Mega Holdings established the Management Focuses for the Divestment from the Coal and Non-Conventional Oil and Gas Sectors by Mega Group, specifying a gradual divestment plan from coal enterprises (including the power plants generating more than 5% from coal-firing) and non-conventional oil and gas enterprises, and the positions will be zeroed by the end of 2040 at the latest.

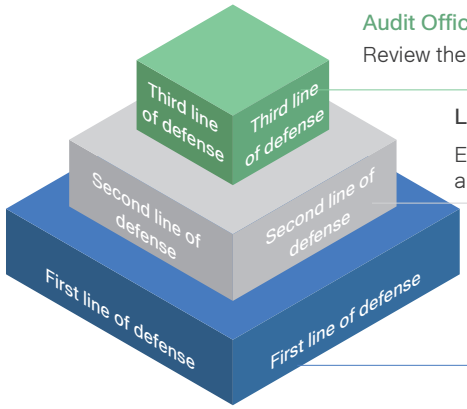
3.1.3 Climate Risk Management

Risk Management Structure

Climate-related risks affect the financial industry ultimately through the impact on the macro-economy and the revenues of entities. The Company has established a comprehensive organizational structure and management regulations for risk management. In addition to traditional market, credit, liquidity, and operational risks, the scope of risks also includes climate, legal, strategic, reputation, and emerging risks. The Company incorporates the climate risk into risk consideration and incorporates its identification, measurement, and management process into the overall risk program to reduce the impact of low-carbon transformation and climate disasters, and to enhance the climate resilience.

Three-line defense mechanism

Mega Holdings communicates policies to subsidiaries through the risk management unit. Based on the policies, Mega Securities sets risk management objectives, monitoring indicators, risk limits, and implementation procedures that are in line with business characteristics. Meanwhile, the business department reviews the correlations between business and climate risks. The Risk Management Office regularly compiles and reports the management implementation status to the Board of Directors. Mega Securities has established three lines of defense for internal control. Each line of defense has clear organization, responsibilities, and functions to ensure the effective operation of risk management and that the three lines of defense perform their respective duties.



Audit Office

Review the implementation of the risk management system

Legal Affairs and Compliance Office, Risk Management Office

Establish risk management regulations, and periodically review and monitor overall risks

Sales Department

Responsible for identifying, assessing, and controlling climate-related risks associated with their operations in accordance with internal control procedures, such as authorities and operational guidelines

The first line of defense	The second line of defense	The third line of defense
Business department management	**Risk management and compliance**	**Internal audit**
Each business unit is responsible for identifying, assessing, and managing risks and designing and implementing effective internal control procedures when handling relevant business, based on internal control procedures such as permissions and operational guidelines.	Establish the independent Risk Management Office and the Legal Affairs and Compliance Office. The Legal Affairs and Compliance Office as well as the Risk Management Office are responsible for the Company's related business and legal compliance system regulations. The Risk Management Office is responsible for monitoring and managing climate-related risks, to review and monitor the overall risk, conduct scenario analysis and stress testing, and take measures against abnormal situations. It will then report to the Board of Directors.	The Company has set up the independent Audit Office to review the implementation of the risk management system and disclose the facts in the audit report. Any deficiency or abnormalities found during the inspection shall be tracked after being stated in the audit report, and follow-up reports are produced on a regular basis to ensure that relevant departments have taken appropriate improvement measures in a timely manner.

Climate Risk Identification, Measurement and Management Process

Overall operational risk of the Company

Overall operational risk of the Company		
Traditional Risks	**Emerging risk**	**Other risks**
• Market risk • Credit risk • Liquidity risk • Operational Risks	• ESG Risks • Climate risk • Information Security Risks • Natural risk	• Strategic Risk • Legal Risks • Reputational risk • Management risk

Climate Risk Management Mechanism

- In line with the risk management policies and guidelines approved by the Board of Directors of Mega Holdings, the Board of Directors of Mega Securities has approved the amendments to the risk management policies to add climate risk, and added the emerging risks to the Risk Management Rules; the risk management policies of Mega Futures and risk management policies and guidelines of Mega International Investment are both added with the management policies for climate risks.
- In line with the Climate Risk Management Principles adopted by the Board of Directors of Mega Holdings, and the Risk Management Best-Practice Principles for Securities Firms by TPEx, the Board of Directors of Mega Securities approved the amendment to the risk management rules, to add the definition of climate risk, and the limit control mechanism for investment in high carbon-emission industries; the subsidiary, Mega Futures also amended the Operational Guidelines for the Use of Self-Owned Funds, specifying that it is prohibited to invest in high-carbon-emission industries with its own funds.

- In April 2023, Mega Holdings signed the Science Based Targets Initiative (SBTi) commitment to set a carbon reduction pathway based on the Science Based Targets (SBT). In July, 2024, the Group promised to achieve the position ratio of 39.56% to achieve SBTs by 2028. Mega Securities will continue to cooperate with the Group to implement the carbon reduction action plan for the investment positions of Scope 3 and achieve the annual targets year by year. The position ratio SBT is 40.78% by 2028.
- In the Administrative Regulations for Promoting the Development of Sustainable Finance of Mega Securities, it is stipulated that the Company shall actively support enterprises with environmental protection or social responsibility mechanisms. For high ESG risk industries or counterparties, investment shall be prohibited, or pre-investment evaluations and the post-investment control mechanisms shall be taken, with investment limits and monitoring. The Company also aims to guide the investees and shareholders to work together and pay attention to ESG issues.

◆ Climate Risk Management Process

Risk identification	Risk measurement	Risk monitoring	Risk report
In 2024, the high carbon emissions industries, as defined by Mega Group's Management Focuses for ESG Sustainable Development Industries and High-Risk Industries of Mega Group, according to the classification of industry statistics by the Department of Budget, Accounting and Statistics, included nine industries: petroleum and natural gas mining, pulp, paper and paper products manufacturing, petroleum and coal products manufacturing, chemical raw materials manufacturing, plastic raw materials manufacturing, cement manufacturing, iron and steel manufacturing, aluminum manufacturing, and electric power supply (excluding renewable energy).	A list of companies within high-carbon-emitting industries is provided to the investment department for consideration during pre-investment evaluations. Additionally, Mega Securities calculates, on a daily basis, the ratio of the total cost of self-operated and underwritten securities from high-carbon-emitting industries to the total cost of self-operated and underwritten securities.	According to the company's "Risk Management Rules," the original investment cost limit for self-operated and underwritten positions in high-carbon-emitting industries was set at 30% of the total self-operated and underwritten positions. In 2023, in line with the national net zero by 2050 policy and Mega Financial Holding's ESG sustainability and high-risk industry management guidelines, the limit was reduced to 28%. In 2024, it was reduced to 27% and included in Mega Securities' s risk managements objectives. For 2025, the limit is set at 26%.	Mega Securities' Chief Risk Officer regularly reports various risk indicators and the usage limits to the Risk Management Committee, the Sustainability Development Committee, and the Board of Directors.

Climate Risk Management

In addition, we have established the pre-investment assessment and post-investment management mechanisms, actively supported companies with environmental protection or social responsibility, while specifying companies prohibited from investment, industries or counterparties with high environmental and social impact, coal and non-conventional oil and gas industries, and high carbon emission industries. The Company has also established an ESG risk rating mechanism to control the sustainability risk of the positions held.

Investment management

Pre-investment assessment	In order to implement responsible investment, Mega Securities continuously invests in the field of sustainable development, and supports enterprises that are environmentally friendly, fulfilling social responsibilities, or sustainable governance to raise sustainable capital or make investments. The Company has integrated ESG and climate risk management into the existing investment decision-making process. Before investing, the ESG of investees-to-be shall be carefully assessed. For the enterprises that violate ESG principles and do not have specific improvement plans, the principle is not to invest. If positions are required, due diligence shall be conducted, with enhanced analysis for prudential assessment, and the approval level shall be raised until the general manager for undertaking.
Post-investment management	In addition to continuously reviewing the ESG and climate performance of investees, we also actively understand the climate strategies and performance of relevant companies, and assist companies in carbon reduction transformation to ensure the suitability of investment portfolios.

Restrictions on categories of underlying investments

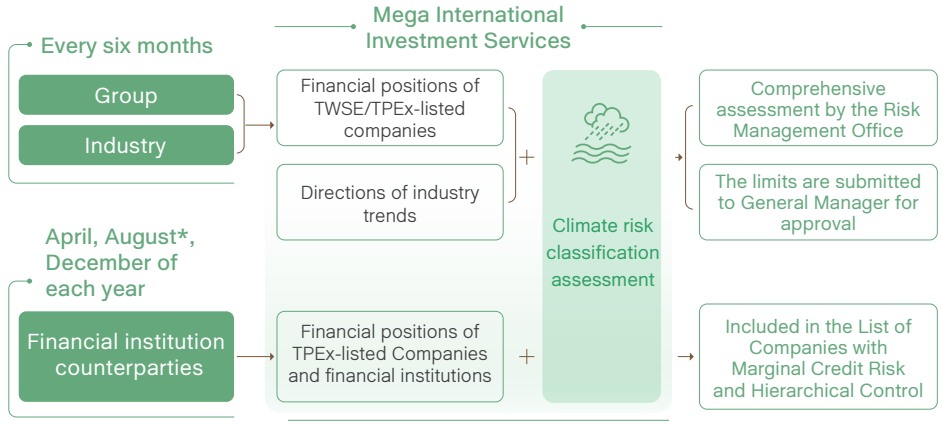
We categorize the industries suitable for investment and screen the companies prohibited from investment—industries or counterparties with high environmental and social impact, coal and non-conventional oil and gas industries, and high carbon-emission industries—to establish the control measures and investment limits. For example, in 2024, Mega Securities' holdings of industries or counterparties with high environmental and social impacts did not exceed 30% of the total amount of securities under proprietary trading and underwriting; the marketable securities of high carbon-emission industries under proprietary trading and underwriting by Mega Securities shall not exceed 26% of total amount of securities under proprietary trading and underwriting in 2025; the proportion of high carbon-emission industries in the portfolio is gradually decreasing.

Relevant risk management integration

Mega Securities has gradually integrated climate risks into the risk management process pursuant to the risk management policy. Pursuant to the Risk Management Rules, the Risk Management Office re-examines the situation of the Group and the industry every six months. The evaluation opinions are provided by the subsidiary, Mega International Investment. The opinions of the subsidiary, Mega International Investment, include the industry trends and financial positions of the TWSE/TPEx listed companies under the same Group. The climate risk is divided into three levels additionally; Level 1 indicates low or no negative impact on the industry and the Group enterprises; Level 2 indicates medium negative impact; Level 3 indicates high negative impact. Upon the comprehensive assessment, the Risk Management Office reports to the General Manager for approving the investment limits of the Group enterprises and industries.

On a regular basis, Mega Securities uses the KMV model to calculate the TWSE/TPEx listed companies, financial institutions, and counterparties with a theoretical probability of expected default reaching 1%. Upon consideration of the financial status and climate risks, the subsidiary, Mega International Investment includes them in the list of marginal credit risk companies for management by grades.

◆ Regular assessments by the Risk Management Office



Stewardship actions

Mega Securities is mainly engaged in the marketable securities brokerage, proprietary trading, and underwriting businesses. We have established stewardship principles (including a stewardship policy, management policy for preventing conflict of interest, and voting policy) to implement the responsible investment; and we have signed the Compliance Statement for Stewardship Principles as Institutional Investors to comply with the related regulations of the "Stewardship Principles as Institutional Investors", for fulfilling the responsibilities of asset owner and enhance the long-term value of the Company.

The policies of Mega Securities stipulates the way to perform the stewardship, by engaging in the board meetings and shareholders' meetings of the investees, or visiting the managements of the investees from time to time, among other engagement methods, or via the disclosure of information in the open market, to facilitate the implementation of their sustainable development strategies and disclose the ESG effects in a timely manner, to enhance investment value and reduce investment risks.

Operational Risk Management

In order to reduce impact of risks such as extreme weather and pandemic on the Company's operations, in addition to regularly reviewing the safety and potential impacts of each operating site or self-owned real estate, flood prevention equipment and backup mechanisms have also been strengthened. Establish a complete notification process pursuant to BCM, and activate relevant emergency response procedures and business recovery operations according to the level of emergency and incidents such as natural disasters.

Internal carbon pricing

With reference to the Net Zero Scenarios of NGFS, which has a carbon valuation of approximately USD 115.42 (approximately NTD 3,783.47)/metric ton in 2030, the Group has adopted a shadow price to pilot the introduction of Internal Carbon Pricing (ICP), achieving its carbon reduction/electricity saving targets. Based on the internal carbon pricing of 2022, the GHG (Scope 1 + Scope 2) reduction of Mega Securities by the end of 2024 was approximately 777.88 $MtCO_2e$, which is estimated to have saved approximately NTD 2,943 thousand. In line with the Group’s carbon reduction goals, Mega Securities will hold an electricity-saving competition for all its operating locations in the second half of 2025. Based on internal carbon pricing, the competition is projected to save approximately NT$240,000. In the future, we will further expand the scope of implementation of internal carbon pricing to guide the low-carbon transformation of the business while continuously reviewing the Group's internal carbon pricing with reference to global carbon price trends to accurately reflect external carbon costs.

3.1.4 Climate indicators and targets

In line with the overall planning of the Group, via the Environmental Sustainability Team under the Sustainable Development Committee, the impacts of operating activities on the natural environment are regularly collected and evaluated, and the annual work implementation plans and related goals are formulated, including climate action-related climate change education and training, obtaining green building labels, using a certain percentage of green power, purchasing or leasing electric vehicles or hybrid vehicles, ISO14064-1 greenhouse gas inventory, ISO14001 certification, ISO50001 certification related to green operations, water reduction, waste reduction, certain proportion of green procurement related to the sustainable procurement, as well as the Sustainability Declaration signed by suppliers, among other plan targets, the target achievement progress are reviewed via the Sustainability Development Committee meeting every quarter, to implement the environmental sustainability management. (for details, please refer to 2.2 Sustainability Vision and Strategy_ Short-, Medium-, and Long-Term Goals of Pillars of Sustainability Strategy, and 3.2 Green Operations_Energy and GHG Management)

The Company has conducted GHG inventories in accordance with ISO14064-1. The inventories have been verified by a third-party verification company. Scope 1, Scope 2 and Scope 3 emissions cover all operating sites of Mega Securities' headquarters and branches, as well as subsidiaries, Mega Futures and Mega International Investment Services. In addition, to support the Paris Agreement's target of temperature raised less than 1.5 ° C, Mega Holdings signed the Science Based Targets Initiative (SBTi) commitment in April 2023, with reference to the voluntary support to the Partnership for Carbon Accounting Financials (PCAF), for calculating the carbon emissions of investment and financing under Scope 3, ; the Group’s specific carbon reduction goals and pathways are set base on the SBT methodology. The carbon reduction action plans approved the SBTi organization in June 2024 are adopted as the tools to manage and assess the climate change risks; Mega Securities also do the same as the Group's policies and methodologies . (For greenhouse gas emissions data, please refer to 3.2.2 Energy and GHG Management and Appendix 9.1.1 Environmental Indicator Data.

3.2 Green Operations

According to the Sustainability Policy of Mega Financial Holding (applicable to the Group), the Group should consider the issues of climate change and other environmental issues, and incorporate environmental sustainability into the strategic goals of business management. Items to be promoted include energy-saving and carbon reduction policies, and reducing water, power, and fuel consumption. Mega Group's "Operating Procedures for Environmental Sustainability" (applicable to Group) clearly stipulate that each company under the Mega Holdings Group shall collect the data corresponding to the various environmental indicators set by Mega Holdings, such as energy consumption, water consumption, and waste production, to be entered into the information management system to facilitate long-term tracking. Environmental indicators should be tracked and managed, with linkage to the appraisal and employee performance of subsidiaries.

3.2.1 International standards certification and initiatives

Mega Securities complies with the "Sustainable Development Policy", "Codes of Sustainable Development" and the "Operating Procedures for Environmental Sustainability", in collecting and assessing impacts of operating activities on the natural environment regularly, setting annual work implementation plans and related targets, and reports progress to the Sustainable Development Committee and the board of Directors. In 2024, no violation of the environment-related regulations occurred. Every year, the Company participates in international evaluations and initiatives such as SBTi, DJSI, and CDP, and sets annual targets for carbon reduction, water reduction, and waste reduction. The relevant data is verified by a third-party agency.

In 2023, the Mega Securities Headquarters Building attained the Green Building Label Diamond Certification; in 2024, Xinying branch attained Green Building Label. In addition, in line with the Group's policy, all operating sites have completed the "ISO14064-1 GHG Inventory", and obtained the renewal of "ISO14001 environmental management system" certification. The renewal of the "ISO50001 Energy Management System" certification for the headquarters building was also completed. In addition, as of the end of March 2025, 30 of the operating sites of the Company have responded to the green office initiative of the Ministry of Environment.

Item	Description
ISO 14064-1:2018 Greenhouse Gases Inventory	In 2020, the new version of "ISO 14064-1: 2018" was introduced in line with the Group strategy; as of 2024, the inventory of all operating sites in Taiwan has been completed and a verification declaration has been obtained.
ISO 14001: 2015 Environmental Management Systems	The headquarters building obtained the BSI-certified ISO 14001 environmental management system certification in 2022, and the certification for all operating sites north of Hsinchu was completed in 2023. We completed certification for all sites south of Hsinchu in 2024, covering all operating sites in Taiwan. In 2024, eight central air-conditioning units were replaced at the headquarters, Sanchong, and Lugang branches and the ISO 14001 certificate was renewed (once every three years).
ISO 50001: 2018 Energy Management Systems	The headquarters building completed the ISO 50001 energy management system target certification in 2022. In 2024, eight central air-conditioning units were replaced at the headquarters, Sanchong, and Lugang branches, and the ISO 50001 certificate was renewed (once every three years).
Green Building Label	In 2023, the headquarters attained Green Building Label Diamond Certification; in 2024, the Xinying branch attained Green Building Label. The remaining operating sites are undergoing transformation.

Note : For ISO 14001, ISO 14064-1 and ISO 50001 verification certificates, please refer to 9.3 External Independent Assurance Statement .

3.2.2 Energy and GHG Management

Greenhouse Gas Management

In response to the issue of climate change, Mega Securities has followed the Group's strategy to support energy transition policy of Taiwan - developing the "clean energies reducing coal, increasing gas, expanding green, and non-nuclear" to reduce air pollution, and implement energy-saving and carbon reduction. With reference to the SBTi requirements, Mega Group set the Group's greenhouse gas emission target in 2022, with 2022 as the base year, to reduce emissions by more than 10.5% by 2024, 42% by 2030, and achieve net-zero emission by 2050. The Mega Group has also set a target of reducing the total volume of greenhouse gas (Scopes 1+2) by more than 10.5% by 2024, with 2022 as the base year. In 2024, the total volume of greenhouse gas (Scope 1+ 2) of Mega Securities (including subsidiaries) was 2,851.12 tons/CO_2, a decrease of 794.85 tons/CO_2 (or 21.80%) from 3,645.97 tons/CO_2 in 2023. For more information on greenhouse gas emissions, please refer to Appendix 9.1.1 Environmental Indicator Data.

Scope 3 Carbon Emissions of Mega Securities and Its Subsidiaries

Year	2022	2023	2024
Investment emissions (t-CO_2e)	64,946.24	120,775.12	100,015.21
Carbon footprint of investment (Note 1)	3.33	3.67	3.05
Data quality (Note 2)	2.35	1.54	1.83

Note 1: Carbon footprint of investment = carbon emissions from investment positions (tCO_2e)/balance of investment positions (NTD 1 million).
Note 2: Compared to the data quality in 2023 and 2024, the main difference is that the quality of the sovereign bond data is adjusted from 1 to 3. Ratings go from 1 to 5 (5 being the best).
Note 3: In 2023, carbon emissions from sovereign bond investments to be borne by MEGA Securities is added to Scope 3

Results of Mega Securities' Carbon Reduction Initiative	
Reduction measures	Replaced five central air conditioning units with higher efficiency units; expected to reduce 81.14 tons/CO_2e per year. (Note)
Amount invested (NTD)	4,630,000
Estimated carbon reduction (t/CO_2e)	649.12
Support International Climate Action Initiatives	On March 23, 2024, the Company supported the "Earth Hour" event of the World Wildlife Fund (WW F), where the signboard lights and other lamps of the operation sites were turned off for one hour in the evening of the event day.

Note : The estimated annual carbon reduction is the estimated carbon reduction/service life.

Procurement of renewable energy certificates

In order to implement the Group’ s strategy to increase the use of renewable energy, Mega Securities registered and declared a total of 1,651 national renewable energy certificates (1,651,000 kWh) in 2024, and the green power usage rate in the headquarters building reached 69.03%. Mega Securities will continuously cooperate with the Group's policies. The goal is to use 100% renewable energy at domestic operating sites by 2030, and 100% renewable energy at the Group's global operating sites by 2050. Please refer to Appendix 9.1.1 Environmental Indicator Data for detailed energy consumption information.

3.2.3 Water resource management

Mega Securities belongs to the financial services industry, and water consumption for its operating activities mainly comes from general domestic water, and thus the impact on the environment is minimal. However, as Taiwan is located in a high water resource stress area, with 2020 as the base year, the water-saving goal is a reduction of 0.5% per year, to achieve the short-term goal of reducing water consumption by 2% by 2024 compared to 2020, the medium-term goal of reducing water by 4.5% by 2029, and the long-term goal of reducing water by 5% by 2030. The annual water-saving plan is approved by the Sustainable Development Committee, with the implementation tracked on a quarterly basis, and reported to the Sustainable Development Committee and the Board of Directors. (To accommodate the Group' s policy, the Board of Directors decided in December 2024 to change the base year to the per capita water consumption level of 2021 for the 2025 water consumption target.)

The water consumption of Mega Securities and its subsidiaries in 2024 was 28,940 m^3 (assured by a third party), an increase of approximately 16.67% from 24,806 m3 in 2020. This is mainly because that after the Covid-19 pandemic, employees returned to the office, and therefore water consumption returned to norm. However, water consumption reduced by 3,264 m^3 (10.14% reduction) from 32,204 m^3 in 2023 (as assured by a third party). The water-saving measures are continuously enhanced, while promoting the importance of treasuring water resources to employees at all operating sites via various channels, improving and optimizing water consumption equipment, such as installing water-saving devices, adjusting the water discharge process, and purchasing equipment with water-saving labels as a first priority. These measures effectively implement water resource management for operations and we are expected to achieve are water consumption reduction targets. Please refer to Appendix 9.1.1 Environmental Indicator Data for detailed water consumption information.

3.2.4 Waste Management

Due to the nature of the industry, the Company does not produce any physical products or generate toxic waste during its operations. However, there is general waste. In line with the Group' s 2024 waste statistics, with 2022 as the base year, the target for the year 2024 of Mega Securities and its subsidiaries was to reduce waste by 3.5% compared to the base year, through actively promoting resource recycling and reuse, waste classification and recycling. Waste is disposed of by qualified waste disposal companies, and waste that is classified as recyclable is sent to qualified resource recycling plants, while waste that is classified as garbage is disposed of through incineration.

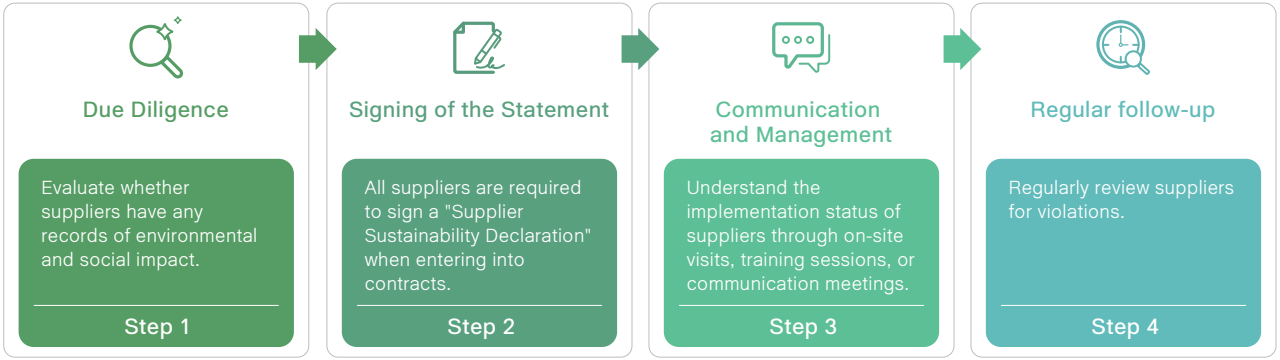
We have been implementing the waste reduction plan since 2018. The office waste is divided into general waste and resource recycling. Mega Securities has implemented the measure of "cancelling personal trash cans" and implemented the policy of reducing employee's daily waste. The disposable melamine utensil is prohibited, and the promotion of replacing disposable tableware with environmentally friendly containers in the office is strengthened. Meanwhile, through various environmental protection education, trainings and activities, we promote waste reduction management measures to employees, building management, and cleaning companies from time to time, and regularly review waste statistical reports, to keep track of waste data collection status for reporting in the Sustainable Development Committee of Mega Securities every quarter. In 2024, the headquarters building will also hold a waste reduction competition, and the top three units with waste reduction results will be rewarded to encourage employees to take waste reduction actions.

The total amount of waste in 2024 was 93,878.91 kg, an increase of 11,489.91 kg or 13.95% from the base year of 82,389 kg in 2022. This increase is mainly due to the fact that with lockdowns lifted, there was an increased number of customers visiting the branches, as well as an increased number of physical meetings.However, the total amount has decreased by 16,365.09 kg (a decrease of 14.84%) compared to 110,244 kg in 2023. We have also initiated relevant improvement measures, including recycling food waste from 2025 onwards, while strengthening the recycling of waste paper containers and waste plastic containers, and providing recycled food containers and recycled cups. In addition, in line with the Group' s policy, the base year of waste was changed to 2023 in 2025 - setting a short-term target of a 2% reduction in 2025 compared to 2023, an medium-term target of a 5% reduction in 2028 compared to 2023, and a long-term target of a 7% reduction in 2030 compared to 2023. Please refer to Appendix 9.1.1 Environmental Indicator Data for detailed waste information.

3.3 Sustainable Procurement

3.3.1 Supplier Management

Mega Securities values the collaboration with and growth of suppliers. In order to implement supplier management, the "Regulations of Supplier Sustainable Development Management" (“the Management Regulations”) are established, requiring suppliers working with Mega Securities and its subsidiaries to meet regulatory requirements in terms of labor rights and human rights, occupational safety and health, environmental sustainability, and ethical corporate management. Before dealing with Mega Securities and its subsidiaries, the suppliers are assessed for any record of environmental and social impacts, and these suppliers violate the Management Regulations will be avoided. The suppliers are required to sign the "Supplier Sustainability Declaration" when entering contracts; any action involving the matters specified in the Management Regulations will result in terminations or rescission of contract any time, and such supplier will be black-listed. Mega Securities regularly tracks violations by the suppliers. The partners are inquired for any violation of the “Labor Standards Act,” “Act of Gender Equality in Employment,” “Employment Service Act,” “Middle-aged and Elderly Employment Promotion Act,” “Occupational Safety and Health Act,” “Labor Pension Act,” and “Labor Occupational Accident Insurance and Protection Act” through the Inquiry System of Business Unit (Employer) Violating Labor Laws and Regulations by the Ministry of Labor. In 2024, there were no violations of regulations by the suppliers entering contracts with Mega Securities or violation incidents of Regulations. In 2024, a total of 136 supplier contracts were signed, and 100% suppliers signed the Supplier Sustainability Declaration



Supplier Sustainability Self-Assessment Questionnaire Survey

In order to strengthen the supply chain management and promote supplier engagement benefits, Mega Securities cooperates with the Group in conducting questionnaire surveys to implement the "Sustainability Self-Evaluation Questionnaire" mechanism for key suppliers. The target respondents are the key suppliers of Mega Securities (those with transactions amounting to more than NTD 1.5 million in the year) and aim to investigate their performance in four major aspects: Labor rights and human rights, environmental sustainability, occupational safety and health, and ethical corporate management. The questionnaires were distributed to the suppliers to assess their sustainability performance in the previous year on their own, and performance was rated on a scale of A Level to D Level. In 2024, the survey of key suppliers by Mega Securities and its subsidiaries covered 26 companies (the survey period was 2023), and 26 questionnaires were collected. The results were: 12 suppliers of A Level, 11 of B Level, two of C Level, and one of D level. The total purchase amount from Mega Securities' key suppliers for 2023 was approximately NTD 195,618 thousand.

+ (Supplier Sustainability Self-Assessment Questionnaire)
+ Supplier Self-Evaluation Questionnaire of Mega Securities Co., Ltd.

2024 Status of Signed Supplier Sustainability Declaration

Regulations of Supplier Sustainable Development Management

Item \ Year		2024
Number of contracts	(A)	158
Total contract amount (NT$)	(B)	206,763,227
Number of signed “Supplier Sustainability Declaration”	(C)	158
Contract amount of signed “Supplier Sustainability Declaration”	(D)	206,763,227
Percentage for the contract amount of signed “Supplier Sustainability Declaration”	(=D/B)	100%
Total procurement amount (NT$)	(F)	327,144,576
Percentage of contract amount of signed “Supplier Sustainability Declaration” in the total procurement amount (%)	(=D/F)	63.20%

Note : The major suppliers with signed purchase contracts are required to sign the declaration.

Highlight



The 3rd "Supplier ESG Seminar" was held by the Mega Group in collaboration with value chain partners

Continuing the spirit of the "ESG Initiative Platform for Public Financial Enterprises" of the Ministry of Finance, the 3rd "2024 Supplier ESG Seminar" was held in the afternoon of March 20, 2024, with the theme of "Circular Economy x Low-Carbon Transformation", hosted by the chairman of the Group and guided by the Financial Supervisory Commission. Also. Deloitte Taiwan was invited to speak on supplier sustainability management, with the aim of helping implement the mission of "leading sustainable development through positive influence" to achieve the goal of "net zero by 2050". A total of eight key suppliers of the Company participated in the supplier ESG seminar.

3.3.2 Green Procurement

Green procurement refers to adopting the simple and thrift principles in daily life, and reduce environmental impact and promote local business development by purchasing products or services with less impact on the environment. Mega Securities has established the "Regulations for Requisition and Procurement Management", specifying that local products and green procurement shall be prioritized during procurement, and products from suppliers with environmental protection labels shall be adopted. In 2024, Mega Securities' green procurement amount was NTD 69,826,500, and the total procurement amount was NTD 310,444,533; the green procurement accounted for 22.49%, higher than the Group's annual target of 2.5%. In addition, Mega Group's "Sustainable Development Policy" also specifies to include the circular procurement promoting product resource recycling into green procurement items. The circular procurement methods of Mega Securities include leasing instead of buying, such as the leasing of company cars and photocopiers.

Green procurement targets

Short-term	Medium and Long Term
Mega Securities gives priority to products with green label-related certifications in its procurement, and strives to implement local and seasonal consumption to reduce the possible environmental impact during transportation. The goal is for green procurement to account for 2.7% of the Group's total procurement amount by 2025.	The priority is given to the purchase of green products and services, and the Company cooperates with the government's green procurement plan, to increase the annual green procurement amount to 3.5% of the total procurement amount, while implementing the supplier sustainable development management, with the supplier sustainability self-assessment questionnaires continuously conducted on a regular basis. The related improvement measures are also established, to communicate with suppliers on ESG-related issues both way through a joint supplier conference and make mutual improvements.

Unit: NT$

2024 Green Procurement in Mega Securities and its subsidiaries

Item	Amount	Green Procurement Amount
Category 1/2 Environmental Label	45,346,150	72,735,540
ENERGY STAR	26,626,400	
Other Procurement Amount (e.g., Carbon Footprint, Carbon Reduction Labels, Etc.)	762,990	
Annual Total Procurement Amount		327,144,576
Percentage of Annual Green Procurement Amount		22.23%

Note : Mega Securities and its subsidizes comply with the definition of green procurement as defined by the Environmental Protection Administration for the self-reporting of green procurement by private enterprises and organizations. Taiwan's carbon footprint label, carbon reduction label products, foreign eco-label products of which Taiwan is a signatory, ENERGY STAR, FSC and PEFC sustainable forestry labels, and other products for the green procurement screening principle.

3.4 Natural Ecology

To support and fulfill the commitment of the United Nation Sustainable Development Goals (SDG 14) for conserving marine ecosystems and SDG 15 for protecting terrestrial ecosystems and biodiversity; in the "Sustainable Finance Policy," "Stewardship Principles," and "Administrative Regulations for Promoting the Development of Sustainable Finance," Mega Securities establishes the investment and post-investment management mechanisms, for the the industries or counterparties with high environmental and social impacts; for these who involve in the environmental pollution incidents making no improvement upon the penalty of the competent authorities, the responsible investment is implemented by not established the position of proprietary trading and underwriting. Mega Securities has complied with the Group's commitment to incorporate the biodiversity into its operations and business considerations. Currently, all of its operating sites are not located within the boundaries of nature reserves.



3.4.1 Nature-related financial disclosures

Mega Securities continued its climate-related financial disclosures according to the (TCFD) framework in 2024. It will continue to follow the Taskforce on Nature-related Financial Disclosures (TNFD) framework regarding environmental issues, to analyze the interaction between business activities and the natural environment. It will define economic activities based on the definitions of the four domains, as defined by the TNFD, namely terrestrial, ocean, freshwater, and atmosphere, and explore the environment-related risks and opportunities caused by dependency and impact. The Company is working hard to cope with risk of losing biodiversity, while actively searching for opportunities to create positive impacts to promote a sustainable development model for the harmonious symbiosis between mankind and nature.

Policy Commitments

As a means to implement biodiversity, Mega Group has incorporated the impact of its operating activities and the importance of protecting biodiversity into the Mega Holding’ s “Sustainable Development Best Practice Principles” (applicable to Mega Securities and its subsidiaries). Moreover, in 2024, the fourth meeting of the Sustainable Development Committee of Mega Securities resolved that all operating sites must adhere to the following commitments, demonstrating its determination to safeguard biodiversity:

The Group promises that no domestic or foreign business locations will be located in important habitats:

- Not to be located in the natural reserve/custodian area, national park, or natural park as deemed by the local government
- Not to be in a wildlife protection area or an important habitat
- Not to affect species on the IUCN Red List of Threatened Species or the National Conservation List
- When adding or relocating sites, we also comply with the principles of protecting biodiversity and zero deforestation.

In line with the Group's policy, Mega Securities has assisted in the completion of the summarized disclosure of the Group's TNFD-related information in Mega Holdings' 2024 Climate and Natural Environment Report. We have also disclosed the 2024 Climate and Natural Environment Report of Mega Securities on the official website of Mega Securities

+ Mega Holdings ESG Corporate Sustainability
+ Mega Securities Website | Climate Change Information)

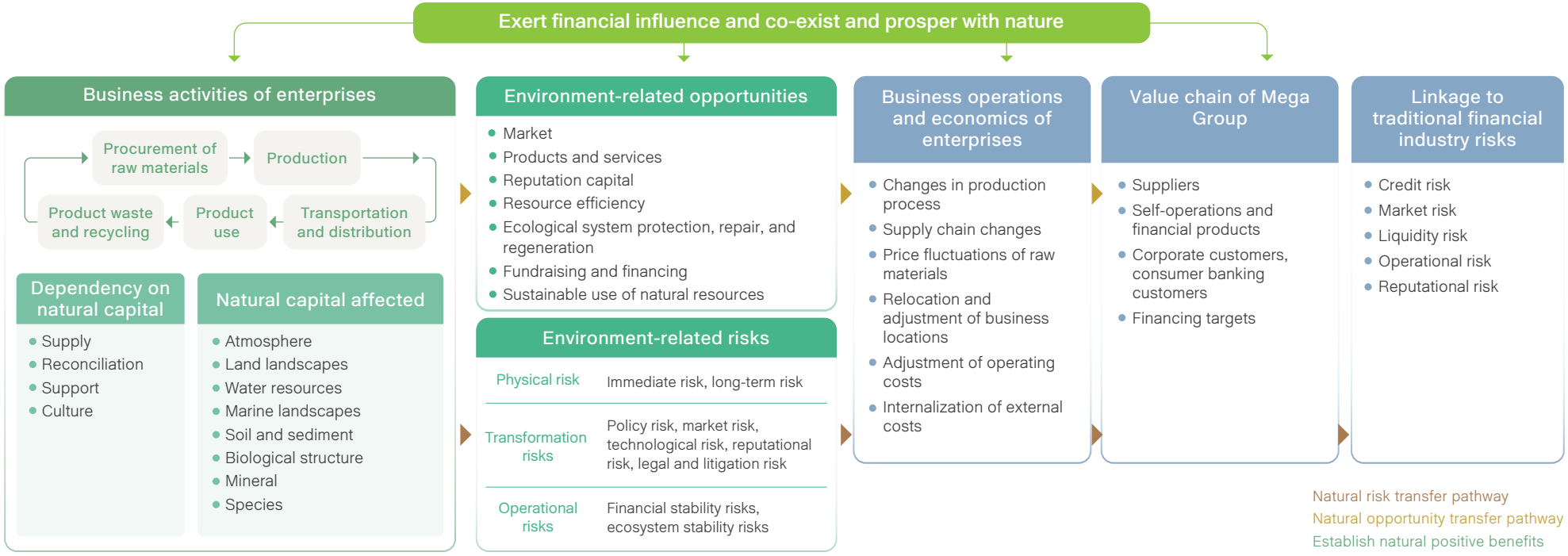
Level	Basis	Biodiversity-related policies
Mega Group	Sustainable Finance Policy	• Comply with the "Convention on Biological Diversity" (CBD) of the United Nations, support green and sustainable development industries or counterparties: including green buildings and building energy-saving systems and other related construction industries, waste cleaning and recycling, pollution control and carbon sequestration industries, and measures of sustainable agriculture, forestry, and fisher, husbandry, and aquaculture industries • Risk framework: the financial holdings and subsidiaries shall gradually incorporate climate change, biodiversity and other ESG-related risk factors into their risk management frameworks.
	Management Focuses for ESG Sustainable Development Industries and High-Risk Industries	• Establishment of prohibited undertaking industries or counterparties include gillnetting with nets over 2.5 kilometers in length and commercial lumbering in pristine rainforests, among other activities harmful to ecological sustainability. • Determination of high-sensitivity industries or counterparties: for these companies penalized by the competent authorities due to environmental pollution incidents but without improvements, mining and quarrying, wild animal leather and fur treatment, fur trading, and other industries with high negative impacts on biodiversity, the limits and weights are assigned to the investments, while driving the industries and economic activities that contribute to the maintenance of biodiversity for growth.
Mega Securities	Sustainable Finance Policy	• Comply with the "Convention on Biological Diversity" (CBD) of the United Nations, support green and sustainable development industries or counterparties: including green buildings and building energy-saving systems and other related construction industries, waste cleaning and recycling, pollution control and carbon sequestration industries, and measures of sustainable agriculture, forestry, and fisher, husbandry, and aquaculture industries • Risk framework: Climate change, biodiversity and other ESG-related risk factors shall be gradually incorporated into the risk management framework. + Sustainability Policy of Mega Securities Co. Ltd.pdf (megasec.com.tw)
	Stewardship Principles	• Establishment of prohibited undertaking industries or counterparties include gillnetting with nets over 2.5 kilometers in length and commercial lumbering in pristine rainforests, among other activities harmful to ecological sustainability. • Industries with environmental and social impacts: for those who do not meet the environmental sustainability screening conditions and without specific improvement plans, the principle is not establishing positions for proprietary trading or underwriting. • For high-carbon emission industries: set the proportion of investment limits. + Stewardship Principles of Mega Securities Co., Ltd..pdf (megasec.com.tw)
	Administrative Regulations for Promoting the Development of Sustainable Finance	• Establishment of prohibited undertaking industries or counterparties include gillnetting with nets over 2.5 kilometers in length and commercial lumbering in pristine rainforests, among other activities harmful to ecological sustainability. • Industries with environmental and social impact: for these companies penalized by the competent authorities due to environmental pollution incidents but without improvements, mining and quarrying, wild animal leather and fur treatment, fur trading, and other industries with high negative impacts on biodiversity, the limits and weights are assigned to the investments • For high-carbon emission industries: set the proportion of investment limits.

3.4.2 Natural Dependency and Impact Analysis

How natural capital affects the supply chain of Mega Securities

The operation of enterprises and economic activities not only rely on natural capital, but also have an impact on biodiversity. Therefore, enterprises must not ignore the interrelationship between their operations and natural ecosystems. Natural capital refers to all resources embedded in nature, including oceans, land, atmosphere, animals and plants, minerals, etc.; biodiversity is the foundation for maintaining the continuous operation of the ecosystem. From its own operations to suppliers, financial products, and investment targets, the value chain of Mega Securities is closely related to natural capital and biodiversity. Therefore, any impact on natural capital and biodiversity may have a significant impact on the operating activities and investment portfolios of Mega Securities.

For the relationship between the value chain of Mega Securities and natural capital, and how environment-related risks and opportunities affect the value chain and traditional risks of the financial industry of Mega Securities, please refer to the description in the figure below.



The main dependencies and impacts of the securities industry on the natural ecology comes from the indirect impact of investment targets. Any investment target subject to be affected by natural risks or that has an impact on the natural environment will bring potential risks to the securities industry. Therefore, the securities industry should actively understand the impact of the investment target on the natural ecology and formulate a natural risk management plan in a timely manner, identify industries with high natural risks and ecologically sensitive hot spots, and actively develop innovative environment-related financial products and services to grasp environment-related opportunities.

Recognizing the interrelationship between business operations and natural resources, the Company is committed to integrating environmental risk management-related actions and actively managing the natural risks of its own operations. In addition, the financial influence of Mega Securities is also used in a timely manner to mitigate the impact of environmental capital loss and biodiversity loss. In the future, the Company will continue to follow international environmental risk management standards and strengthen ecological conservation-related actions.

Environment-related dependency, impact, and ecological sensitive locations

Introduction to the LEAP methodology

To help enterprises and financial institutions systematically identify, assess, and manage environmental-related risks and opportunities, the TNFD (Taskforce on Nature-related Financial Disclosures) introduced the LEAP (Leading Practices for Impact-Driven Natural Capital Management) methodology to guide enterprises and financial institutions to gradually improve sustainability and resilience through the four stages of Locate, Evaluate, Assess, and Prepare.

In order to fully examine the correlation between corporate operations and various business activities and natural capital, the environmental analysis process of Mega Securities this year follows the LEAP methodology to identify industries whose value chain and operating activities have moderate and high dependency on natural capital, and industries whose production activities are located in ecological sensitive hotspots through “Locate”. This ensures that when developing financial business, the ecology can be protected while realizing positive growth in environmental and operating performance.

Locate	Evaluate	Access	Prepare
• Identify operations within an industry value chains that have dependencies and impacts on nature. • Identify whether the value chain and the location of its own operations and production activities are located in ecologically sensitive areas.	Describe how the counterparty’ s dependency on natural capital and the influence of financing will drive environmental risks and opportunities	• Identify environmental risks and opportunities • Describe the process and related strategies for mitigating risks and managing risks and opportunities	Assess environment-related dependency, impact, risk, opportunity; establish the environmental and climate risk governance framework, take strategic actions, and establish the progress of environmental indicators and target tracking strategy actions; and adjust the direction of the strategy.

Analysis of environment-related dependency, impact, and ecological sensitivity

According to the TNFD LEAP methodology released in October 2023, corporate operations must rely on the ecosystem services provided by nature, and may have a positive or negative impact on the natural ecology in the course of their operations. Therefore, when a company has a greater dependency and impact on the nature, the environmental risks and impacts faced are also higher.

With reference to the LEAP methodology, the Company collected information on its own operations, upstream supplier operations, and downstream investment target production sites at the end of 2024. The Company has also used the ENCORE database to analyze the natural dependencies and impacts of each industry and drew a matrix to identify industries with high environment-related dependencies and impacts.

Changes in the natural environment involve a number of issues. To confirm the dependency and impact factors of the value chain industries of Mega Securities and the relevance of the environmental issues, the correlation between the research dependency factors, stress factors, and the ecosystem components are explored to summarize the key environmental issues of each industry. This is necessary and can help Mega Securities to formulate the best strategy for environmental risk management in the future.

According to the analysis results (please refer to the description of Step 3 for the analysis of the environment-related dependencies, impacts and ecological sensitivity of the Company' s own operations, key suppliers and investment targets), the Company needs to conduct a further biodiversity hotspot overlay analysis to examine the potential impacts of its operating activities on ecologically sensitive areas.

With a complete analysis process, Mega Securities can more efficiently formulate natural risk management strategies. Through "Locate", natural risk hotspots that are highly reliant on natural resources or have a significant impact on the natural environment in corporate operations are identified. This not only helps with the future planning of the ecological conservation of Mega Securities, but also enhances resilience when responding to natural risks.

1 Information collection

- **Operation of the Company**
  Address of domestic operating sites
- **Upstream: Key suppliers**
  Collect the industry code, procurement amount, and company operating site address of suppliers who have signed the CSR statement of Mega Securities and have a procurement amount reaching NTD 1.5 million (inclusive) or more for 2024.
- **Downstream: investment targets**
  - Collect the industry code, tax ID number, company operating site address, and investment position balance of the investment target.
  - TNFD V2.0 has been adopted to include investment assets covering corporate stocks (including ordinary shares and preference shares) and corporate bond investments (including financial bonds, convertible bonds, and green bonds), with government agencies are excluded.

2 Analyze the environment-related dependencies and impact factors of each industry

- **Obtain data on the dependency and impact of the industry of ENCORE**
  Obtain the ISIC industry code corresponding to the investment target and supplier, and the data on the level of natural dependency and impact corresponding to each industry, through the ENCORE database recommended by the LEAP methodology.
- **Corresponding Industry Code**
  Based on the industry code comparison table provided by the National Statistics, R.O.C. (Taiwan), the ISIC industry code is converted into the domestic standard 4-digit codes, as defined by the Directorate-General of Budget, Accounting and Statistics (DGBAS), which is commonly used.
- **Calculate the significance of environment-related dependencies and impacts**
  Convert the level of environment-related dependencies and impacts into a score and sum the score of each industry based on the 4-digit codes of DGBAS.
- **Identify industries with high natural dependency and high impact**
  For the investment targets and suppliers, data from the previous step are compiled into a matrix to identify industries that are highly dependent on and have a high degree of impact on nature

3 Linkage to natural issues with dependencies and impact factors

Analyze the interrelationship between the dependence, pressure, and ecosystem components of ENCORE, and summarize the environmental issues related to the dependency and impact factors of each industry.

4 Biodiversity Sensitivity Overlay Analysis

- **Analyze the biologically sensitive areas in the upstream and downstream of the business locations and value chain and review the analysis results.**
- **The analysis of the data used in the current year is as follows:**
  - National Ecological Network biodiversity hotspots: Released by the Forestry Bureau and the Nature Conservation Administration, Ministry of Agriculture, it calculates hotspots for each animal species across habitats and defines the top 5% of the grids with animal species as a hotspot. The level of hotspots is divided into five levels, from high to low, with the highest being five, and the lowest being one.
  - Key Biodiversity Area (KBA): A Key Biodiversity Area (KBA) database, as published by World Database on Protected Areas (WDPA), is an area that has a significant impact on global biodiversity, covering terrestrial, freshwater, and marine ecosystems. The data is regularly identified and managed by the UN World Conservation Monitoring Centre (UNEP-WCMC) and the International Union for Conservation of Nature (IUCN) in collaboration with multiple parties.

Analysis of environment-related dependencies, impacts, and ecological sensitive locations

Step 1 Information collection:

Collected the addresses of all operating sites of Mega Securities by the end of 2024.

Step 2 Analysis of environment-related dependency and impact factors of each industry

According to the analysis of the financial industry' s dependency and impact factors using ENCORE, the results of the evaluation show that the natural dependency and impact score of the operating activities of Mega Securities is mostly risk-free, low risk or medium risk.

High | Medium to High | Medium | Low to Medium | Low | Risk-free

Industry (4-digit codes as defined by DGBAS)	Industry name	Dependency																							Pressure												
		Industry name	Biomass provisioning	Solid waste remediation	Soil and sediment maintenance	Water purification	Soil quality regulation	Other regulation and maintenance services – dilution by atmosphere and ecosystems	Biological Control	Air filtration	Flood prevention	Genetic material	Global climate regulation	Water supply	Nursery population and habitat maintenance	Noise reduction	Other regulating and maintenance services – Mediation of sensory impacts (other than noise)	Local (micro and meso) climate regulation	Pollination	Storm mitigation	Water flow regulation	Rainfall pattern regulation	Recreation-related services	Landscape services	Educational, scientific and research services	Spiritual, artistic and symbolic services	Disturbances (e.g., noise, light)	Freshwater usage area	GHG emissions	Seabed use area	Non-GHG air pollutant emissions	Other biological resource extraction (e.g. fish, timber)	Other non-biological resource extraction	Discharge of toxic soil or water pollutants	Discharge of nutritional soil or water pollutants	Solid waste generation and discharge	Land use area	Water consumption	Introduction of invasive species
6611	Securities firms																																					
6621	Futures commission merchant																																					
6691	Investment consulting																																					

Step 3 Linkage to environment-related issues with dependencies and impact factors

According to the analysis results, the dependency and impact on natural capital of Mega Securities' own operations are most strongly linked to the issue of biodiversity, followed by oceans and water, and then land and forests. Therefore, biodiversity sensitivity overlays of the Company' s operating sites are prioritized.

Among the impacts of the business operations of Mega Securities on biodiversity, "species" and "structural and biotic integrity" have the highest level of impact. In the future, overlay analysis will be conducted to determine whether the operating sites may have an impact on biodiversity.

High | Medium to High | Medium | Low to Medium | Low | Risk-free

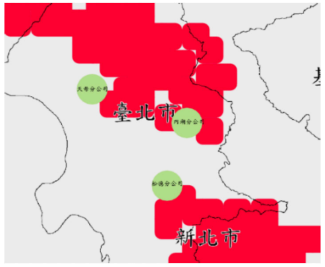
Linkage to environment-related Issue		Climate change		Land and forest				Biodiversity				Ocean and water				Mineral	
Ecosystem components		Atmosphere		Land geomorphology		Soil and sediment		Species		Structural and biotic integrity		Marine landscapes		Water			
Industry (4-digit DGBS Code)	Industry name	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact	Dependency	Impact
6611	Securities firms																
6621	Futures commission merchant																
6691	Investment consulting																
Total Scores of Dependency and Impact for Each environment-related Issue		7		13				20				14				2	
Materiality rank of environment-related issues		4		3				1				2				5	
Ecological System Dependency and Impact Score		3	2	3	2	1	3	1	5	2	5	2	1	4	3	0	1
Ecosystem Dependency and Impact Ranking		7	8	4	10	15	5	12	1	8	1	11	13	3	6	16	13

Step 4 Biodiversity sensitivity overlay analysis

As of the end of 2024, the Company conducted a location-based analysis based on the 43 domestic operating sites of Mega Securities.

- Biodiversity hotspots

In 2024, no operating site of Mega Securities was located in a biodiversity hotspot. To identify locations with potential environment-related risks, a 1 km radius analysis was conducted to take countermeasures in advance. According to the analysis results, 3 sites (accounting for 6.98% of all domestic operating sites) have a 1-kilometer impact radius bordering biodiversity hotspot areas.

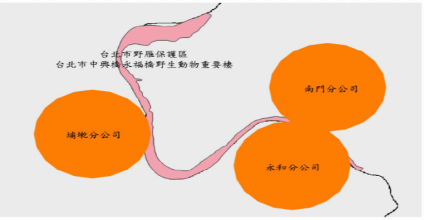


Biodiversity Hotspot Levels	Number of Domestic Operating Sites	% of Operating Sites
5	0	0%
4	0	0%
3	1	2.3%
2	1	2.3%
1	1	2.3%
Total	3	6.9%

- Key Biodiversity Areas

By the end of 2024, no operating site of Mega Securities was located in any natural protection area, national park, nature park, or important wildlife habitat. To identify locations with potential environment-related risks, based on risk considerations, Mega Securities conducted a 1 km radius analysis to take countermeasures in advance. 3 sites (accounting for 6.9% of all domestic operating sites) have a 1-kilometer impact radius bordering biodiversity hotspot areas.

- Countermeasures



The Company has established the ISO14001 Environmental Management Manual, and all operating locations attained third-party renewal for ISO14001 environmental management system certification in 2024.

Significant environmental topics have been incorporated into the Company's 2024 ESG objectives, including:

(I) The amount of waste generated at each site is reduced by 3.5% compared to the base year.

(II) Climate-related education and training was conducted, with 1,693 participants, totaling 5,036 hours.

Promote education and training on nature and biological conservation: Design and provide employees with biodiversity-related educational courses to enhance their understanding of the importance of nature and biological conservation.

Strengthening of cooperation with environmental protection groups: Actively establish partnerships with local environmental protection groups and government agencies. We encourage employees to participate in volunteer activities during work hours to enhance their environmental awareness and the Company’ s image and influence.

For more details on the countermeasures, please refer to CH4 Environmental Sustainability and CH8 Social Prosperity of the Sustainability Report of Mega Holdings.

Environment-related dependency, impact, and ecological sensitive locations - key suppliers

Step 1 Information collection

Collect the industry code, procurement amount, and company operating site addresses of the 38 suppliers, with the procurement amount of 2024 reaching NTD 1.5 million (inclusive) or more, who have signed the CSR statement of Mega Group.

Step 2 - Analysis of environment-related dependency and impact factors of each industry

According to the results of the ENCORE analysis of the environment-related dependency and impact of key suppliers’ industries in 2024, the highest dependency and impact score is the construction and renovation industry, with a purchase amount of NTD 19.95 million, accounting for 7.76% of the total purchase amount of key suppliers of NTD 257.07 million.

High | Medium to High | Medium | Low to Medium | Low | Risk-free

Industry (4-digit DGBS Code)	Industry name	Total procurement amount	Percentage of amount of transactions (%)	Impact + Dependency	Impact + Dependency of amount of transactions	Dependency: Animal-based energy	Biomass provisioning	Solid waste remediation	Soil and sediment maintenance	Water purification	Soil quality regulation	Other regulation and maintenance services – dilution by atmosphere and ecosystems	Biological Control	Air filtration	Flood prevention	Genetic material	Global climate regulation	Water supply	Nursery population and habitat maintenance	Noise reduction	Other regulating and maintenance services – Mediation of sensory impacts (other than noise)	Local (micro and meso) climate regulation	Pollination	Storm mitigation	Water flow regulation	Rainfall pattern regulation	Recreation-related services	Landscape services	Educational, scientific and research services	Spiritual, artistic and symbolic services	Total score	Pressure: Disturbances (e.g., noise, light)	Freshwater usage area	GHG emissions	Seabed use area	Non-GHG air pollutant emissions	Other biological resource extraction (e.g. fish, timber)	Other non-biological resource extraction	Discharge of toxic soil or water pollutants	Discharge of nutritional soil or water pollutants	Solid waste generation and discharge	Land use area	Water consumption	Introduction of invasive species	Total score
6390	Other information services	64,831,000	25.2%	20	5.0434																																								
4642	Wholesale of electronic and communications equipment and parts	47,055,860	18.3%	30	5.4910																																								
4831	Computer and peripherals, software retailing	31,540,010	12.3%	34	4.1711																																								
4340	Construction and renovation	19,947,500	7.8%	60	4.6554																																							
6201	Computer programming	16,224,000	6.3%	24	1.5145																																							
6312	Data processing, mainframe and website management	15,503,500	6.0%	25	1.5076																																							
6202	Computer consulting and equipment management	10,849,000	4.2%	24	1.0128																																							
4552	Wholesale of apparel and accessories	9,560,000	3.7%	30	1.1156																																							
6209	Other computer-related services	8,593,400	3.3%	24	0.8022																																							
2721	Telephone and mobile phone manufacturing	6,672,000	2.6%	44	1.1419																																							
8000	Security and surveillance services	6,480,000	2.5%	21	0.5293																																							
2729	Other communication equipment manufacturing	4,596,963	1.8%	44	0.7868																																							
7020	Management consulting	4,500,000	1.8%	20	0.3501																																							
4332	Refrigeration, air conditioning, and pipeline engineering	4,450,000	1.7%	53	0.9174																																							
4641	Wholesale of computers, peripherals, and software	2,727,172	1.1%	30	0.3182																																							
5911	Motion picture and television program production	2,060,000	0.8%	34	0.2724																																							
5811	News publishing	1,500,000	0.6%	38	0.2217																																							

Step 3 Linkage to environment-related issues with dependencies and impact factors

According to the analysis of the results, the dependency and impact on natural capital of Mega Securities' suppliers are most strongly linked to the issue of biodiversity, followed by oceans and water, with the least relevant issue being minerals. Therefore, biodiversity sensitivity overlays of the suppliers' operating sites are prioritized.

Among the impacts of the suppliers of Mega Securities on biodiversity, "species" and "structural and biotic integrity" have the highest level of impact. In the future, overlay analysis will be conducted to determine whether the suppliers may have an impact on biodiversity.

High | Medium to High | Medium | Low to Medium | Low | Risk-free

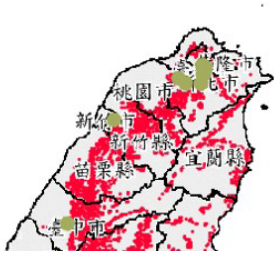
Linkage to environment-related Issue		Climate change	Land and forest		Biodiversity		Ocean and water		
Industry (4-digit DGBS Code)	Industry name	Atmosphere	Land geomorphology	Soil and sediment	Species	Structural and biotic integrity	Marine landscapes	Water	Mineral
4340	Construction and renovation								
4332	Refrigeration, air conditioning, and pipeline engineering								
2729	Other communication equipment manufacturing								
2721	Telephone and mobile phone manufacturing								
4831	Computer and peripherals, software retailing								
5811	News publishing								
5911	Motion picture and television program production								
4642	Wholesale of electronic and communications equipment and parts								
4641	Wholesale of computers, peripherals, and software								
4552	Wholesale of apparel and accessories								
6312	Data processing, mainframe and website management								
6201	Computer programming								
6202	Computer consulting and equipment management								
6209	Other computer-related services								
8000	Security and surveillance services								
7020	Management consulting								
6390	Other information services								
	Total	67.85	118.27		210.90		141.99		15.99
	Subtotal	67.85	70.30	47.97	92.09	118.81	41.84	100.15	15.99
	Rank	5	4	6	3	1	7	2	8

Step 4 Biodiversity sensitivity overlay analysis

In 2024, a location-based analysis of Mega Securities' 38 key suppliers who had a procurement amount of NTD 1.5 million or more was conducted.

- Biodiversity hotspots

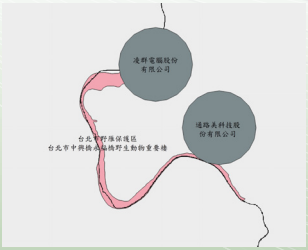
At of the end of 2024, no operating site of a key supplier was located in a biodiversity hotspot. To identify locations with potential environment-related risks, based on risk considerations, Mega Securities conducted a 1 km radius analysis to take countermeasures in advance. According to the analysis results, 13 sites (accounting for 34.2% of all operating sites of domestic key suppliers) have a 1-kilometer impact radius bordering biodiversity hotspot areas (Level 1 or Level 2 areas).



Biodiversity Hotspot Levels	Number of Domestic Operating Sites	% of Operating Sites
5	0	0%
4	0	0%
3	0	0%
2	1	2.6%
1	12	31.6%
Total	13	34.2%

- Key Biodiversity Areas

By the end of 2024, no key supplier of Mega Securities was located in any natural protection area, national park, nature park, or important wildlife habitat. To identify locations with potential environment-related risks, based on risk considerations, Mega Securities conducted a 1 km radius analysis to take countermeasures in advance. 2 sites (accounting for 5.3% of all operating sites of key suppliers) have a 1-kilometer impact radius bordering biodiversity hotspot areas.



Environment-related dependency, impact, and ecological sensitive location analysis - investment targets

Step 1 Information collection

Collect the industry code, tax ID number, company operating site address, and investment position balance of the investment target.

Step 2 - Analysis of environment-related dependency and impact factors of each industry

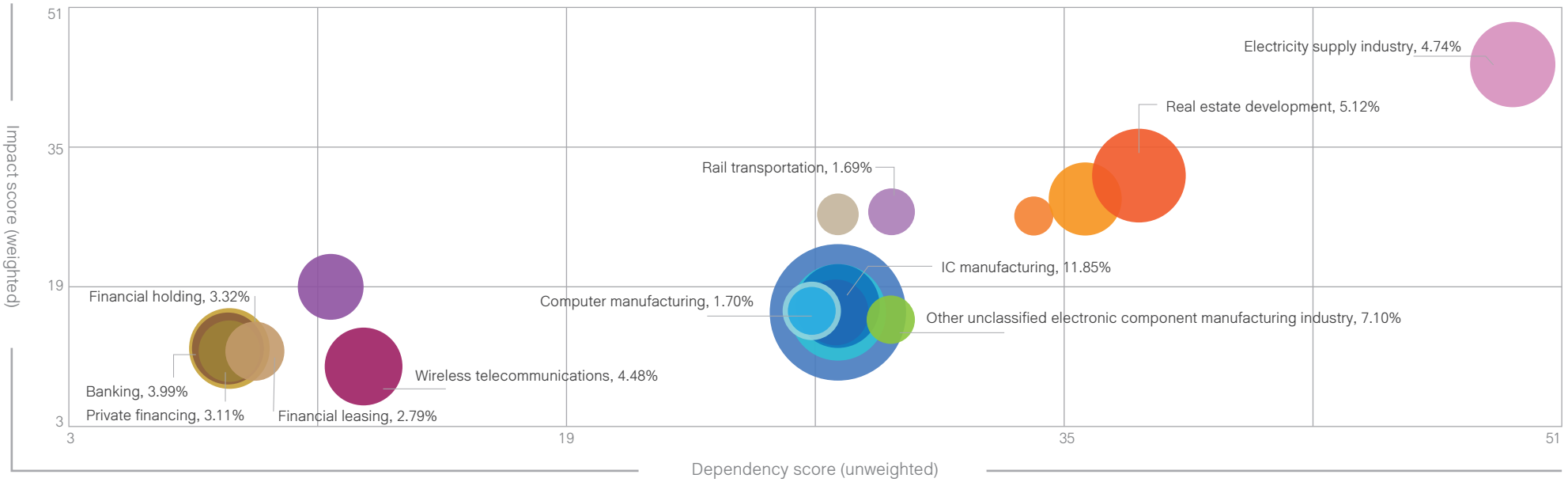
The results show that the electricity supply industry, real estate development industry, and integrated circuit manufacturing industry have a higher level of dependence on ecosystem services such as flood control, water flow regulation, soil and sediment maintenance, and water supply. Among them, the electricity supply industry has the highest level of dependence on water-related ecosystem services. In addition, the operating activities of the aforementioned industries also have a higher impact on factors such as disturbances and the discharge of toxic soil or water pollutants

High | Medium to High | Medium | Low to Medium | Low | Risk-free

Industry (4-digit DGBS Code)	Industry name	% of the balance of financing to others	Dependency																								Pressure												
			Animal-based energy	Biomass provisioning	Solid waste remediation	Soil and sediment maintenance	Water purification	Soil quality regulation	Other regulation and maintenance services – dilution by atmosphere and ecosystems	Biological Control	Air filtration	Flood prevention	Genetic material	Global climate regulation	Water supply	Nursery population and habitat maintenance	Noise reduction	Other regulating and maintenance services – Mediation of sensory impacts (other than noise)	Local (micro and meso) climate regulation	Pollination	Storm mitigation	Water flow regulation	Rainfall pattern regulation	Recreation-related services	Landscape services	Educational, scientific and research services	Spiritual, artistic and symbolic services	Disturbances (e.g., noise, light)	Freshwater usage area	GHG emissions	Seabed use area	Non-GHG air pollutant emissions	Other biological resource extraction (e.g. fish, timber)	Other non-biological resource extraction	Discharge of toxic soil or water pollutants	Discharge of nutritional soil or water pollutants	Solid waste generation and discharge	Land use area	Water consumption	Introduction of invasive species
2611	IC manufacturing	11.85%																																				
2699	Other unclassified electronic component manufacturing industry	7.10%																																				
6700	Real estate development	5.12%																																				
3010	Automobile manufacturing	5.06%																																				
3510	Electricity Supply	4.47%																																				
6102	Wireless telecommunications	4.48%																																				
6412	Banking	3.99%																																				
4100	Architectural Engineering	3.75%																																				
6421	Financial holding	3.32%																																				
6496	Private financing	3.11%																																				
8311	Government agencies	2.97%																																				
6491	Financial leasing	2.79%																																				
2630	Printed circuit board manufacturing	2.50%																																				
2719	Other computer peripherals manufacturing	2.47%																																				
6390	Other information services	2.35%																																				
2711	Computer manufacturing	1.70%																																				
4910	Railway transportation	1.69%																																				
2831	Electric Wires and Cables Manufacturing	1.66%																																				
1700	Petroleum and coal products Manufacturing	1.40%																																				
1990	Manufacturing of other unclassified chemical products	1.24%																																				

Top 20 industries in terms of the investment balance in the matrix analysis accounted for 73.3% of the total investment positions. The industry with the highest dependency and impact scores (right corner of the matrix) is the electricity supply industry, accounting for about 4.74% of the total, the highest risk industry. Industries that need to be monitored in the future include integrated circuit manufacturing and real estate development.

The score of the dependency and impact of the financing positions (including hedging) (highest) (not weighted according to the proportion of the financing balance)



- IC manufacturing
- Wireless telecommunications
- Government agencies
- Computer manufacturing
- Other unclassified electronic component manufacturing industry
- Banking
- Financial leasing
- Railway transportation
- Real estate development
- Architectural Engineering
- Printed circuit board manufacturing
- Electric Wires and Cables Manufacturing
- Automobile manufacturing
- Financial holding
- Other computer peripherals manufacturing
- Petroleum and coal products Manufacturing
- Electricity Supply
- Private financing
- Other information services
- Manufacturing of other unclassified chemical products

Step 3 Linkage to environment-related issues with dependencies and impact factors

The overall assessment results show that the dependency and impact factors of the investment sector are most relevant to the issue of biodiversity, followed by oceans and water. Given this, the Company will prioritize the use of the biodiversity hotspot overlay analysis for the investment counterparties of the electricity supply industry.

High | Medium to High | Medium | Low to Medium | Low | Risk-free

Linkage to environment-related Issue		Climate change	Land and forest		Biodiversity		Ocean and water		
Industry (4-digit DGBS Code)	Industry name	Atmosphere	Land geomorphology	Soil and sediment	Species	Structural and biotic integrity	Marine landscapes	Water	Mineral
2611	IC manufacturing								
2699	Other unclassified electronic component manufacturing industry								
6700	Real estate development								
3010	Automobile manufacturing								
3510	Electricity Supply								
6102	Wireless telecommunications								
6412	Banking								
4100	Architectural Engineering								
6421	Financial holding								
6496	Private financing								
8311	Government agencies								
6491	Financial leasing								
2630	Printed circuit board manufacturing								
2719	Other computer peripherals manufacturing								
6390	Other information services								
2711	Computer manufacturing								
4910	Railway transportation								
2831	Electric Wires and Cables Manufacturing								
1700	Petroleum and coal products Manufacturing								
1990	Manufacturing of other unclassified chemical products								
	Materiality rank of environment-related issues	4	3		1		2		5
	Total	101.70	173.16		335.66		219.00		20.49
	Subtotal	101.70	103.00	70.16	151.24	184.42	63.56	155.43	20.49
	Ranking of the materiality of ecosystem components	5	4	6	3	1	7	2	8

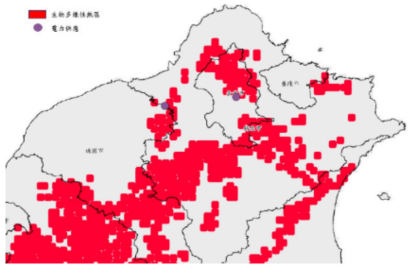
Step 4 Biodiversity sensitivity overlay analysis

As the end of 2024, Mega Securities conducted an overlay analysis of its investment of four sites (including power plants, onshore and offshore wind turbines), with the highest combined dependency and impact scores.

- Biodiversity hotspots

As of the end of 2024, no electricity supplier invested by Mega Securities was located in a biodiversity hotspot. To identify locations with potential environment-related risks, based on risk considerations, Mega Securities conducted

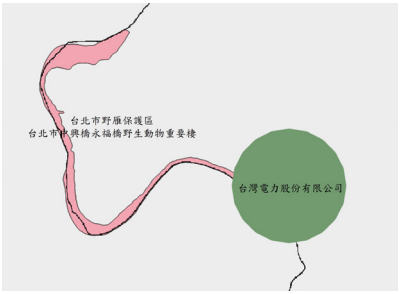
a 1 km radius analysis to take countermeasures in advance. 2 sites (accounting for 50% of power suppliers) have a 1-kilometer impact radius bordering biodiversity hotspot areas (Level 1 or Level 2 areas).



Biodiversity Hotspot Levels	Number of power supply plants	% of number of sites
5	0	0%
4	0	0%
3	0	0%
2	0	0%
1	2	50%
Total	2	50%

- Key Biodiversity Areas

By the end of 2024, no power supplier of Mega Securities was located in any natural protection area, national park, nature park, or important wildlife habitat. In order to identify potential natural risk sites, based on risk considerations, Mega Securities analyzed the locations within a radius of 1 km. 1 site (accounting for 25% of all operating sites of key suppliers) has a 1-kilometer impact radius bordering biodiversity hotspot areas.



3.4.3 Biodiversity measures

To support and fulfill the commitment of SDG 14, conserving marine ecosystems, and SDG 15, protecting terrestrial ecosystems and biodiversity, Mega Group has continuously organized numerous biodiversity conservation-related activities, engaging employees and customers to contribute to the ecological environment jointly. Mega Securities has participated in the “Construction of Tree Islands for the Restoration of Fire-Protection Greenbelts Along the Lungmujing Trail at Dadu Mountain, Taichung" in Taichung Metropolitan Park, and the "Volunteer Activity of “National Prevention Day of Mikania Micrantha” at Dongshi Forest Garden”, organized by Mega Holdings. In support of the "Tamsui River Convention", we also jointly promoted five action plans for restoration of Tamsui River. By involving ourselves in these activities, we aimed to exert our positive influence across industries and fulfill corporate social responsibility. For Mega Securities' participation in the Group's biodiversity-related activities, please refer to the description in 7.2.3 Ecological Sustainability.

Highlight



Mega Securities has been planting trees for four consecutive years, helping nature prosper

On March 2, 2024, the Company participated in Taiwan Reforestation Association's “Construction of Tree Islands for the Restoration of Fire-Protection Greenbelts Along the Lungmujing Trail at Dadu Mountain, Taichung" organized by Mega Group. A total of 110 volunteers joined hands to plant trees and restore native plants in the activity. For four consecutive years, the Company has restored many greenbelts by planting trees to protect the environment and the earth, thereby making a contribution to the environment.
The Company adheres to the philosophy of the sustainable development of Mega Group, and continues to promote and demonstrate its commitment to sustainability through its actions that protect the Earth.



4 Sustainable Finance

4 .1 Sustainable Finance and Responsible Finance

Corresponding United Nations Sustainable Development Goals (SDGs)



Corresponding GRI, SASB Guidelines, TCFD, and specific topics of material topics

- FN-IB 410a.1、FN-IB 410a.2、FN-IB-410a.3、FN-IB-000.A、FN-IB-000.B、FN-IB-000.C

Corresponding material topics

- Sustainable Finance and Responsible Finance

Stakeholders with priority access

- All stakeholders

In order to urge enterprises to value and implement the international trend of ESG sustainable development, Mega Securities signed the "Compliance Statement for Stewardship Principles as Institutional Investors" in September 2018, and planned various sustainability-related investment and other financial products and services, to play an important role as a bridge between the financial industry, environmental protection and economic growth. In 2024, the Company continued to conduct investment and underwriting of sustainability bonds, and engaged in discussions with the investees to invest in sustainable industries and exert positive influence as a financial institution, guiding enterprises to get involved in sustainable economic activities. In the future, Mega Securities will continuously engage with customers actively, to assist enterprises in net-zero transformation to competitive advantages and work together towards net zero emissions.

+ Sustainable Finance Policy

+ Guidelines for the Divestment Management of Coal and Non-Conventional Industries

4.1 Sustainable Finance and Responsible Finance

4.1.1 Sustainable Finance Management

In response to the domestic and international development trend of sustainable finance, and to develop a business model of co-prosperity among economic growth, environment and society, Mega Securities cooperates with the Group to participate in major international assessments such as DJSI, MSCI, CDP, etc. and complies with the Sustainable Development Goals (SDGs), Science-Based Reductions Initiative (SBTi), GRI, TCFD, SASB, and other international initiatives in line with the Group In addition, pursuant to the sustainability-related regulations, such as "Principles for Responsible Investment (PRI)," "IFC Performance Standards & EHS Guidelines," the "Convention on Biological Diversity (CBD)," of the UN, "Stewardship Principles as Institutional Investors," and the "Green Finance Action Plan," the Company have established the "Sustainable Finance Policy" and exert the power of finance to shape the positive influence of a sustainable society through the five compliance principles of sustainable finance. In addition, to enhance the disclosure of sustainability information, the Company has established the "Anti-Greenwashing Declaration" and continued to refine its internal management mechanism. For example, the Company' s "Administrative Regulations for Promoting the Development of Sustainable Finance ", explicitly stipulating the principles that should be complied with when making sustainability-related declarations and the management and supervision mechanisms. The Company' s "Procedures for Management of Advertising, Business Solicitation and Business Promotional Activities" clearly stipulate that greenwashing behaviors must be checked when the Company's advertisement or marketing content involves "green" or "sustainability".

- Sustainable financial products or services : all departments are encouraged to actively engage in low-carbon investment and related sustainable financial products, and actively support enterprises with environmental protection, social responsibility, or sustainable governance.
- International initiatives: actively participate in and sign ESG-related international initiatives and principles.
- Operation management: establish and continuously review and revise relevant management mechanisms, while developing and grasping strategies and goals for ESG business opportunities.
- Risk management: incorporate climate change, biodiversity, and other ESG-related risk factors into the risk management framework; identify risks that may affect the Company' s sustainable development, and establish quantitative indicators and targets.
- Sustainable value : actively leading customers, investors, and the general public to create sustainable value.

Implementation of Sustainable Finance Policy

Mega Securities is committed to practicing and promoting the spirit of sustainable finance, and has formulated the "Sustainable Finance Policy", "Stewardship Principles", and "Administrative Regulations for Promoting the Development of Sustainable Finance", and the "Management Focuses for the Divestment from the Coal and Non-Conventional Oil and Gas Sectors". The Company implements responsible investment, and continuously invests in the sustainable development fields (including, but not limited to bonds, equity investments, and ESG financial instruments related to green energy, low-carbon, renewable energy, circular economy, and other issues), and supports companies dedicated to environmental protection, fulfillment of social responsibilities, or sustainable governance to raise sustainable capital (including, but not limited to, the issuance of marketable securities related to the issues of green energy, sustainable development and fulfillment of social responsibilities) or investments, seeking to achieve the dual goals of promoting sustainable development and guiding private capital to invest in the real economy through investment and fundraising. In addition, we have established the investment evaluation management procedures for high sustainability risk enterprises, including companies prohibited from investment, coal and non-conventional gas and oil industries, high environmental and social impact industries or counterparties, and high carbon-emission industries, with sustainability risk ratings. The investment screening process and control mechanism are as follows:

Management policy	Applicable Scope	Applicable Ratio
Responsible investment and stewardship related policies, principles, and key points	Various investment businesses	100%



Review whether it is Company prohibited from investing in	Review whether it is Company unsuitable for investment	Review whether it is Coal or non-conventional oil and gas industry	Review whether it is High carbon-emitter	Review whether it is Company with high sustainability risk
(Liquid within three days)	(Industries or counterparties with high environmental and social impacts) (The control limit is 30%)	(avoid investment) (position or sales to be reduced to zero by the end of 2040)	(control limit of 26%)	(Not for mid- and long-term positions)

Communicate sustainable finance results with customers

Pursuant to Principle 4 of the Compliance Declaration for "Stewardship Principles as Institutional Investors" of Mega Securities, through public channels such as its official website, social media sites, marketing documents/advertising, mobile apps, service/product applications, and seminars, Mega Securities actively communicate with individual customers to help them understand the topics related to environmental, social and governance (ESG) in the business, and through appropriate dialogues and interactions, to communicate with investees to further understand and communicate with its management regarding the risks and strategies facing the industry. In 2024, the method of engagement and interaction with investees mainly included participation in shareholders' meetings, visiting (including routine face-to-face meetings with sponsor brokers), discussion by emails, telephone or video conferences, and attending investor conferences. There were a total of 2,016 engagement, of which, 462 engagements are for ESG issues. The statistics of the methods and times of engagement are as follows:

I. Statistics on the frequency and methods of engagement in 2024

Method of engagement	Total number of engagement	Engagement of ESG issues	Percentage of ESG engagement
Attending the shareholders' meetings of investees	429	8	1.73%
Visiting (including routine face-to-face meetings with sponsor brokers)	498	173	37.45%
Discussion via e-mail	781	190	41.12%
Telephone or video conferencing	287	88	19.05%
Participate in investor conference	21	3	0.65%
Total	2,016	462	100.00%

II. The 2024 statistics of ESG issue engagement and engagements in various ESG aspects

In 2024, Mega Securities held a total of 2,016 engagements with investees. Among the engagements, 1,505 are ESG issues with 462 investees. Among these engagements, the top two ESG issues of investees concerned are “establishing the effective corporate governance framework and strengthening the functions of the Board of Directors" for 149 issues, and 142 for “improving legal compliance.” By the three aspects of E (environment), S (society), and G (governance), the G aspect has the highest number with 644 issues (accounting for 42.79%), while the E environmental aspect and the S social aspect have 474 issues (31.50%) and 387 (25.71%) issues. The proportion and classification of ESG issues engagement by Mega Securities with investees in 2024 are broke down as follows:

Category	E (Environment)		S (Social)		G (Governance)	
	Issue	Times	Issue	Times	Issue	Times
1	Corporate carbon reduction measures and management	98	Create a safe work environment, prevent occupational accidents, and improve labor healthy workforce	84	Establishing the effective corporate governance framework and strengthening the functions of the Board of Directors	149
2	Biodiversity conservation	50	Ensure that employees’ labor rights without discrimination on the basis of race, gender or any other circumstances.	41	Strengthen the risk management mechanism, to reduce and prevent the occurrence of risks.	76
3	Water resources	51	Implement employee suitability assessment and talent rating, and strengthen employee career development plans.	46	Improve the effectiveness and efficiency of internal audit	77
4	Circular economy (resource recycling and reuse)	110	Establish the transparent communication channels and encourage employees to participate in and give feedback	48	Emphasize stakeholders' issues of concern and strengthen communication channels (shareholders, employees, customers, community members, suppliers, and competent authorities)	72
5	Toxic hazard and waste management	45	Create a diverse employee benefit system to fulfill employee care responsibilities	65	Improving legal compliance	142
6	Increase the proportion of green (environmentally friendly) products	38	Those penalized by the competent authority due to involvement in hazardous activities or exploiting labor and have not yet made improvement.	49	Comply with the spirit of stewardship (principles for responsible investment), and: (1) publish CSR policies; (2) publish CSR reports or sign CSR commitments; (3) formulate and implement fair customer treatment policies (principles)	41
7	Those penalized by the competent authority due to environmental pollution incidents and have not yet made improvement.	45	Other social issues	54	Those penalized by the competent authority due to a violation of ethical corporate management principles without improvement.	46
8	Other environmental issues	37	N/A	-	Other governance issues	41
Times	-	474	-	387	-	644
Weights	-	31.50%	-	25.71%	-	42.79%

III. Strengthen the engagement with investees regarding carbon reduction (including the reference guidelines for identifying sustainable economic activities and biodiversity)

In order to lead enterprises or investors to invest in sustainable economic activities or industries, an ESG lecture for suppliers was held in March 2024, hosted by the Mega Holdings and co-organized by the Mega Securities. The lecture covered the issue of net zero transformation. In addition to key suppliers, two corporate customers of Mega Securities participated in the lecture, hoping to urge suppliers and corporate customers to pay attention to sustainability issues and guide net zero transformation. In April 2024, Mega Securities held the "ESG Overview and Development Trends and Net Zero Transformation" training course, inviting underwriters (three in total) to provide colleagues and customers with knowledge on environmental issues such as ESG development trends, climate change, net zero transformation, and biodiversity. For customers who are planning to be listed on the TWSE or TPEx, Mega Securities explained the GHG emissions status and the appropriate carbon reduction process in their prospectus during the review process according to the current sustainable development regulations. In doing this, we helped our customers meet the requirements of the competent authority. In 2025, the Company will continue to strengthen the education and promotion of the value chain. In May, the Company organized the "Net Zero Workshop" for customers and suppliers (a total of 26 customers and suppliers, with 40 participants), to help the value chain understand the net zero trends of enterprises (e.g., SBT/the reference guidelines for identifying sustainable economic activities), how to conduct carbon inventory and practical drills, and biodiversity issues.

In 2024 Q1, a total of 29 sustainability engagement questionnaires were issued, with the contents including environmental protection issues such as GHG emissions and low-carbon transformation plans (including restrictions and difficulties encountered and response programs); encouragement to join the SBTi and energy management actions; encouragement to comply with the United Nations Sustainable Development Goals to promote plans and actions for natural ecological protection; and social responsibilities, corporate governance, and other sustainable development issues; to understand the progress of the sustainable development of the invested businesses, while encouraging customers to engage in the sustainable economic activities defined in the “Reference Guidelines for Recognition of Sustainable Economic Activities” , for facilitating the counseling of sustainable development to customers. The scope of the questionnaire engagement was expanded from Q2 to Q4 of the same year. The questionnaire engagement was continued for domestic and foreign proprietary trading positions and long-term equity investment positions. A total of 258 questionnaires were issued, and a total of 287 investees received the ESG engagement questionnaire in 2024, with 38 responses, accounting for 13.24% of the total. The ESG engagement questionnaire received several positive responses. For example, Company A responded that they plan to obtain IS050001 certification; Company B responded that they will invest in low-carbon factories; Company C responded with the plan to install solar power generation equipment; Company D responded with the plan to increase purchases of renewable energy, and Company E responded that they will use green building materials. Some of them also expressed the difficulties encountered during the carbon reduction process.

In addition, in line with the Group’ s commitment to the SBTs, in 2024, Mega Securities conducted thematic engagement (SBTi) with investees in which it held larger positions and that had not yet set SBTs. The engagement aimed to explain the benefits of joining the SBTi and guide investees toward net-zero transition. A total of 36 engagements covering 39 companies were conducted through questionnaires with four responses received. In addition, the Company also engaged the investees in joint discussions with Mega Securities. In the future, Mega Securities will continuously engage with investees to understand the implementation status and encourage or assist the corporate sustainable transformation.

In 2025, the topics of engagement will be adjusted according to the sustainability trends or regulations, including encouraging enterprises to refer to FSC’ s Second Edition of the Reference Guidelines for the Recognition of Sustainable Economic Activities, providing transition plan recommendations coverage matters and climate change adaptation guidelines, updating SBT information, and implementing natural ecological conservation programs. We will continue to take ESG engagement actions for the investees in domestic proprietary trading and underwriting. As of the end of May 2025, a total of 251 investees were sent the ESG engagement questionnaire.

IV. Enhance the engagement of sustainable development issues with companies that are lagging in ESG ratings.

The "Administrative Regulations for Promoting the Development of Sustainable Finance" of Mega Securities specifies that if the investor relations risk rating of an enterprise disclosed on the IR Platform of Taiwan Depository & Clearing Corporation is rated as a severe risk level (i.e., a score of 40 points or above), the corporate governance rating disclosed by the IR platform is in the bottom 20% (i.e., 81-100%), or the Taiwan sustainability rating disclosed by the IR platform is rated as D (i.e., 96-100%), it is deemed a high sustainability risk level company. If the business department intends to invest in an enterprise with a high sustainability risk rating, it must explain the enterprise's risk response ability and risk mitigation measures of the enterprise and increase the approval level. Therefore, in 2024, the Company engaged some of the companies with high sustainability risk levels and received positive responses, which served as the basis for investment. For example, Company A with a corporate governance evaluation score of 81 to 100% replied that it had actively improved and strengthened its corporate governance practices; Company B with a Sustainalytics ESG risk score above 40 replied that it had implemented five specific improvement measures; and Company C with a corporate governance evaluation score of 81 to 100% replied that it had implemented 10 specific improvement measures.

Education and training of sustainable finance

To effectively implement sustainable finance management and actively lead the development of internal sustainable finance talent, Mega Securities sets the annual education and training budget (NTD 9,258 thousand in 2024, including sustainable finance-related issues), organizes education on sustainable finance to employees, and helps employees transform in a timely manner to cope with ESG and digital finance-related development trends. In addition to the relevant in-house education and training courses, employees are also encouraged to participate in external relevant courses or seminars. The 2024 course included the consensus camp for intermediate and senior executives: ESG sustainability agenda, net zero life, sustainable development transition implementation strategy, ESG overview and development trends and net zero transformation introduction; personal data protection awareness, PCAF financing carbon inventory, development trends of digital evidence and digital forensics; and international standards, introduction of IFRS sustainability disclosure standards, and email awareness testing.

2024 Sustainable Finance Education and Training Status of Mega Securities and Its Subsidiaries	
Total hours worked	34,335
Number of full-time employees (people)	1,623
Average training hours per person	21
Session (session)	191

Note：The sustainable finance education and training courses include ESG development trends, sustainability principles, climate change, fair customer treatment, ethical corporate management, personal information, FinTech, information security, among other things.



Highlight



Introduction to ESG, development trends, and net zero transformation of Mega Securities

In April 2024, Mega Securities held a seminar focusing on an overview of ESG and its development trends along with an introduction to net zero transformation. The CPAs from KPMG shared the ESG overview and development trends to help the employees understand the benefits of sustainable governance on the Company and the financial impact of climate change. The seminar was held to also introduce the current domestic and foreign sustainability reporting laws and regulations to enhance the integration of ESG into the Company’ s daily operations.



Mega Securities held the Net Zero Transformation Workshop to connect the value chain to create a green financial ecosystem

In May 2025, the Net Zero Transformation Workshop was held by Mega Securities, with a lecturer from PwC Taiwan giving a keynote speech on the topic of net zero and sustainability. The workshop saw 26 customers and suppliers, totaling 40 participants. Mega Securities helped the value chain understand the net zero trends of enterprises (e.g., SBT/the reference guidelines for identifying sustainable economic activities), how to conduct carbon inventory and practical drills, and biodiversity issues. Through the seminar, we guided enterprises to understand carbon emission hotspots, assess the needs for transformation, and help them to formulate specific carbon reduction plans for the future. A hands-on session was also designed for participants to understand the various GHG inventory resources of the government and simulate the carbon emissions. This seminar helped to enhance the understanding and confidence surround carbon inventories and helped understand how to meet the relevant standards of the "Reference Guidelines for the Recognition of Sustainable Economic Activities" in the future.

4.1.2 Responsible investment

Responsible Investment Regulations of Mega Securities

The Company has formulated the "Sustainable Finance Policy", "Stewardship Principles", and "Administrative Regulations for Promoting the Development of Sustainable Finance", and the “Management Focuses for the Divestment from the Coal and Non-Conventional Oil and Gas Sectors” to specify what represents responsible investment. These measures specifically stipulate that the Company actively supports enterprises dedicated to environmental protection or social responsibility as defined in the Management Focuses for ESG Sustainable Development Industries and High-Risk Industries of Mega Group. The Company must regulate high-environmental and social-impact industries or targets, must not invest in prohibited companies or establish proprietary or underwriting positions in such companies.

I. Industries or counterparties with high environmental and social impacts

The total amount of investment shall not exceed 30% of the total amount of proprietary trading and underwriting of securities. If positions are required, due diligence shall be conducted, with enhanced analysis for prudential assessment. The undertaking is only allowed when the assessment results show no material negative impacts or conditional transactions are adopted to mitigate impacts, with the elevated approval level.

II. High Carbon-Emission Industries

If the mid-to-long-term positions to be established are in a high carbon emissions industry, the limit is 26% of the total proprietary trading and underwriting positions (27% in 2024). It is necessary to check whether the score of the subject matter is not lower than that of its peers in the Bloomberg ESG score. If it is lower than that of its peers, it will not be invested in. If it is necessary to establish a position, it is necessary to perform due diligence and to strengthen the analytical and prudent assessment, and the level of approval should be raised before the investment is undertaken.

III. Investment projects with high sustainability risk

In principle, the Company does not establish medium- to long-term proprietary trading and underwriting positions in targets with high sustainability risk. If it is necessary to establish such positions, the Company should conduct due diligence and strengthen its analysis and prudent evaluation, and must explain the risk response capability and risk mitigation measures of the enterprise in a written report.

IV. Coal and non-conventional oil and gas

For coal and non-conventional oil and gas industries, the proprietary trading business shall avoid investing in controlled entities or issuing financial products linked to controlled entities. The investment position at the end of 2023 was the base period, with the investment position to be gradually reduced to zero by the end of 2040 at the latest. Underwriting: Refrain from underwriting of the controlled entity. Wealth management business: For listed bond products, if the issuing company is a controlled entity, it must be fully labeled by the end of 2030 with sales discontinued by the end of 2040.

V. To achieve the Group's SBTs, it is necessary to engage with the investees to encourage them to sign the SBTi and support them in investing in "Supporting Economic Activities" (2024 name: Forward-Looking Economic Activities) as a way to achieve low carbon or carbon reduction effects as outlined in the "Reference Guidelines for the Recognition of Sustainable Economic Activities" to enhance customers' net zero transformation capabilities.

Responsible Investment Regulations of Mega Securities

1. Companies prohibited from investing in

(1) Illegal products or activities that violate the laws or regulations of the local country or international conventions and agreements.
(2) Products or activities subject to domestic or international bans.
(3) These are subject to the sanctions designated by the competent authorities pursuant to the Money Laundering Control Act and the Counter-Terrorism Financing Act.
(4) Engaging in the manufacture or trading of drugs, controversial weapons (such as nuclear weapons), illegal weapons and ammunition, illegal gambling (including underground and online), pornography, and gillnetting with net length of more than 2.5 kilometers (inclusive), and commercial lumbering in the pristine rainforests, among other business activities harmful to people and the ecology.
(5) If the investee is included in the list of prohibited investment, the investment department shall liquidate the positions within three business days. However, without prejudicing the interest of Mega Securities, the bonds may be held to maturity due to their liquidity.

Responsible Investment Regulations of Mega Securities

2. Industries or counterparties with high environmental and social impacts (i.e., companies unsuitable for investment)	3. Coal or non-conventional oil and gas industries	4. High carbon-emissions industries	5. Enterprises with high sustainability risk	6. Industries with environmental protection and social responsibilities
(1) For industries or targets with high environmental and social impact, the principle is not to establish proprietary trading positions and underwriting positions. If positions are required, due diligence shall be conducted, with enhanced analysis for prudential assessment, and the undertaking is only allowed when the assessment results showing no material negative impacts, or taking conditional trading to mitigate impacts, with the elevated approval level. If the established position is subsequently deemed not advisable for investment, the Company shall advise or guide the enterprise to make improvements and implement such. If this is not feasible, without prejudicing the interests of Mega Securities, the investment positions are to be exited gradually, or holding the bonds until the maturity by considering the liquidity, as the countermeasure. (2) Positions of industries or counterparties with high environmental and social impact held shall not exceed 30% of the total amount of marketable securities under proprietary trading and underwriting. (3) The industries or counterparties with high environmental and social impact that violate the ESG principles are as follows: ● These penalized by the competent authority due to involvement of hazardous activities or exploiting labor without improvement. ● These penalized by the competent authority due to involvement of environmental pollution, damage to biodiversity, and water and marine resources, among other sustainability incidents without improvement. ● These penalized by the competent authority due to violation of ethical corporate management principles without improvement. ● Mining and quarrying ● Treatment of wild animal leather and fur, and fur trading. ● Dyeing and finishing. ● Genetic engineering not for healthcare or harmful to human development. ● Manufacture of pesticides and environmental medicines. Chemical products containing heavy metals such as cadmium, mercury, lead, arsenic, and nickel that are harmful to human health.	(1) Control the undertaking of the following targets and conduct a gradual divestment plan: A. A coal company is a company whose operating revenue exceeds 5% of its total operating revenue from the following coal-fired business activities: Coal mining, coal-fired power generation, and coal-related infrastructure. B. Non-conventional oil and gas companies refer to those whose revenue exceeds 5% from the following non-conventional oil and gas business activities: oil sands, shale oil and shale gas, Arctic oil and gas, deep-sea oil and gas, and liquefied natural gas derived from these sources. The business activities include extraction, production processes, and infrastructure such as pipelines, terminals, refineries, and storage facilities (2) Control principles The proprietary trading business shall refrain from investing in or issuing financial products to controlled entities. The investment position at the end of 2023 was the base period, with the investment position to begradually reduced to zero by the end of 2040 at the latest. Underwriting: Refrain from underwriting of the controlled entity. Wealth management business: For listed bond products, if the issuing company is a controlled entity, it must be fully labeled by the end of 2030 with sales discontinued by the end of 2040.	(1) The marketable securities under Mega Securities' proprietary trading and underwriting in industries with high carbon emissions shall not exceed 26% (27% in 2024) of the total amount of marketable securities under proprietary trading and underwriting. (2) Where the desired mid-term and long-term positions under proprietary trading or underwriting belong to high carbon-emission industries, the Bloomberg ESG scores of the target shall be checked to see if lower than the peers; no investment will be made if lower than the peers. If positions of high carbon-emission industries are required, due diligence shall be conducted, with enhanced analysis for prudential assessment, and the undertaking is only allowed with the elevated approval level. (3) Referring to the statistics of high carbon-emission domestic enterprises inventoried and registered by the Ministry of Environment, Executive Yuan, and the greenhouse gas-intensive industries subject to carbon tax under the EU Carbon Border Adjustment Mechanism (CBAM). The industries type is based on the Standard Industrial Classification by Directorate General of Budget, Accounting and Statistics, Executive Yuan. The industry types controlled by Mega Securities are as following: 0500 Extraction of Crude Petroleum and Natural Gas, 1500 Pulp, Paper and Paper Products Manufacturing, 1700 Other Petroleum and Coal Products Manufacturing, 1810 Chemical Material Manufacturing, 1841 Raw Plastic Material Manufacturing, and 2331 Cement Manufacturing, 2410 Basic Iron and Steel Manufacturing, 2420 Basic Aluminum Manufacturing, and 3510 Electric Power Supply (excluding renewable energy).	In addition to the management mechanisms stipulated for the companies prohibited from investing in, industries or counterparties with high environmental and social impact (i.e. industries or counterparties not advisable for investment), and high carbon-emission industries due to the ESG considerations, for the investment cases with high sustainability risks, the principle is also not to establish the mid- and long term positions under proprietary trading and underwriting. If positions are required, due diligence shall be conducted, with enhanced analysis for prudential assessment, and the undertaking is only allowed with the elevated approval level. The said sustainability risk is these belong to sever risk level (i.e., 40 points or higher) of the Sustainalytics ESG Rating disclosed on the Investor Relation Integrated Platform (IR Platform) of Taiwan Clearing House, or these falling in the lowest 20% (i.e., 81% - 100%) in the Corporate Governance Evaluation disclosed on the IR Platform, or a D rating disclosed on the IR Platform (i.e., 96 - 100%).	The Company actively supports companies with environmental protection or social responsibility as defined in the Management Focuses for ESG Sustainable Development Industries and High-Risk Industries of Mega Group, industries involved in key strategies listed in the National Development Council's 2050 Net Zero Emission Pathway, and companies that have set SBTs and have been reviewed by the SBTi (Science Based Targets Initiative) organization. Companies with environmental protection or social responsibilities are as follows: (1) Solar energy, wind power, geothermal energy, hydropower, ocean energy and other energy industries. (2) Transmission, distribution, and energy storage facilities increasing power generation volume, or renewable power generation volume, and use thereof. (3) Transportation means using electric, hydrogen and other fuels alternative to fossil, passenger and freight system conversion and efficiency improvement, public transportation, etc. (4) Smart network of water monitoring and early warning system, water storage, water circulation treatment, flood control and water saving, and other hydraulic infrastructure. (5) Green buildings, building energy-saving systems or products, among other construction businesses. (6) Energy efficiency, reduction of non-energy GHG, and clean production. (7) Waste cleaning and recycling, and pollution control and carbon sequestration. (8) Information and communication technologies such as optical broadband, data centers, and smart grids. (9) Sustainable measures with verifiable carbon reduction benefits, related to agriculture, forestry, fishery, animal husbandry, and aquaculture. (10) Enterprises with an MSCI level AA or higher, selected in the DJSI, ranked in the top 20% in the Corporate Governance Evaluation, and qualified for the Taiwan Sustainability Classification Standards. (11) Enterprises that meet the sustainability classification standards in Taiwan. (12) Other businesses or activities that contribute to reducing carbon emissions, circular economy, and ESG enhancement.

Scope of responsible investment

Subclass code	Subclass name	Number of Cases	Amount (NT$ thousand)	Percentage of investment amount
831	Public administration	7	9,193,129	23.77%
261	Semiconductor Manufacturing	39	4,137,611	10.70%
649	Other financial services	6	2,288,895	5.92%
271	Computer and Peripheral Equipment Manufacturing	25	2,041,881	5.28%
410	Architectural Engineering	10	1,860,661	4.81%
610	Telecommunications	6	1,743,867	4.51%
301	Automobile manufacturing	5	1,647,241	4.26%
351	Electricity Supply	4	1,625,120	4.20%
641	Monetary Intermediation	10	1,370,789	3.54%
642	Holding	5	1,314,034	3.40%
	Total number of investments in the top ten industries and total amount	117	27,223,228	70.40%
	Total investment positions	348	38,668,383	100.00%

Note 1: Top ten case amounts disclosed based on the industry standard classification and subclass code announced by the Director, Accounting, Statistics, Director, Statistics and Statistics Division, Executive Yuan, and the case amount by industry type.

Note 2: Total investment positions are the total positions of proprietary trading and underwriting (excluding hedging).

Investment in sustainable development industries

Mega Securities follows the international sustainable finance initiatives, the relevant governmental policies or regulations such as green finance, inclusive financial, promotion programs for six core strategic industries, net zero emissions by 2050, and the Reference Guidelines for Recognition of Sustainable Economic Activities. For the 12 key strategic industries, sustainable economic activities and other sustainability industries under the national development trends, supports are provided, seeking to improve the social security and efficiency of energy and resource utilization by investing capital in the enterprises with environmental protection, social responsibility, or sustainable governance as supports, while encouraging customers or investees to invest capitals in the sustainable economic activities via engagements, to obtain capital investment or business dealings from Mega Securities. Furthermore, Mega Holdings signed the Science Based Targets initiative (SBTi) commitment in April 2023, promising to set the carbon reduction pathway, to commit that the Group will achieve 39.56% as the percentage of positions set with SBT targets in 2028; the carbon reduction action plan was approved by the SBTi organization in June 2024. To achieve the Group's carbon reduction goals, Mega Securities has planned a carbon reduction action plan and actively invests in companies that have passed the SBT carbon reduction target-setting review for constant engagement, while encouraging and guiding enterprises to formulate sustainable transformation plans and specific action plans through investments in active carbon-reduction programs with the funds owned by Mega Securities.

Investment in 12 key strategic industries in 2024

Industry	Description	Investment balance at the end of the year (Unit: NTD thousand)
Power system and energy storage	Classified based on Net zero by 2050 for Taiwan - 12 key strategies for transition	58,793
Carbon Capture, sequestration and storage		2,867
Zero-waste from the resource recycling (Note)		27,790
Green Finance	Green bonds, etc.	4,753,989
Total investments in 12 key strategic industries		4,843,439

Note : All of them are underwriting counseling customers

Status of investment in sustainable industries in 2024 (Note 1)

Industry	Description	Number of investments	Investment balance at the end of the year (Unit: NTD thousand)
Renewable energy (Note 2)	Solar energy, wind power, geothermal energy, hydropower, ocean energy and other energy industries.	3	119,240
Other low carbon and circular economy technology-related applications (Note 2)	Such technology has been certified or verified by a third party, which can significantly reduce GHG emissions compared to other alternative technologies or products, including carbon sinks, zero-waste recycling, and other applications.	1	5,846
Cement production (clinker manufacturing) (Note 3)	Meets the following two conditions at the same time: 1. Emission intensity per unit of production in the most recent year ≧ 0.90 Mt CO_2e/MT 2. Disclose the electricity consumption per unit of product in the most recent year	2	229,832
Outstanding Sustainability Enterprise	Enterprises with an MSCI level AA or higher, selected in the DJSI, ranked in the top 20% in the Corporate Governance Evaluation.	128	11,695,737
Other businesses or activities that contribute to reducing carbon emissions, circular economy, and ESG enhancement.	Medicare, education, sports and fitness, road engineering, and other social work services, etc.	15	2,565,181
Total investment in ESG sustainable development industries		149	14,615,836
Total corporate investment balance (proprietary trading, underwriting, and long-term equity investments in non-subsidiaries)			38,894,228
Percentage of ESG sustainability industry investments (%)			37.58%

Note 1: by industry refers to the enterprises with environmental protection or social responsibilities as defined in the "Administrative Regulations for Promoting the Development of Sustainable Finance of Mega Securities."
Note 2: These are the forward-looking economic activities in the "Reference Guidelines for Recognition of Sustainable Economic Activities."
Note 3: These are the general economic activities as stated in the "Reference Guidelines for Recognition of Sustainable Economic Activities."

Positions held with set SBTs in 2024

item	Number of investments	Investment balance at the end of the year (Unit: NTD thousand)
Balance (market value) of investment positions with set SBT carbon reduction targets	60	6,876,136
The scope of underlying investment type with carbon reduction target to be set as required by SBT (market value) (Note)		25,341,243
Percentage of investment positions with set SBT carbon reduction targets		27.13%

Note: the sum of market values of the scope of investment positions with carbon reduction targets to be set as required by SBT, including TWSE/TPEx listed shares (including preferred stocks/ETF, excluding emerging stocks, and excluding derivative financial products), funds and bonds (including convertible bonds, excluding government bonds, excluding sustainability bonds)

Assisting SMEs in raising funds

SMEs in Taiwan account for more than 98% of all enterprises. In order to assist potential domestic enterprises with continuous upgrades, Mega Securities assisted five SMEs in 2024, namely, Yield Microelectronics Corp., ATE Energy International Co. Ltd., TMP Steel Corporation, Forcelead Technology Corp., and Potens Semiconductor Corp. The enterprise successfully raised funds from the capital market, and the total amount of counseling amounted to NTD 3.084 billion.

Company name	Type	Number of issued shares (shares)	Amount raised in 2024 (NTD)	Implementation status
Yield Microelectronics Corp.	Cash capital increase	2,616,000	235,021,120	Fundraising completed
ATE ENERGY INTERNATIONAL CO. LTD.	Convertible corporate bonds	6,000,000	603,000,000	Fundraising completed
TMP Steel Corporation	Cash capital increase	30,000,000	810,000,000	Fundraising completed
Forcelead Technology Corporation	Cash capital increase	3,602,000	825,184,950	Fundraising completed
Potens Semiconductor Corp.	Cash capital increase	3,138,000	610,969,900	Fundraising completed
Total			3,084,175,970	

Note：According to Question 11 of the Q&A of "Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms," "SME" is defined in the latest "White Paper on SMEs" published by the Small and Medium Enterprise Division; unless otherwise stated, the relevant statistics from 2020 are defined based on the 2024 "Criteria for the Recognizing Small and Medium Enterprises" amended on June 24, 2020: the enterprises with paid-in capital less than NT$100 million, or the full-time employees are fewer than 200.

Total number, amount underwritten, handling fee income, and distribution by industry for all equity underwriting cases

Industry Category (TICS)	Number of underwriting	Underwriting amount (NT$ thousand)	Income of service charge (NT$ thousand)
11 Textile	1	15,300	15
12 Clothing Accessories	2	4,506	47
20 Manufacture of pharmaceuticals and medicinal chemical products	2	15,258	99
22 Plastic products manufacturing	2	73,360	43
23 Non-metal products manufacturing	1	1,500,000	375
25 Metal Products Manufacturing	2	77,430	2,001
26 Electronics Components Manufacturing	19	2,095,025	13,064
27 Computers, Electronic and Optical Products Manufacturing	2	24,825	61
28 Electric equipment and apparatus manufacturing	3	457,455	4,384
29 Mechanical Equipment Manufacturing	1	8,502	18
30 Motor Vehicles and Parts Manufacturing	2	67,250	2,989
31 Other Transport Equipment and Parts Manufacturing	1	121,200	240
33 Other Manufacturing	2	605,932	4,692
35 Power and gas supply	1	1,950	13
37 Wastewater (Sewage) Treatment	1	5,699	50
45-46 Wholesale	1	95,000	148
47-48 retail sale	1	3,251	14

Industry Category (TICS)	Number of underwriting	Underwriting amount (NT$ thousand)	Income of service charge (NT$ thousand)
50 Water Transportation	3	59,589	217
55 Accommodation	1	34,200	1,152
64 Financial Services	1	227,469	394
76 Other professional, scientific and technical services	1	173,550	2,980
77 Rental and Leasing	1	12,500	65
79 Travel and other related services	1	2,350	51
Full-equity underwriting	52	5,681,601	33,112

Note 1: Disclose the total number of cases and the total amount of each industry based on the industry standard classification and subclass code announced by the Director, Accounting, Statistics, Director, Statistics and Statistics Division, Executive Yuan, and the case amount by industry type.

Note 2: The above underwriting cases have been included in the ESG evaluation mechanism, and the consultation and securitization transactions in 2024 were not included in the ESG evaluation mechanism. Please refer to 4.1.2 Responsible Investment for related regulations.

ESG Market Making and Transaction Statistics

In 2024, Mega Securities issued a total of 587 warrants on sustainable development-related underlying investments, served as ESG participating brokerage firm in one tranche, and held inventory for one ESG-related ETF as a participating brokerage firm and 14 ESG stock market-making tranches.

Product	Quantity	Amount (NT$ thousand)
Issuance of subscription call warrants	587	2,862,075
ESG-related ETF participating brokerage firms (inventory)	1	1,560
ESG stock market making (inventory)	14	139,800

4.1.3 Sustainable Financial Products

Sustainability Bonds

In recent years, in line with government policies, Mega Securities has continued to underwrite sustainability bonds. In 2024, the Company underwrote a total of 6 sustainability development bonds, including 5 green bonds and 1 sustainable development-linked bond, with a total underwriting amount of NTD 2.1 billion. Among them, the sustainable development bonds covered a variety of project categories include renewable energy and energy technology development, energy efficiency improvement and energy conservation, GHG reduction, water resource conservation, recycling and reuse, other climate change adaptation strategies, or any other project approved by the Taipei Exchange. Mega Securities has also invested in a number of sustainability bond products. As of the end of 2024, the balance of investment in related products was NTD 4.974 billion.

2024 Sustainability Bond Underwriting Status

Type of bond	Category	Number of Cases	Underwriting amount (Unit: NT$ thousand)
TSMC 113-1 tranche / Nanya Technology 113-1 tranche / Taipower 113-2 tranche / TSMC 113-2 tranche / Taipower 113-6 tranche	Green Bonds	5	1,900,000
E.SUN Bank 113-1 tranche	Sustainable Development-Linked Bond	1	200,000
Total underwriting of sustainable development bonds		6	2,100,000
Total underwriting of all bonds		26	10,750,000
Percentage of sustainable development bonds		23.08%	19.53%

2024 Sustainability Bond Investment Status		
Category	Number of Cases	Investment balance at the end of the year (Unit: NTD thousand)
Green Bonds	10	2,570,206
Social Responsibility Bond	11	1,853,582
Sustainable Development Bonds	4	330,201
Sustainable Development-Linked Bond	1	220,346
Total	26	4,974,335

Note：The above investments include investments in Sustainable Bond Market (including Green Bond, Sustainability Bondbonds, Social Bond, and Sustainability-Linked Bond) approved by the TPEx, totaling NT$2,420,279 thousand.

ESG product development

Currently, all products labeled with ESG provided publicly by Mega Securities are ETN, which shall be approved by Taipei Exchange before trading. There is no greenwashing. As ESG products become a trend, the "Taiwan Stock Exchange ESG Elite Index" ETN (due on June 24, 2024) was issued by Mega Securities in June 2021, focusing on the two major highlights of the electronics industry and sustainability performance. The index is designed to filter through market trends, sustainability performance, and operational efficiency, blending market opportunities with future trends to fully implement the principles of ESG. This approach is intended to attract investors to companies that prioritize sustainable operations.

Sustainable ETN issued by Mega Securities valid in 2024	
ETN name	TIP Customized TPEx ESG IT Elite Total Return Index
TPEx listing date	June 25, 2021 (maturity: June 24, 2024)
Investment Objectives and Measurement Standards	It selects companies that have strong corporate social responsibility scores, as evaluated by the Corporate Sustainability Association, and that have shown positive average return on equity over the past 12 quarters. From these, the top companies by market capitalization are chosen as index components.

Affected by global warming, global temperatures continuously reach new highs, and the climate change mitigation has become an urgent issue for countries around the world. Under the trend of net-zero and climate change mitigation, in addition to ESG-integrated products, the sustainability investment markets in the western countries are also shifting towards climate-related products. In an effort to encourage companies to pay closer attention to the impact of climate change on their operations, the Taipei Exchange has collaborated with FactSet to create the “TPEx FactSet Semiconductor Climate Net-Zero Elite Total Return Index” , which focuses on climate change issues. In December 2023, Mega Securities issued the "Mega TPEx FactSet Semiconductor Climate Net-Zero Elite Total Return Index ETN" (due on December 24, 2028). The "Mega TPEx FactSet Semiconductor Climate Net-Zero Elite Total Return Index ETN" is linked to this index, making it the first ETN product in Taiwan market to track a climate-themed index. This product is designed to attract investors interested in companies that prioritize climate resilience, contributing to environmental sustainability.

Sustainable ETN issued by Mega Securities valid in 2024	
Name	Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN
TPEx listing date	December 25, 2023 (maturity: December 24, 2028)
Investment Objectives and Measurement Standards	TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index is based on the constituent stocks of the TPEx200 Index and uses the T-Risk calculated by climate model of Entelligen to screen or adjust the weight, to select ten constituent stocks, reflecting constituent companies' resilience to cope with climate change.
Performance	The annual return in 2024 was 10.24%, which was equivalent to the return on the TPEx of 9.33%. During the year, the highest return rate was 27%, which was better than the 20.6% of the TPEx. This not only demonstrates that the Semiconductor Climate Net Zero Elite Total Return Index has sufficient representativeness among semiconductor stocks listed on the TPEx, but also highlights that semiconductor companies with operational resilience to climate change are worthy of the attention of investors.



5 Customer Commitment

5.1 Financial Inclusion

5.2 Customer Relations

5.3 Information Security

5.4 Digital Innovation

Corresponding United Nations Sustainable Development Goals (SDGs)



Material Topic GRI indicators

- GRI 418 Customer Privacy

Corresponding material topics

- Information Security, Financial Inclusion, Customer Relations, and Digital Innovation

Stakeholders with priority access

- All stakeholders

We uphold the philosophy of financial professionalism and ethical management, and are committed to optimizing the digital financial experience and providing customers with high-quality services. In 2024, the Company constantly promoted financial inclusion and introduced various optimized and friendly digital platforms or services to improve the investment experience of customers. At the same time, we also continued to issue or sell sustainable products. In addition, to protect the transaction security of investors, we continued to strengthen information security and obtained BS10012 information certification. To protect the property of investors, we also conducted anti-fraud promotion and administrative education and anti-fraud seminars on each transaction platform. Through the various measures of Mega, we enhance the confidence of customers and help them grow wealth.



5.1 Financial Inclusion

In order to implement financial inclusion, the Company is committed to providing financial services or products suitable for various ethnic groups. The official website of Mega Securities is an accessible website that offers a friendly financial services interface. To help small investors with investment, Mega Securities continues to issue warrants and offer competitions to promote warrant knowledge. The Company also offers Dollar Cost Averaging (DCA) of Taiwan stocks (fixed stocks) to facilitate regular small investments. The Company launched Mega GO to help investors save on investment costs in U.S. stocks. In 2024, the Company built "Mega Bond" to provide small-scale investors with an option to “save bonds”. In order to help various ethnic groups increase their financial knowledge, Mega Securities will continued to hold a series of financial knowledge and anti-fraud seminars in 2024. In 2024, we continued to reinforce our products. Our "ESG Smart Sustainability Data Platform", "MegaLoan Stock eFinancing Service", and "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" won Best Products at the 2024 Yushan Awards.

Barrier-free website

Mega Securities’ website has obtained the A-Grade Accessibility Label issued by the Ministry of Digital Development, Executive Yuan. Furthermore, the wealth management website also features a Financial Friendly Service Section and an Elderly Friendly Section. These sections are designed to help customers with disabilities or the elderly navigate the site more easily by providing quick links to commonly viewed options, such as the latest news. Additionally, the website provides information on the friendly services currently offered by Mega Securities (such as the option to book sign language services), as well as details on accessibility facilities and equipment at various locations (including accessible parking, elevators, and ramps), making it easier for customers with specific needs to find relevant information. In addition, the APP of Mega Securities has the voice dispatch function, which also takes care of the visually impaired.

Warrant contests

In 2024, Mega Securities continued to participate in the 13th Economic Daily News "Warrant Millionaire Challenge", utilizing the competition, as well as associated lectures, online programs, and informational packages, to promote public knowledge of warrants and achieve the goal of inclusive financial education. Mega Securities won the “Warrant Holders Action King”, indicating that Mega Securities has the best performance among all securities brokers in the overall active customers category. Also, the Tainan Branch and Zhongli Branch both won the "Branch Progress Excellence Award”, while the Taoyuan Branch, Taichung Port Branch, and Zhubei Branch won the “Branch Promotion Excellence Award", representing Mega Securities' efforts and achievements in promoting warrants, and further demonstrating the affirmation and trust of warrant investors in Mega Securities.

Fixed time and amount

In September 2022, Mega Securities launched the "Mega eShare Deposit" platform to provide share deposit services for fixed time and amount, fixed share, conditional orders, and U.S. stock fixed shares targeting the fractional shares of intraday trading, so that retail investors with limited funds or wishing to save shares may enjoy a more flexible digital share-deposit experience. In 2024, the Company continued to launch promotions, and the cumulative number of plans reached 49,013.

Addition of method to bill the service fee of the US stocks

"MegaGo" is a new billing method for the service fee of the US stocks, allowing the investors to pay the service based on the shares when trading the US stocks. The investors may choose between the transaction amount-based or share-based billing, whichever is most economic, to help investors effectively save investment costs in U.S. stocks and solve the pain point of investors in trading U.S. stocks - high transaction costs. Mega Securities provides flexible and adaptable investment services to help clients navigate the ever-changing financial landscape.

Mega Bond

In 2024, the Company launched the "Mega Bond" as an overseas bond electronic trading platform, which will provide more than 400 A-grade and above high-quality US dollar bonds, including selected small-size bonds that can be invested for as little as USD 1,000, while the rest of the bonds are invested at a minimum of USD 10,000. Both the low subscription threshold and small-size bond selection are superior to the market’ s choices.

Inclusive finance lectures

Mega Securities is committed to promoting financial education. In 2024, a series of financial knowledge seminars were held, covering a wide range of financial topics, including investment and wealth management, risk management, financial market trends, fraud prevention, among other things. The participants not only had the opportunities to learn the latest financial trends and investment skills, but were also able to interact with the speakers in-depth to further expand their understanding of the financial market. Mega Securities believes that enhancing the public's knowledge and understanding of financial knowledge, is an important part of promoting the healthy development of finance. Meanwhile, we have also included ESG issues into the scope of education, seeking to guide more investors to focus on sustainable development and socially responsible investment. In the future, Mega Securities will continuously organize more diversified and in-depth financial education activities to make more contributions to society. The two subsidiaries of Mega Securities, namely, futures and investment consulting, jointly organized the "Mega Securities Vision Senior Public Welfare Train" series of seminars. From June 2024 to Zhongzheng District, Taipei City, the Company conducted financial anti-fraud education and promotion. The number of participants was about 63. In September 2024, the Company jointly organized the "Mega Securities Vision Senior Public Welfare Train" series of seminars with the Southern Taiwan Coalition for the New Year with the number of participants about 108. In November 2024, the Company jointly organized the "Eye Care and Financial Anti-Fraud" public welfare lecture with the Taiwan Foundation for Blind People with the number of participants about 32. In October 2024, the Company participated in the "Financial New Knowledge Halloween Party" event organized by the New Taipei City New Peak Shanmei Association, to enhance the identification of financial fraud among the elderly through fun and quiz games. The number of participants was about 1,174. Please refer to Appendix 9.2 Sustainability Standards and Benchmark Comparison Table - Sustainability Disclosure Indicators of Securities Firms and 5.2.1 Quality Services.

Highlight

“Best Product Award” Yushan Award - “ESG Smart Sustainability Data Platform”, "MegaLoan Stock eFinancing Service", and "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN"

In terms of products, Mega Securities is constantly improving and introducing new products. In 2023, "Mega eShare Deposit" and "Mega Go" were recognized as the "Best Products". In 2024, the “ESG Smart Sustainability Data Platform”, "MegaLoan Stock eFinancing Service", and "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" were recognized as the "Best Products.” Mega Securities continues to provide flexible investment services and continues to promote sustainable finance-related products or services to help customers cope with the evolving financial environment. Mega Securities continuously promotes other interest-oriented securities trust services to meet the wealth management needs of investors at all lifecycle stage through asset inheritance planning.



為落實永續發展，兆豐證券推出「ESG 智能永續數據平台」於 2024 年 6 月 1 日正式上線。該平台不僅協助企業了解自身在環境方面的貢獻，並透過數據資料借鑒其他產業的作法，以應對氣候變遷風險。同時，也投資人提供全面的市場資訊和分析工具，幫助其做出更明智的投資決策。



兆好貸股票 e 融通

提供客戶一站式完成線上開戶及不限用途款項借貸申請服務，讓客戶持有之有價證券以再投資使用，讓股票、理財同時兼顧。



兆豐 TPEx FactSet 半導體氣候淨零優選報酬指數 ETN 小檔案

商品名稱	兆豐半導體氣候 N
商品代號	020041
上櫃日期	2023 年 12 月 25 日
發行期間	2023 年 12 月 25 日至 2028 年 12 月 24 日
連結指數	TPEx Factset 半導氣候淨零優選報酬指數 ENT

5.2 Customer Relations

5.2.1 Quality Services

Fair customer treatment policy and operations

Mega Securities upholds the financial expertise and philosophy of ethical corporate management, taking fair customer treatment as the core value of the corporate culture, while referring to the Financial Consumer Protection Act and the Principles of Fair Customer Treatment, to establish the policy and strategies of fair customer treatment, as well as the annual fair customer treatment plan. Through the implementation of the three lines of defense, namely business department, legal compliance and risk management, and audit, the business departments verify the Principles of Fair Customer Treatment, and the Legal Affairs and Compliance Office issues the supervisory report, to be submitted to the Fair Customer Treatment Promotion Committee and Board of Directors, and the implementation of fair customer treatment plans are reported in board meetings. The Board of Directors implements the accountability system according to the "Plan, Do, Check, Act" (PDCA) management cycle. Through the annual customer satisfaction survey and secret guest survey, customer complaints are reviewed in the meetings of the Fair Customer Treatment Committee on a quarterly basis. The internal regulations are reviewed if any revision is required on a yearly basis. The business departments review the products or services in the internal department meetings regularly and from time to time, to understand the attributes and needs of customers and adjust the design, marketing, channels, and dispute resolution of related financial products and services. Through the fair customer treatment and financial-friendly service seminars, among other training courses, the fair customer treatment is internalized into each employee's mind, to implement the principle of customer fair treatment from top to bottom. In addition, the entire official website of Mega Securities has obtained the certification of Accessibility Label, and in the website, the specific sections of fair customer treatment, financial-friendliness, age-friendliness, and Anti-Fraud Zone are established, so that the protection of the rights and interests of the underprivileged are protected; it also discloses the various friendly measures provided by Mega Securities, while continuously upgrading the barrier-free facilities and equipment of all operating sites to create a financial-friendly environment.

The Fair Customer Treatment Promotion Committee

Mega Securities' Fair Customer Treatment Promotion Committee is under the Board of Directors, chaired by the General Manager, with the heads of relevant departments as members. Through the participation of all departments, the Committee establishes policies and strategies of fair customer treatment principles, and rules and regulations of consumer dispute handling system, while incorporating related regulations and cases in the regular education and trainings to enhance employees' awareness of financial consumer protection. The Committee meets at least once a quarter, to track and review the implementation of annual plans, customer complaints and reviews and financial consumption disputes, and then report them to the Board of Directors. The overview of implementing policies and strategies of fair customer treatment principles and results of self-assessment results are reported to the Board of Directors before the end of March each year. The subsidiary, Mega Futures, has also established a Fair Customer Service Implementation Committee under the Board of Directors with reference to Mega Securities, and manages and implements fair customer service using the PDCA model.

+ Fair Customer Treatment Policy and Strategy

Fair Customer Treatment Education and Training

Mega Securities and its subsidiaries organize education and training on fair customer treatment for senior managers, directors, supervisors, and employees every year, through both in-person lectures and online courses at the same time. The courses cover financial friendly topics such as the regulations of fair customer treatment, and case studies, complaint response skills, duty of care and loyalty, dementia-friendly services, the Convention on the Rights of Persons with Disabilities, and the Pengzu Experience, in order to provide employees with diverse learning channels and course types, to enhance employees' awareness of fair customer treatment, while enhancing the empathy for the elderly or physically and mentally challenge, among other disadvantaged groups, thereby improving overall service quality, to elevate customer satisfaction, and implement fair customer treatment. In 2024, all directors and senior managers of Mega Securities completed education and training on protecting the rights and interests of disadvantaged groups, such as the Convention on the Rights of Persons with Disabilities (CRPD). At the end of the year, there were 1,536 employees, with 1,534 requiring the appropriate training. Among them, all 1,534 employees completed education and training on protecting the rights and interests of disadvantaged groups, such as the CRPD.

Fair Customer Treatment Education and Training (Note)

	Directors and supervisors	Employees
Number of participants	33	5,910
Training hours	60.1	10,715

Note : The directors and supervisors are directors and supervisors of Mega Securities, and the employees include all employees of Mega Securities and its subsidiaries.

Highlight

Mega Securities was rated among the top25%in the "Fair Customer Treatment" evaluation by the FSC for the fourth consecutive year and received an excellence award in the first "Anti-Fraud Evaluation" of TWSE / Mega Futures was rated among the top 25% in the "Fair Customer Treatment" evaluation by the FSC for the third consecutive year.

The Financial Supervisory Commission announced the results of the 2024 "Fair Customer Treatment" rating in the securities industry. Mega Securities continued to be ranked in the top 25% of large-scale securities firms; not only was the Company recognized by the competent authority as one of the top 25% in terms of fair customer treatment for the fourth time, the Company was the only one of the large comprehensive securities firms to be included in the list for four consecutive terms. The Company participated in the first TWSE “Anti-Fraud Evaluation” Award organized by TWSE in 2024 and received an excellence award. Mega Futures was rated among the top 25% in the "Fair Customer Treatment" evaluation by the FSC for the third consecutive year.

Financial friendly services

Mega Securities has established comprehensive policies related to financial friendliness, and listed financial friendliness measures in the annual fair customer treatment promotional plan, tracking the implementation on a quarterly basis, with reports in the meetings of the Fair Customer Treatment Promotion Committee and the Board of Directors; before entering contracts with customers, the information related to the customer group is fully understood as required by the Company, to ensure the suitability of the product or service for all customer groups (including young and elderly), with complete explanation of the contents and disclosures of potential risks to them. In addition, the implementation of care for elderly customers by branches is reviewed on a monthly basis. If the goal is not achieved on schedule, the Company will receive a system notification.

Financial Friendliness Related Regulations	Content
Fair Customer Treatment Policy and Strategy	We clearly define the strategy and implementation policy for fair customer treatment, and the scope of business for each department to execute fair customer treatment and prevent fraud.
Operating procedures of "Know Your Customer" (KYC)	The principle of KYC operations is specified, and the applicable customers include young and elderly people.
Rules of Providing Financial Services to Elderly Customers	Specifying the principles shall be followed when providing all financial services elderly customers.
Meeting Regulations for Product Review Team under Brokerage Business Department	It is the decision-making unit' s responsibility to handle the new product onboarding, grade investment risk levels of financial products, adjust investment risk levels of financial products, and review the financial products before launch. The applicable customers include young and elderly people.
Operating Regulations of Providing Financial Services to Elderly Customers	Specify the KYC and KYP procedures to be complied with and the goodwill and disclosure obligations that should be followed when serving elderly customers. For example, an elderly customer evaluation form should be filled out for and a customer service and confirmation interview (telephone interview or interview in person) shall be conducted, to remind them of the trading risk and fraud, for any of the following circumstances: elderly customers authorizing or changing a third party to engage in product transaction, elevating the risk level right before purchasing a high-risk product, transferring assets of great amounts.
Enforcement Rules for Wealth Management and Trust Business Risk Management	Specify the risk management control of positions and notification for customers, which is applicable to customers of all ages and groups.
Enforcement Rules for Brokerage Business Risk Management	Specify the shareholding risk control mechanism and how it applies to customers of all age groups.
Interviews for securities (futures) customer as care with good faith	Prioritize the selection of elderly customers as the target of care, with the content of care to include reminding customers not to give their securities account password to others and not to believe the investment tips or guarantees of profit off social platforms.
Regulations of Financial Friendly Services	Specify that the friendly facilities at the headquarters and branches shall be reviewed and improved every year; employees providing excellent financial friendly services are praised.
Guidelines for Financial Friendly Services	Specify the precautions to be taken when providing financial services to investors with various types of physical and mental disabilities.
Procedures for Reporting Fraud	Clearly define the reporting process when encountering suspected fraud cases
Procedures for Employee Reward for Successfully Preventing Fraud.	Clearly defined the reward for employees who intercept fraudulent crimes.

As of March 19, 2025, 28 of Mega Securities' operating sites are bilingual, accounting for 82.35% of all 34 sites in the six major cities. The lobby on the first floor of the headquarters includes a floor guide in both Chinese and English, and the annual financial reports and sustainability reports are translated into English.

To prompt fair customer treatment and motivate officers and employees at all levels to actively promote fair customer treatment, Mega Securities, in accordance with the Company's Employee Reward and Punishment Procedures, rewarded colleagues who promoted in the three lines of defense of large securities firms, as well as with successful fraud prevention resulting in the Company being ranked among the top 25% among large securities firms by the competent authorities in 2024. This was announced on the intranet, shaping the corporate culture emphasizing fair customer treatment. In addition, the Company awarded extra points in compliance appraisal scores to the colleagues who promoted the first anti-fraud evaluation of TWSE.

Promotion activities for financial education and fraud prevention in 2024

In 2024, the financial education and fraud prevention publicity activities of Mega Securities included 55externalphysical lectures and activities,47internalemployee education and training and sessions, 143 regular media publicity activities. In total, 245fraud prevention publicity activities, which accounted for 23.40% and 22.22% of the total assets of NTD 104.685 billion and NTD 110.239 billion, respectively at the end of 2024. The financial education and fraud prevention awareness campaigns organized by Mega Securities target various social groups, such as students, elderly people, persons with disabilities, indigenous peoples, and new immigrants.

Format	Type of activity	Content
55 external lectures and activities	4.2 Inclusive financing education	In 2024, a total of 48 customer briefings, investor conferences, performance presentations, and seminars were organized to promote information on prevention of fraud, totaling 7,397 participants: ● In 2024, a total of five presentations and 14 investor conferences were held (including anti-fraud awareness), totaling 1,338 participants. ● In 2024, a total of 15 investor conferences (including anti-fraud promotion) were held, totaling 497 participants. ● On February 22, 2024, the "Goodness Retirement and Wealth Management" (including the promotion of anti-fraud) workshop was organized at the public office of Dongshih Township, Yunlin County, totaling 31 participants. ● 2024/3/28 - The Company was appointed as a lecturer on financial practice topics at the Chihlee University of Technology, sharing knowledge on securities practices and financial fraud prevention. A total of 81 students benefited from this lecture. ● 2024/6/6 - The Company held the "Seminar on Financial Management" at Providence University, sharing its experience in the sub-brokerage business and the new trends in global commodities, and teaching financial anti-fraud knowledge. A total of 45 students participated in the seminar. 2024/6/7 - The Company held two seminars on "Financial and Financial Practice" and "Introduction to Financial Theory Seminar" at Chung Cheng University, sharing knowledge covering the scope of the securities business, wealth management concepts, and anti-fraud financial control. A total of 31 and 86 students participated in the seminars, respectively. ● Mega Securities, as well as the two subsidiaries, Mega Futures and Mega International Investment Services, jointly organized the "Mega Securities Public Welfare Train for the Elderly" seminar focusing on elderly care; 2024/6/9 - the Company conducted financial fraud prevention education at "Meihua Village, Zhongzheng District, Taipei City", totaling 63 participants. ● 2024/7/27 - The "Exploring the Multiverse of Mega Securities" corporate visit activity was held to conduct financial wealth management and risk awareness education (including anti-fraud), with 57 students participating. ● 2024/8/10 - The Company delivered a lecture on anti-fraud topics during the "Regional Finance Seminar" at National Central University, with a total of 30 students participating. ● 2024/8/23 - The Company was invited to attend the "Anti-Fraud Seminar for Securities Brokers" held by TWSE, with more than 120 securities brokers participating. ● 2024/9/10 - The Company joined hands with the Southern Taiwan Joint Services Center, Executive Yuan to organize the "Mega Securities Public Welfare Train for the Elderly" seminar, with 108 participants. ● 2024/10/17 - The Company held an internship campaign to raise anti-fraud awareness, with a total of 50 students participating. ● 2024/11/12 - The Company jointly organized the "Eye Care and Financial Anti-Fraud" public welfare lecture with the Taiwan Prevent Blindness Foundation, with the goal to promote eye care and anti-fraud awareness among the elderly, with a total of 32 participants. ● 2024/12/12 - A lecture was held at the Indigenous Student Resource Center at National Chengchi University to introduce the sub-brokerage business and fraud prevention practices of the securities industry, with a total of 16 students participating. ● 2024/12/23 -2025 Investment Trend Forum (including anti-fraud awareness promotion) was held, with a total of 4,812 participants.

Format	Type of activity	Content
55 external lectures and activities	Sponsorship to financial events	In 2024, a total of 7 public welfare activities were held to promote information on the prevention of fraud, with 3,702 participants. • 2024/6/15 - The Company participated in the "2024 Financial Service Charity Carnival (Tainan)" organized by the Tainan City Government and the Taiwan Financial Services Roundtable, promoting financial knowledge and the concept of financial fraud prevention. The number of participants was 1,263. • 2024/10/19, 20, 26, 27 - The Company participated in the "New Financial Knowledge Halloween Party" organized by the Taipei Alpine Association, and improved the ability of new immigrants to identify financial fraud through fun and quiz games. The number of participants was 1,174. • 2024/12/7 - The Company participated in the "2024 Financial Service Charity Carnival" (Taipei) organized by the Taiwan Financial Services Roundtable, promoting financial knowledge and the concept of financial fraud prevention. The number of participants was 1,225. • 2024/12/7 - The Company participated in the year-end volunteer service of the Mega Charity Foundation TFCF South Taichung, and conducted an anti-fraud awareness campaign at the main stage of the charity fair held at Daren Elementary School, with a total of approximately 40 participants.
47 internal staff education and training sessions	Education and Training	• Training: In 2024, we organized 33 physical and online education and training courses for employees, including 33 sessions on anti-fraud topics, with a total of 11,390 participants and 23,624 training hours. • Activity: (1) In 2024, the Company organized 13 meetings with the Criminal Investigation Bureau, and internal meetings to promote the issue of fraud prevention, with a total of 2,072 participants. (2) 2024/12/20 The Company organized the North District Year-end Party(including anti-fraud promotion), with a total of 1,007 participants.
143 media playbacks	Outreach Activities	• In 2024, the Company promoted 137 pieces of information on prevention of fraud at business premises (including the ticker display and video wall on the first floor of the headquarters), the official website, and social media platforms. • In 2024, six fraud prevention information campaigns were conducted on LINE, EDM, and electronic trading platforms.

5.2.2 Customer Complaint Management

The Company has established the "Customer Complaint Handling System" pursuant to the Financial Consumer Protection Act. In order to improve the efficiency and quality of customer complaint handling, the Company assigns personnel to participate in ISO10002 training and refer to the spirit of ISO10002 to revise the customer complaint handling mechanism. Complaint cases are divided into three levels of handling, and the cases should be processed and completed in a maximum of 20 days. Moreover, the Company has established a risk-oriented reporting mechanism. In 2024, there were a total of15customer complaints (including 12 complaints of Mega Securities and three complaints of Mega Futures). All cases were properly handled and closed. In order to further protect the rights and interests of customers, Mega Securities and subsidiaries regularly report customer complaints (including financial consumer disputes) to the Fair Customer Treatment Promotion Committee and the Board of Directors, exploring the root causes of customer complaints, reviewing whether customer complaints are handled properly, with the improvement based on the customer feedback, to continuously optimize the service process and improve the service quality.



Process of Filing Customer Complaint

Customer complaint

Complaints are filed through multiple customer service channels such as telephone and email.

Acceptance and Investigation

Once the complaint is received, the designated representative investigates the case and considers appropriate handling measures.

Communication and Response

Inform the customer of the resolution and reach an agreement.

Regular Follow-up and Review

Report to the Fair Customer Treatment Promotion Committee and the Board of Directors on a quarterly basis, and review each case on a case-by-case basis.

+ Customer Complaint Handling System

+ Contact Channels of Mega Securities for Customer Complaint
+ Dedicated unit: Customer Service Center
+ Customer Service and Anti-Fraud Hotline: (02)2351-7017
+ Contact email: https://www.emega.com.tw/emegaTran/serviceMail.do

Customer Complaint Handling Procedures and Status

The Statistic of Customer Complaints in Mega Securities and Subsidiaries in the Past Three Years

	Item	2022	2023	2024
Mega Securities	Customer complaints (cases)	16	17	12
	Customer complaints resolved (%) (number of cases settled properly / total case number)	100	100	100
Mega Futures	Customer complaints (cases)	5	1	3
	Customer complaints resolved (%) (number of cases settled properly / total case number)	100	100	100
Mega International Investment Services	Customer complaints (cases)	-	-	-

5.2.3 Customer Satisfaction

Mega Securities is committed to providing customers with quality financial products and quality services. The real needs of customers are understood via the customer satisfaction surveys, to develop the products and services needed by the customers, enhance the loyalty and trust of customers, and create competitive advantages and corporate value. In 2024, a total of 4,578 valid questionnaires were collected from brokerage customers.All customers were satisfied with the overall service, with a satisfaction rate of 92% for the young generation (18-30 years old), 93% for the middle-aged and elderly generation (55-64 years old), and 95% for the elderly generation (over 65 years old), achieving the target of 86% in 2024. The 2024 satisfaction survey topic focused on the customer satisfaction with the products, customer service, anti-fraud, and digitization of Mega Securities. Compared to the 2023 satisfaction survey topic, the satisfaction survey results showed a slight increase of service satisfaction by about 6.91%. In addition, two mystery customer surveys were conducted for all operating sites.

Customer Satisfaction of Mega Securities for the Past Three Years

Customer Satisfaction				Satisfaction target
2021	2022	2023	2024	2024
97%	89.65%	86.05%	92. 00%	86%

Note : Customer satisfaction = total number of questionnaires with satisfaction / total number of valid questionnaires x 100%

Also, Mega Securities originally conducts the customer satisfaction surveys with the customers having annual wealth management transactions. Since 2022, open-ended questionnaires have been adopted. Customers are informed of the satisfaction surveys via website announcements and EDM, with a lucky draw event to motivate them to participate.

Based on the results of customer satisfaction survey and the results of mystery customer surveys, Mega Securities conducted a review and follow-up via the Fair Customer Treatment Promotion Committee to complete the handling and improvement of feedback opinions, and adjust relevant business measures in a timely manner. For example, customers (especially for young customers) indicated that there was room for improvement in digital finance. The Company immediately planned to optimize its digital service processes and launch more innovative functions that cater for the preferences of this customer group. For the bottom ten branches according to the results of the mystery customer surveys, improvement measures were requested, with the implementation status tracked.

5.3 Information Security

5.3.1 Information Security Management

In order to coordinate information development and information security management matters, and reduce information security risks, Mega Securities has established the "Information Security Policy" and "Information Security Policy - System Access Control" approved by the Board of Directors; in 2023, the Company continuously introduced and obtained the international information security certification ISO 27001:2013 Information Security Management System, and the ISO 22301:2019 certification in the same year and continued their validity in 2024. By operating effective information security governance, legal compliance, risk control and audit review mechanisms, and in conjunction with the application of technology, we comprehensively enhance the information security protection capabilities. In addition, we have established the "Operating Regulations of Information Security Reporting and Response" to manage information security incidents at different levels (Level 1 to 4). When emergencies such as the information and communication systems compromised by various factors or inappropriate use, the required reporting and responses may be taken to reduce the probability of possible damage, and ensure the normal operation of the Company's information and communication systems.

Information Security Team

I. Mega Securities has an information security team (the "information security team") composed of personnel from various departments to coordinate and discuss information security policies, plans, resource allocation, and other matters, as well as reporting and response of information security incidents. The information security meetings are held every six months.

II. The members of the information security team and the division of their responsibilities are as follows:

1. Person in charge of the information security team: the head of Information Department, responsible for the promotion of information security management affairs and resource allocation, and notifying the General Manager of the Level 3 or Level 4 information security incidents if occur.
2. Information security team convener: the person in charge of the information security team assigns a personnel of the Information Department to act as the convener, to assist person in charge of the information security team in implementing information security management affairs.
3. Members of the information security team from each department: The head of each department appoints one person to be a team member (in the case of a business unit, appointed by the head of the business group) to be responsible for various internal affairs to be cooperate d by the department.

Management Structure Chart

Organizational Structure of the Information Security Team

↓ Approval of Information Security Policy

↓ Board of Directors

↓ Information Team Leader

↓ Head of Information Department

+ Information Security Policy

Information security incident reporting process and information security incidents

Where any information security incident is deemed a cybersecurity incident as defined in Subparagraph 6, Paragraph 1, Article 2 of the "Procedures for Major Incidental Events of Mega Securities", or as a material information security incident as specified in Paragraph 3, Article 3 of the Operating Regulations of Information Security Reporting and Response, it is deemed a material information security incident with the following operations to be performed:

1. After reporting a material accident, the executive secretary of the Group's Information Security Incident Response Team ("the CSIRT team") shall be notified by phone or other means. Since the next day of reporting, complete the "Guidelines of Group Information Security Incident Response Form" based on "Guidelines of CSIRT Organization Establishment" and send it to the CSIRT Team Executive Secretary.
2. Fill in the "Material Incident Reporting Form" and report it to Mega Holdings before 17:00 on the next working day to the date of occurrence.
3. Information security incidents shall be reported through the securities and futures market information security incident reporting system (https://sfevents.twse.com.tw/) based on the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets." These deemed as the material information security incidents specified in Paragraph 3, Article 3 of the Regulations shall perform the following operations pursuant to the "Reporting Procedures to Report Scopes of Material Information Security Incidents by Securities Firms and Other Compliance Required:"

(1) Fill out the "Material Information Security Incident Reporting Form for Securities Firms - Preliminary (Formal) Notification" within 30 minutes.

(2) After reporting a material information security incident, the detailed information shall be reported to TWSE or TPEx within seven business days in letters, and fill out the "Material Information Security Incident Reporting Form for Securities Firms - Case Closing Notification," including time of occurrence, cause of incident, incident category, impact on securities firm and investors, whether sensitive data has been leaked, handling measures, recovery status, follow-up handling progress of the incident, handling of investor disputes, improvements, and preventive measures.

(3) If reporting via letter within seven business days is impossible due to force majeure, the deadline for letter reporting may be postponed after being notified to TWSE or TPEx for record.

In 2024, Mega Securities and its subsidiaries had no data (including personal data) leakage incidents, and no customer or employee was affected by the information leakage, so no fines were paid.

Information leakage incidents	2022	2023	2024
Complaints from external parties that have been substantiated by the organization	0	0	0
Complaints from regulatory authorities	0	0	0
Number of information leakage incidents	0	0	0
Percentage of personal data-related leakage incidents (%)	0	0	0
Number of customers affected by information leakage incidents	0	0	0

Information security management mechanisms and measures

For the cyber threats and risk changes brought by technological developments, Mega Securities continuously reviews the adequacy of relevant regulations and measures, and has established a comprehensive network and computer security protection system. The system vulnerability scanning and patching, penetration testing, social engineering drills, cybersecurity education and trainings are conducted from time to time every year. Furthermore, through the introduction of ISO 27001 information security management system to verify and establish an SOC (information security monitoring center), ensuring the appropriateness and effectiveness of information security and network risk control。

Information security management measures	Mega Securities' information security management measures in 2024 and their implementation
Information security management system	• To standardize and internationalize the information security system, Mega Securities has completed the introduction of ISO 27001:2013 information security management systems and third-party verification, with continuous third-party re-certification to maintain the validity of the certificates (please refer to Appendix 9.3 External Independent Assurance Statement) • Establish the Data Loss Prevention (DLP) system to monitor and block personal data to reduce the risk of personal data leakage. • The remote backup market simulation tests are conducted regularly to ensure the effectiveness of the backup system. • Third-party laboratory information security testing is conducted for the Company's mobile app (Mega Mobile VIP) every year to strengthen the app's information security. • The email filtering system (Softnext SPAM SQR) is constructed to strengthen the Company's email information security. • The automated management system for endpoint equipment (Security Intelligence Portal; SIP) is established to prevent unauthorized equipment from using the intranet. • The highest permission management system for personal computers is constructed to centrally manage access on the client end company-wide, to strengthen the Company's information security. • The web application firewall (WAF) is constructed to enhance the information security of Company's. • The IDS/IPS-intrusion detection and prevention mechanism system is constructed to strengthen the Company's information security. • The host privileged account management system is constructed to centrally manage the privileged accounts of each system, for enhancing the Company's information security. • The DDoS attack prevention mechanism is introduced to block DDoS attacks. • Information Security Operations Center (SOC): The information security monitoring center (SOC) is established to implement the data protection mechanism, the storage media control mechanism, and IDS information security protection mechanism to strengthen information security monitoring and defense.

Information security management measures	Mega Securities' information security management measures in 2024 and their implementation
Information security management	• The chief information security officer is appointed to oversee information security policy promotion and resource allocation. An Information Security Department has been established under the Information Department, with one information security officer and three information security specialists. Information security meetings are held on a regular basis for planning of the information security system, and monitoring and implementation of information security management. • Automatically compare the program versions of all external trading systems of Mega Securities daily. If there are any abnormalities, the relevant personnel will be notified to take action. • Dedicated personnel check regularly whether there are external websites are phishing websites illegally forging the official website of Mega Securities, or counterfeiting apps of Mega Securities. Investors will be reminded of any discovery, and reported to the Financial Information Sharing and Analysis Center (F-ISAC). • The source code security testing tools and third-party component testing tools are purchased to test the applications developed and maintained by the Company. These tools are able to identify potential risks in advance and fix them in a timely manner to strengthen the Company's information security. • The Company has joined the FSC Group's counterfeit website detection mechanism, and signed a memorandum of understanding with the Police Department of the Ministry of the Interior to effectively take down counterfeit websites and Facebook accounts. • Vulnerability scan: Vulnerabilities are scanned regularly every year, and the vulnerabilities are continuously improved and tracked to identify potential cybersecurity threats and vulnerabilities in advance, to strengthen the security protection capability of the cyber system. • Vulnerability scan: Vulnerabilities are scanned regularly every year, and the vulnerabilities are continuously improved and tracked to identify potential cybersecurity threats and vulnerabilities in advance, to strengthen the security protection capability of the cyber system. • Penetration test: The Company commissions a third-party agency to complete the penetration testing of all external services on a regular basis every year, and no major risks were found after the test. • Social engineering drill: An email social engineering drill is conducted every year, with information security education and training for employees and promotion of information security-related issues, to enhance employees' information security awareness and make them more alert to phishing emails. • Business continuity management: Business continuity drills are conducted every year, to ensure that critical systems and backup systems can continuously provide key services, and the test results are verified to ensure that the backup mechanism is implemented to ensure normal and continuous system services. • Business continuity management: The business continuity management system is introduced in the core system, certified by an impartial third party (BSI) for SO 22301, and the validity of the certification is maintained constantly.
Information security education and training	• Information security promotion, education and training are regularly conducted for all employees of the Company, to enhance their information security awareness, including the awareness of in-depth forgery and prevention issues.

Information security education and training

In recent years, the information security has become an ESG focus of the financial industry, and customer information security protection is a core item in Mega Securities. To ensure that employees are equipped with information security knowledge and raise their awareness, information security-related training is held every six months, and online courses are provided for employees to enhance information security knowledge for coping with changing information security issues. In 2024, six sessions of education and training were conducted for Mega Securities and its subsidiaries, with 3,247 people completing the training, for 9,741 hours of education and training in total, or three hours of training per employee on average. (two sessions of education and training for Mega Securities, with 3,062 participants, totaling 9,186 hours)

Highlight

Mega Securities completed the international information security certifications in 2024:

1. Maintain the effectiveness of the brokerage business core system ISO 22301 (Business Continuity Management System). (Effective period: 2023.12.28 to 2026.12.27)
2. Maintain validity of ISO/IEC 27001:2013 (information security-related management activities, including data center management, network management, and development, maintenance, and management of securities trading middle office system, back office system, front office system, mobile VIP, e-Netcom, Global Money Management, HTS (Home Trading System), Mega Winner, Mega API, Sysjust API, Multi Chart, E Radar, and wealth management systems). (valid from 2023.7.12 to 2025 .10.31)
3. Acquired the "BS 10012:2017 Personal Information Management System" certification (valid from 2024.11.26 to 2027.11.26)

(For details, refer to ISO 22301, ISO 27001 and BS 10012 certifications, and refer to Appendix 9.3 External Independent Assurance Statement for certifications.)

+ Link to press release on 2025.5.6: https://www.megasec.com.tw/emega/news/in.do?id=20250506141738978671

5.3.2 Customer privacy and personal data protection

Mega Securities has fulfilled its duty to maintain the confidentiality of personal data and customer privacy information, and established the “Personal Data File Security Safeguard Plan and Personal Data Processing Methods after Business Termination,” specifying that the Company collects, processes, and utilize customers’ information, and establishes the measures for customers’ information security management pursuant to the “Personal Data Protection Act,” the “ Enforcement Rules of the Data Protection Act,” and the “Regulations Governing Security Measures of the Personal Information File for Non-government Agencies Designated by Financial Supervisory Commission,” among other regulations, while implementing the customer privacy and personal data protection through incorporation of customers’ personal data into the internal control system, conducting employee education and training, as well as regular personal data status inventory, risk assessment, and security maintenance self-assessments.

in order to become the most trusted partner of customers, Mega Securities and its subsidiaries have established the "Employee Code of Conduct," "Employee Reward and Punishment Procedures," and "Customer Information Confidentiality Measures of Mega Financial Holding Co., Ltd. and its Subsidiaries" to regulate employees' respect for company information and customer privacy. Information shall be kept confidential and shall not be disclosed except by law or with approval, even after resignation. If employees violate the provisions of the Principles and the confidentiality measures, their permission to use the Company's information will be terminated immediately. Based on the severity of the violation, such employees will be penalized according to the Company's relevant punishment regulations and held accountable for legal responsibility, to demonstrate the emphasis of Mega Securities on personal data protection and customer privacy.

Mega Securities and its subsidiaries only allow the government to request customer privacy-related information under lawful circumstances. There have been no other illegal requests for data, customer data used for secondary marketing, nor violations of customer privacy rights or loss of customer data.

Customer Data Used for Secondary Marketing Purpose	2022	2023	2024
Number of customers whose data are used for secondary marketing (may be the number of accounts)	0	0	0
Total number of customers (may be the number of accounts)	408,600	434,115	462,604
Percentage of customers whose data were used for secondary marketing (%)	0	0	0

Information security incidents	2022	2023	2024
Total number of information security incidents	0	0	0
Number of customer data loss due to information security incidents	0	0	0
Number of customers affected by information security incidents	0	0	0

Implementation of the "Personal Data Protection Education and Training Course" in 2024

Description of the Related Education and Training Courses	Number of courses (sessions)	Number of people trained	Total course hours (=number of trainees x number of hours per course)
1. 2023 personal data protection awareness, personal data flow coverage map, and personal data inventory check 2. Personal data - education and training before verification 3. Education and training on internal audit methods for personal data protection 4. ISO/IEC 27701:2019 privacy information management system lead auditor training course 5. Personal Data Protection Act and practice	9	3,254	5,734



5.4 Digital Innovation

With the rise of digitization, Mega Securities is committed to optimizing the digital financial experience, and creating ubiquitous services to promote inclusive financing. With the pillars of digital finance development, including “accelerating branch digitization," "enhancing digital financial service experience," and "strengthening digital technology capabilities”, the Company makes its financial services both safe and convenient. In recent years, Mega Securities has communicated with stakeholders to understand actual needs, continued to promote the mobilization of various digital services, including electronic statements, building accessible websites, developing comprehensive business integration platforms and optimizing online account opening functions. The personalized notifications are sent through social media to notify customers through instant messages. For the financial product transaction service, or applications, with the premise of compliance, customers are encouraged to adopt online processing, so that the time and costs of application at the customer end are reduced, and the operating efficiency and smart customer service experience are enhanced. The actions in 2024 were as follows:

Order placement and trading system	The Company has developed the "Mega Wealth Management Pro" customized order placing system, and added a strategy trigger setting function to the “Mega Trade” system to enhance transaction flexibility and accuracy.
Digital service upgrade	The eOpen online account opening service has been enhanced by integrating the “Mega Bank FIDO” identity verification and account binding functions, and provides online account opening services for four credit services (including credit transactions, securities lending, lending and borrowing of money in connection with securities, and non-restricted purpose loans) to improve user convenience
ESG information integration	We have established the "ESG Smart Sustainability Data Platform" to integrate the ESG information of listed companies and provide investors with information on the Taiwan Corporate Sustainability Evaluation indicators to strengthen the foundation of sustainable investment services.
Innovative product platform	The Company has launch the "Mega Bond" as an overseas bond electronic trading platform, which provides over 400 A-grade and above high-quality US dollar bonds.

Paperless statements

In 2024, the number of electronic transactions of Mega Securities totaled 23,311,657, accounting for 87.49% of the Company’s total trading transactions of 26,643,995, an increase of 2.18% compared to the previous year. The number of electronic transaction statements issued totaled 844,432, saving approximately 844,432 pieces of paper, a decrease of 29.75% compared to the previous year.

Account opening through digital channels

1	Mega Securities constantly streamlines the online account opening process, adding new account referrals and opening of additional sub-brokerage accounts online, and planning of new account marketing campaigns. With the increased trading on the Taiwan stock market in 2024, 39,192 accounts were opened through digital channels, an increase of 33.25% compared to the previous year’s 29,412 accounts.
2	Mega Securities continuously promotes the optimized platform for over-the-counter account opening. The introduction of digital writing tablets, media storage, and digital sign-off significantly shortens the waiting time for account opening. The paperless account opening platform was completed in 2024, with 5,389 accounts opened, an increase of 16.32% compared to the 4,633 accounts in 2023.

Cumulative Number of Accounts Opened by Mega Securities via the Digital Channels in the Past Three Years

Items applied for	2022	2023	2024
Account opening through digital channels	20,050	29,412	39,192

Note：Digital channels of account opening include credit account opening/contract renewal/limit adjustment, lending, share borrowing, and financial management.

Online financial service platform

Mega Securities launched the online account opening platform "E-Open" in January 2022, with the dual-opening function for securities and sub-brokerage accounts. It is equipped with the functions of W8ben (U.S. tax investigation form for foreigners) online signing, integration of optical character recognition (OCR), and online identity and seal verification service of Mega Bank, to save time and complicated procedures for account opening. In 2024, a total of 20,773 securities accounts and 18,419 sub-brokerage accounts were opened online. By the end of 2024, the number of customers with fixed-term contracts totaled 50,938 (number of new sign-ups minus number of terminations).



6 Employee Care

6.1 Talent Attraction and Development

6.2 Happy Workplace

6.3 Human Rights Protection

Corresponding United Nations Sustainable Development Goals (SDGs)



Material Topic GRI indicators

- GRI 201: Economic Performance
- GRI 404: Training and Education
- GRI 401: Employment
- GRI 405: Diversity and Equal Opportunity
- GRI 402: Labor/Management Relations
- GRI 406: Non-discrimination
- GRI 403: Occupational Health and Safety

SASB Standards

- Diversified employees FN-IB-330a.1

Corresponding material topics

- Talent attraction and development, happy workplace

Stakeholders with priority access

- Employee/union

Mega Securities regards employees as an important asset of the enterprise and the foundation of its operational development. In order to realize labor-management harmony and create a partnership of co-existence, co-prosperity, and win-win, we provide comprehensive planning and assistance from employee recruitment, development, talent retention, welfare to retirement, to take care of the health of employees and build a happy enterprise.

In order to create a warmer, more productive, and more gender-equal and friendly workplace, the Company provides good maternity care packages and newborn gift boxes so that colleagues or their spouses can welcome their baby with peace of mind. In the employee health care series of activities, for employees with a high workload, the Company takes the initiative to follow up on their re-diagnostic and medication status, adjust their work patterns, and improve their working environment and regular follow-ups and interviews with physicians are arranged. In addition, the headquarters has set up a blood pressure station for employees to measure their blood pressure regularly, and organizes basic muscle strength exercises for middle-aged and elderly employees to perform basic muscle strength training guided by the professional trainers. Twice every month, the health promotion "Mega Health Protection" is conducted to provide health knowledge and chicken soup for the soul. In the future, Mega Securities will continuously enhance employee care-related measures, implement and optimize maternal care benefits and measures, so that employees can feel the warmth of the Company.

6.1 Talent Attraction and Development

Mega Securities and its subsidiaries regard employees as an important asset of the enterprise and the foundation of its operational development. We value talent retention and cultivation and have formulated comprehensive human resource management-related regulations. Every year, targeting talent attraction (e.g., the turnover rate control and competitive salaries), talent development (e.g. employee education and training, subsidies for license), happy workplace (e.g. occupational safety certification, EAPs, various subsidies, and health seminars), and human rights protection (human rights policy, human rights due diligence), among other aspects, we establish promotion plans and specific goals related to human resources and create the budget for human resource management to be tracked and reviewed in the Sustainable Development Committee and internal management meetings to implement sustainable operations.

6.1.1 Talent resource and structure

As of the end of 2024, the number of employees of Mega Securities and its subsidiaries was 1,623, of which 35.24% were male and 64.76% female. The total number of managerial staff is 12.14%, of which 51.78% were female. Overall, the main workforce has 772 people aged 30 to 50, accounting for 50.63% of all employees; males account for 34.81% and 65.19% for females; managers account for 12.26% of the total employees, of which 47.57% were female managers. Mega Securities has long monitored the issue of "gender equality" and has reviewed the proportion of female employees for the recent three years to maintain stability, while the percentage of female managers has shown an increasing trend, demonstrating the results of Mega Securities' efforts in gender equality, while echoing the United Nations Sustainable Development Goals (SDGs) Goal 5 (Gender Equality), by supporting gender equality and empowering women with practical actions.

Talent Structure of Mega Securities and its subsidiaries (full-time employees)

Type	Group	No. of people	Percentage
Gender	Female	1,051	64.76%
	Male	572	35.24%
Location	Taiwan	1,623	100%
	Overseas	0	0%
Region	Northern Region	1,115	68.70%
	Central Region	197	12.14%
	Southern Region	311	19.16%
Position	Management roles	197	12.14%
	Non-management roles	1,426	87.86%
Age	Under 29 years old	161	9.92%
	30-50 years old	772	47.57%
	Over 51 years old	690	42.51%
Education level	Ph.D.	2	0.12%
	Master's degree	218	13.43%
	College	1,218	75.05 %
	Vocational/ senior high school	185	11.40%

Note : Based on the full-time employees of Mega Securities and its subsidiaries. Please refer to Appendix 9.1.2 Social Indicator Data for the detailed employment information.

6.1.2 Employee diversity

Mega Securities and its subsidiaries are committed to creating a diverse and equal employment environment, protecting the work rights and interests of different groups, and allowing each employee to fully demonstrate their uniqueness and strengths. As of the end of 2024, Mega Securities and its subsidiaries hired a total of 11 employees with disabilities, five more than the statutory requirement. We will continuously provide suitable vacancies in the future to build a friendly and inclusive workplace. For detailed information on employees with disabilities, please refer to Appendix 9.1.2 Social Indicator Data.

6.1.3 New recruits and resigned employees

In 2024, the number of new employees and the new employment rate of Mega Securities and its subsidiaries were 197 and 12.14%. In addition to recruiting talents, Mega Securities and its subsidiaries also continuously tracked the resignation status of employees; relevant workplace improvement plans were formulated by analyzing the turnover rate. In 2024, a total of 141 employees resigned, with a resignation rate of 8.69%, and the active departure rate after retirement was 7.39%. For detailed information on employees, please refer to Appendix 9.1.2 Social Indicator Data.

Cost of new hires at Mega Securities



Note : Recruitment cost of new recruits = total recruitment expenses of new recruits in the current year/total number of new recruits.

6.1.4 Recruitment strategy

In response to the declining birth rate in Taiwan and the increasingly diversified development trend of the financial industry, Mega Securities focuses on recruiting outstanding talents in three major fields: digital, sustainability and diverse finance. Outstanding talents are recruited through diverse recruitment channels, such as the job bank, corporate image website, and the campus recruitment activities. Mega Securities and Mega Futures actively develop the industry-academia cooperation. During 2024, 53 university students were offered internships or part-time careers with the Company. Internship agreements were also signed with 11 universities

Targeted Talents	Talent Positioning	Recruitment Results
Talents of digital finance	The rapid development of FinTech requires talents with technical expertise and data analysis, to cope with the evolution of FinTech.	In 2024, eight new employees were successfully recruited; through campus talent recruitment, referral by financial professionals, and external selections, potential IT, information security, and digital talents were discover.
Talents of sustainable development.	To respond to the global needs to social, environmental, and economic challenges, and cooperate the governmental policies, the Company supports the importance of sustainable operation.	In response to the needs of the sustainable finance business, we actively recruited dedicated personnel for sustainable development, to effectively integrate resources and promote corporate sustainability actions; four new employees were successfully recruited.
Diverse financial talents	In response to the globalization of the financial market, talents with cross-cultural and international perspectives are needed to cope with global financial challenges.	For the recruitment of diverse financial talents, in order to strengthen the global positioning and adapting to emerging financial issues, we continuously recruit new financial product development and trading personnel and international sales development personnel.

Cultivation in campus

In order to attract outstanding young talent, the Company has actively worked with colleges and universities,including \\ offering of financial courses, providing internships or part-time jobs. We also provide scholarships to students,as well as organize campus financial lectures and career sharing to promote the exchange between theory and practice, thereby nurturing and attracting potential financial talent.

Category	Description	Investments and Results
Providing internship and part-time working opportunities	To enable students to understand the professional functions of securities during the summer vacations or semesters, and cultivate talents early to increase their willingness to work in the Company after graduation, Mega Securities actively establishes partnerships with colleges with relevant departments across the country.	In 2024, Mega Securities and subsidiaries provided 53 students with internship and part-time working opportunities.

Category	Description	Investments and Results
Provide scholarships/ fellowships	To provide students with opportunities to match with companies before graduation, and enhance the sustainable development of talent cultivation. Establish a cooperative and mutual trusted window through contacting the finance and economic departments in colleges.	A total of NTD 1,088,000 was distributed as scholarships/ fellowships.
Organizing student visits in corporate	To promote financial talent development, "Exploring the Multiverse of Mega Securities", organized by Mega Securities and co-organized by Mega Futures and Mega International Investment, was held at the Mega Securities headquarters on July 27, 2024. The event was divided into three main areas: 1. "Introduction to Mega Securities Business and Sharing of Job Hunting Practices for Freshmen" - The department head introduced the Company' s various businesses and arranged two-way conversations between the departments heads and the students. The head of the HR Department was invited to give a lecture on writing a CV and job interviews". 2. "Conveying the value concept of financial friendliness" - The renowned lecturer, Ms. Lin Hsin-Pei was invited to lecture on "financial friendly services" to explain how to think outside the box and build empathy. 3. "Financial anti-Fraud and risk awareness education" - group quizzes combining anti-fraud knowledge and investment risk promotion helped students establish the correct investment concepts and understand concepts on fraud prevention.	There were a total of 57 participants in the "Exploring the Multiverse of Mega Securities" on the day of the corporate visit. By upholding the mission of exerting positive influence and leading sustainable development, Mega Securities has listed "social co-prosperity" as one of its ESG sustainability strategies. Among which, the "inclusive financing" is a very important action pillar. Therefore, in recent years, Mega Securities has continued to exert its core functions, actively cultivated financial talents in a way closer to the needs of society, and fulfilled its social commitment.
Organize campus finance lectures or career sharing sessions	Mega Securities' lecturers guide young people to learn correct financial knowledge through practical teaching and strengthens their awareness of preventing investment fraud.	In 2024, Mega Securities organized the "Financial Knowledge Seminars for Colleges," benefiting a total of 289 college students. In addition, Mega Securities was invited to take part in the employment program of Ming Chuan University, and 34 students participating in the practical courses and job position training.



Ming Chuan University corporate visit



Tunghai University corporate visit

6.1.5 Talent training

Mega Securities emphasizes the importance of talent development, and actively strengthens education and training for directors, supervisors and employees. Pursuant to the "Sustainable Development Best Practice Principles" of Mega Holdings (applicable to Mega Securities), sustainable development is incorporated into the Company's operating activities and development directions, and the specific promotion plans for sustainable development are approved, with the education and training to promote sustainable development to be held regularly. The Regulations of Continuing Education Related to ESG of Mega Group also specify the required hours of annual continuing education for directors, supervisors, personnel ranked as manager or above, and general employees (3, 6, and 3 hours, respectively), as well as the content of the courses. Each year, Mega Securities and its subsidiaries create a budget for training. Approved by the Board of Directors, the training budgets created in 2024 were NTD 9,258 thousand for Mega Securities, NTD 576 thousand for Mega Futures, and NTD 120 thousand for Mega International Investment Services. Training is conducted based on different functions and independent learning. In addition to complying with regulations and assigning employees to participate in various qualification acquisition and legal training courses (including on-the-job training of futures, securities, and sub-brokerage, trusts, and related pre-job trainings; regulations related to anti-money laundering and counter terrorism financing; Personal Data Protection Act, information security, Ethical Corporate Management Best Practice Principles, Principles for Fair Customer Treatment, Financial Consumer Protection Act, and Volcker Act), through the establishment of digital learning platforms and depending on the business requirements and evolution of financial situations, the Company also arranges lecturers to conduct internal education and training. In 2024, Mega Securities and its subsidiaries organized 1,241 training courses for employees, divided into three categories: E (Environmental), S (Social), and G (Governance). The total training hours for employees was 89,946 hours, and the average training hours per employee was approximately 55.42(among which 964 sessions were organized by Mega Securities). The E-category courses facilitated the achievement of SDGs 7 and 13 - including the ESG workshop (participant satisfaction score of 4.8 out of 5) for mid-to-senior managers and introductions to ESG overview and development trends and net zero transformation, as well as green living. The S-category courses facilitated the achievement of SDGs 1, 3, 5, 8, 9, and 12 — including information security, training on the three acts, namely the Gender Equity Education Act, the Act of Gender Equality in Employment, and the Sexual Harassment Prevention Act (participant satisfaction score of 4.6 out of 5), general safety and health, and a lecture on dementia-friendly services. The G-category courses facilitated the achievement of SDGs 1, 5, and 8, including anti-money laundering and counter-terrorism financing, and the management of internal material information and prevention of insider trading. The total number of training hours for employees was 84,756 hours, and the average training hours per employee was approximately 55.18 hours, an 8.5% increase from the average of 50.87 hours in 2023.). For detailed information on training hours of employees, please refer to Appendix 9.1.2 Social Indicator Data.

<table>
<tr><th colspan="3">Functional training</th><th rowspan="2">Voluntary learning</th></tr>
<tr><th>Management training</th><th>Professional training</th><th>General training</th></tr>
<tr>
<td>● Workshops for Middle and Senior Executives:
1.Consensus Camp</td>
<td>● Annual training plans:
1. ESG sustainability courses
2. Safety and health education and training
3. Information security online education and training
4. Principle for Financial Service Industries to Treat Clients Fairly
5. Online courses on anti-money laundering and countering terrorism financing
6. Education and training of email alertness testing
7. Financial Friendliness Service Online Training of the Channel Business Group
8. Financial consumer protection_promotion on fair customer treatment to the elderly and mental/physical challenged
9. Ethical Corporate Management Best Practice Principles, Personal Data Protection Act, whistleblowing system, and Sexual Harassment Prevention Regulations
● Professional competency training:
1. Corporate Governance_Competition for Corporate Talent
2. Corporate Governance_AI Thinking and Digital Transformation
3. Scenario-based online test on brokerage regulations
4. ESG fair customer treatment Ethical_Accountability System Seminar
5. The online test on the regulations for preventing/avoiding copy trading and conflicts of interest for brokerage business
6. Statutory training courses (securities, futures, fund regulations, Money Laundering Control Act, trust, ESG sustainability courses, and wealth management)
● What's New on Financial Regulations:
1. Business promotion seminar for senior executives of securities brokers and proprietary traders</td>
<td>● New hire training:
1. Quarterly training for new recruits
● Training on labor laws and regulations:
1. Pushes of labor laws and regulations
2. Gender equality promotion
3.Online education and training on workplace sexual harassment prevention mechanism</td>
<td>● Digital learning platforms (e.g. Hami Bookstore):
1. Push of healthcare promotion
● Subsidies for professional license:
1. Digital learning resources in Hami Bookstore
2. Intranet of Mega Securities -168 Elite Academy
3. Mega Securities official website (Wealth Management Website) - Online education platform</td>
</tr>
</table>

Subsidies for licenses

Mega Securities encourages employees to participate in examinations of relevant professional licenses or qualifications, and subsidizes full or partial registration fees and license fees for employees. The related licenses include those for analysts, accountants, financial planning consultants, financial analysts, financial risk managers, international risk managers, sustainability management teachers, etc. In 2024, professional license were subsidized for a total of 14 employees, at a total of NTD 278 thousand. For detailed information on professional license subsidies, please refer to Appendix 9.1.2 Social Indicator Data.

Professional talent training program

In order to actively strengthen the education and training of the employees, and provide them with a development environment and resources suitable for their talents and positions, Mega Securities and its subsidiaries offer lectures from time to time depending on business needs and changes in the financial situation (promotion of labor laws, promotion of health care, and gender equality promotion; and education and training related to workplace sexual harassment prevention mechanisms). In addition, Mega Securities also sends employees to participate in professional training courses and explanatory seminars offered by external organizations.

Items of Training Program Outcome		Participants/hours/amount	Items of Training Program Outcome		Participants/hours/amount
Workshops for Middle and Senior Executives	Number of trainees	95	Three Acts of gender equality	Number of trainees	106
	Training hours per person	4		Training hours per person	3
	Expenses invested (NT$)	748,000		Expenses invested (NT$)	34,500

Program Description	Training target	Training benefits			
		Number of employees trained in 2024	Number of unit head appointment	Percentage (%)	Trainee satisfaction
Workshops for Middle and Senior Executives: To make the officers at all levels company-wide form the loyalty, and work hard for the goals for 2024. It is sought that after participating in the event, officers at all levels can communicate more efficiently and form consensus in the future work, to accelerate the efficiency of team operations, and exert the power of the team.	Middle and senior executives	95	86	92	4.8 (out of 5 points)
Three Acts of gender equality	All employees	106	74	80	4.6 (out of 5 points)



Workshops for Middle and Senior Executives



Three Acts of gender equality

6.1.6 Rotation and evaluation

Performance appraisal

In order to achieve organizational performance goals and explore the potential of employees, Mega Securities has formulated the "Rules of Employee Performance Appraisal" to establish a fair and equal performance appraisal system. Performance appraisal is divided into four categories, namely "goal-oriented management appraisal," "department and team performance evaluation," "agile dialogue," and "ranking appraisal." In 2024, 1,582 employees of the Company and its subsidiaries received performance evaluation, accounting for 97.5% of all employees.

Performance Appraisal Mechanism	Mechanism summary	Execution frequency
Goal-oriented management	The employee performance appraisals are conducted each year. Officers at all levels review the achievement status of goals and key performance indicators, based on their employees' daily work performance, and appraise employees individually according to the principles of fairness and equality. Except for the employees in probation and employees reinstated in the same year, all employees are subject to appraisal, and the performance appraisal results will serve as the basis for employee reward and promotion.	Once a year
Department and team performance evaluation	Departments and teams conduct regular performance evaluations, to improve their management functions and evaluate their operational performance.	Once a year
Agile dialogue	Officers and employees discuss to jointly set work goals; it is required to name(s) of the employees with lower performance achievement rate and poor work performance, and unsuitable employees in the project appraisal form and urge them to improve through continuous conversations.	Four times a year or more
Ranking appraisal	It refers to that in specific businesses, such as wealth management and credit card promotion, the employees are ranked according to their performance in specific services, they are motivated for the better performance via the approach to distribute bonuses based on the ranking.	Once a year

Internal rotation

The purpose of personnel rotation is to cultivate all-rounded talents in the financial business, increase employees' interest in work, stimulate their work potential, and achieve the goal where the personnel management is suitable for both talents and position. According to the "Regulations Governing the Reappointment of Employees," Mega Securities and its subsidiaries divide the rotation adopted for employees into two categories: self-initiated transfer and designated transfer. The internal rotation mechanism allows employees to be suitable for their talents and position, retains outstanding talents, with supports to each other if the business is busy or short manpower. Relevant transfer operations were handled by complying with the "Five Principles of Transfer" stipulated in laws and regulations. In 2024, the ratio to fill internal job vacancies based on the ranking appraisal was 35.2%.

Internal promotion and transfer mechanism		
Number of internal promotions in the year		50
The number of vacancies filled by internal employees of the Mega Securities and its subsidiaries in 2024	Management roles	55
	Non-management roles	48
	Total	103
Total number of vacancies for the year (Note 1)		308
Internal vacancy filling rate (%) (Note 2)		33.44%
Internal management vacancy filling rate (%) (Note 3)		17.86%
Internal non-management vacancy filling rate (%) (Note 4)		15.58%

Note 1: The number of vacancies in the current year includes the number of voluntary transferees and the number of new recruits in the same year.
Note 2: Internal vacancy filling rate (%) = (number of vacancies filled by internal employees in the year/number of all vacancies in the same year) x 100%
Note 3: Internal management vacancy filling rate (%) = (number of vacancies filled by internal employees in the year/number of all management vacancies in the same year) x 100%
Note 4: Internal vacancy fill rate for non-management positions (%) = (number of non-management vacancies filled by internal employees in the year/number of all vacancies in the same year) x 100%

6.1.7 Employee engagement survey

To enhance employee engagement and improve the workplace atmosphere, Mega Securities conducts an annual employee engagement survey (subsidiaries included in the survey starting from 2024). The survey includes the following dimensions: work engagement, experience, willingness to act, and policy atmosphere. The dimensions of each issue are as follows:

Employee engagement survey	Job requirements, contributions made, sense of belonging, opportunities for growth
Feeling in the work	Work engagement, job satisfaction, job competence
Willingness to act	Willingness to work overtime and stay in the Company
Policy atmosphere	Encouragement of expression, positive feedback, reasonable work distribution, adequate training, adequate communication and coordination, harmonious relationship, fair distribution of rewards, accountability, suitable promotion channels, adaptation to job adjustments and regulatory updates, adaptation to generational differences



Survey results

The engagement survey was conducted by using a 5-point scale (Strongly Agree, Agree, Average, Disagree, and Strongly Disagree). To be considered an “actively engaged employees”, the employee must score 3 or higher (out of five points). This survey effectively calculated high scoring groups in the Company at different dimensions. According to the survey results, the proportion of employees actively participating in the aspect of engagement has beenmaintainedat 90% or higherfrom 2022 to 2024,indicating that colleagues’ professionalism hasreacheda certain level.

Item / Year	2022	2023	2024
Number of Replies	1,470	1,507	1,628
Questionnaire coverage rate (%)	96.33%	98.88%	100%
Percentage of employees actively participating (%)	91.1%	95.4%	93.6%

Item / Year		2022		2023		2024	
		Number of samples	Score	Number of samples	Score	Number of samples	Score
Employee engagement survey	Female	966	3.64	966	3.85	1,043	3.76
	Male	504	3.77	541	3.96	585	3.95
Position	Management roles	211	3.83	217	3.99	245	3.98
	Non-management roles	1,259	3.66	1,290	3.87	1,383	3.81
Total		1,470	3.69	1,507	3.89	1,628	3.83

Note：The scope of the employee engagement survey in 2022 and 2023 was limited to Mega Securities, and the scope was expanded in 2024 to include the subsidiaries: Mega Futures and Mega International Investment Services.

6.2 Happy Workplace

6.2.1 Remuneration and benefits

Mega Securities and subsidiaries offer different basic salaries to new hires based on their level of duty, but does not discriminate based on factors such as gender, age, race, religion, political stance, marital status, organization affiliation, among other things. The basic salaries of new recruits in the Company comply with the minimum wage standards in Taiwan. Since then, various performance-based bonuses are distributed, with promotions and raised salary based on the performance appraisal every year, to differentiate the remuneration of each employee.

Employees' annual incomes include monthly salary and year-end bonus, performance bonuses and employee remuneration based on the performance of the year are also distributed. The employees with excellent performance will have salary adjustment to retain outstanding talents.

Unit: NT$

Ratio of basic salary and remuneration of women to men

Basic salary			Pay ratio by gender (female:male)
Employee Category	Female	Male	
Management roles	1,394,723	1,518,551	0.92
Non-management roles	1,007,887	958,306	1.05
Total remunerations			**Pay ratio by gender (female:male)**
Employee Category	Female	Male	
Management roles	2,801,646	3,174,534	0.88
Non-management roles	1,383,193	1,369,122	1.01

Note 1: the calculation is based on the in-service employees of Mega Securities and its subsidiaries as of December 31, 2024, and annualized relevant remuneration data.

Note 2: The remuneration data is calculated on an accrual basis according to the Taiwan Stock Exchange's salary calculation regulations for full-time employees of non-managerial positions. The basic remuneration information is calculated based on the average figures, and the total remuneration includes the employee' s salary, bonus (year-end bonus, performance bonus, and employee remuneration) and overtime wages (including overtime wages for not taking leave).

The average and median salaries of full-time non-managerial employees

Item	2022	2023	2024
Number of full-time employees not in managerial positions	1,417	1,420	1,450
Mean of annual salary for non-managerial full-time employees (NT$)	966,440	1,094,442	1,379,605
Median of annual salary for non-managerial full-time employees (NT$)	807,232	918,024	1,176,860

Gender differences in the mean and median of employee remunerations and bonuses

Gender difference in the mean of remuneration	15.45%
Gender difference in the median of remuneration	9.23%
Gender difference in the mean of bonus	20.90%
Gender difference in the median of bonus	17.31%

Note 1: Ratio of (male' s data - female' s data)/male data.

Note 2: The calculation is based on the in-service full time employees of Mega Securities and its subsidiaries (serving for a full six months or longer) as of December 31, 2024, and annualized relevant remuneration data.

Note 3: The remuneration data is calculated on an accrual basis according to the Taiwan Stock Exchange's salary calculation regulations for full-time employees of non-managerial positions. The remuneration includes the employee' s salary, bonus (year-end bonus, performance bonus, and employee remuneration) and overtime wages (including overtime wages for not taking leave).

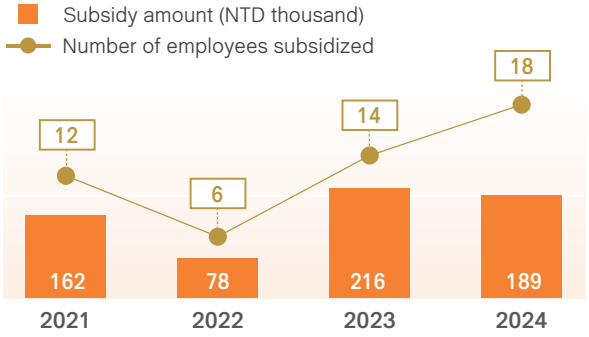
In addition to generous salaries, year-end bonuses, performance bonuses, and employee remuneration, Mega Securities and its subsidiaries also provide excellent employee benefits, including life/medical/disability insurance, maternity leave/paternity leave/family care leave, and consolation and care for retirees, among other retirement programs, as well as the shareholding trust, subsidies for weddings/funerals/celebrations/birth/injuries and illnesses/travel/clubs, in order to provide comprehensive care for employees.

Support for family and childcare

Blessings for getting married

To support the governmental policy of encouraging people of the marriageable age to get married, Mega Securities subsidiaries were provides a wedding subsidy of NTD 12,000 per person (superior than the law) to reduce the burden on employees when starting a family. Eight days of marriage leave are given to newly wed employees, and the marriage subsidy has been increased year by year. In 2024, a total of 19 people applied for wedding subsidies, and the amount of subsidies totaled NTD 201 thousand. The following figures are the wedding subsidies, a total of 18 people applied for wedding subsidies, and the amount of subsidies totaled NTD 189 thousand.

Mega Securities wedding subsidy statistics



Provision of birth support

To encourage employees to give birth with peace of mind, and to reduce the burdens during the pregnancy, the Company provides employees with maternity leave, prenatal checkup leave, paternity checkup and paternity leave. In addition, employees are given NTD 8,000 per child, plus a subsidy of NTD 5,000 per child from the Employee Welfare Committee. In 2024, a total of 31 employees applied for maternity subsidies, for a total subsidy of NTD 298 thousand; The following figures are the statistics of the maternity subsidies provided by the Company. In 2024, a total of 28 employees applied for maternity subsidies, with a total subsidy of NTD 281.5 thousand. Female employees or spouses of male employees who are pregnant for at least six months are given an expectancy packs and gift boxes for newborn, along with greeting cards from the chairperson and the general manager. (Providing childbirth subsidies/ health-related guidance and consultation services to pregnant employees /evaluating the working environment of pregnant employees, and adjusting work contents in a timely manner)

I. Female employees may apply for maternity leave pursuant to the following regulations:

(I) An employee who gives birth with pregnancy over six months, shall be granted maternity leave for eight weeks starting from around the time of the childbirth.

(II) An employee having miscarriage with pregnancy over three months, shall be granted maternity leave for four weeks

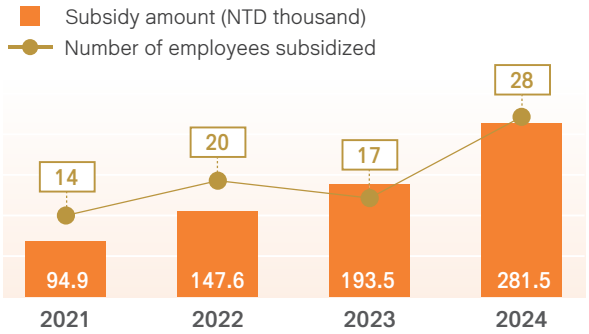
(III) An employee having miscarriage with pregnancy over two months but under three months, shall be granted maternity leave for seven days.

(IV) An employee having miscarriage with pregnancy less than two months, shall be granted maternity leave for five days.

II. Seven days of maternity checkup leave are given to female employees during the pregnancy.

III. An employee is given seven day of paternity leave while accompanying the spouse for a pregnancy checkup or childbirth.

Mega Securities birth subsidy statistics



Become a supporter of childcare

Mega Securities provides employees with a comprehensive parental leave system. For employees who meet the "Act of Gender Equality in Employment" and other relevant regulations, pursuant to the "Regulations of Employee Attendance Management" and the "Regulations for Employee' Unpaid Leave Management," upon full six months of service, the employees are entitled to apply for the unpaid parental leave for each child before three years old, until such child reaches the age of three, but the duration shall not exceed two years. Where two or more children are raised at the same time, the periods of unpaid parental leave shall be aggregated, and the longest duration is two years for the youngest child being raised. The duration of each application shall be no less than six months. However, employees with needs for less than six months may apply to Mega Securities for a period of no less than 30 days, but no more than two applications. Mega Securities has set up breastfeeding rooms in its office building to provide mothers with an independent and comfortable breastfeeding space to reduce inconveniences.

✓ Providing childcare subsidies/setting up breastfeeding rooms at the workplace

Work-life balance

The Company has a flexible working system and has also formulated the "Regulations Governing the Concurrent Employment or Concurrent Position of Sales Personnel" to provide options for concurrent employment and concurrent positions to sales personnel. In addition, when an employee shall take care of family members in person due to vaccination, serious illness, or other major accident, he/she may apply for the family care leave. The number of days of leave applied is included in the calculation of personal leave, and is limited to seven days in a year. For the calculation of wages during the family care leave, the regulations of personal leave shall apply.

✓ Flexible working hours / flexible leave

Protection of retirement life

For employee retirement planning, Mega Securities has formulated the "Regulations of Employee Retirement" pursuant to the "Labor Standards Act" and the "Labor Pension Act". In addition, a preferential retirement arrangement is provided for employees whose years of service plus their actual age reach 65 years old. Employees themselves may choose whether to continue to be covered by the group insurance of Mega Securities, but they shall pay the premium in full amount. To increase employees' loyalty to the Company, improve work performance and enhance harmony in labor-management relations, while achieving long-term savings, accumulating wealth, and protecting employees' lives after retirement, the Joint Employee Shareholding Trust Committee of Mega Securities Co., Ltd. was established in 2023. All employees are entitled to the employee shareholding trust benefit policy.

Company' s contributions to employee pensions	Except for the appointed managerial officers and those for which the Labor Retirement Act applies, the Company contributes the employee pension every month based on the contribution rate of the year determined by the actuarial net pension cost for the year and within the range of 15% of the total salary, to be deposited in the dedicated account of Labor Retirement Reserve, overseen by the Labor Retirement Reserve Supervisory Committee.
Retirement System under the Labor Standards Act	The Company contributes to the Labor Retirement Reserve Fund on a monthly basis according to the contribution rate estimated in the actuarial report, and has established a Labor Retirement Reserve Fund Supervisory Committee pursuant to the laws and regulations to supervise the contribution and utilization of the reserve fund.
Retirement System under the Labor Pension Act	The Company allocates 6% of personal salary monthly to the individual pension account opened with the Labor Insurance Bureau.
Employee shareholding trusts	In order to effectively cohere employees' loyalty and create a sense of belonging to the Company, as well as implement ESG employee care as a sustainable action, the "Joint Employee Shareholding Trust Committee of Mega Securities Co., Ltd." was established for employees' shareholding trust, and partial trust fund is subsidized by the Company.

6.2.2 Occupational health and safety

In order to ensure the safety and health of employees at work, create a healthy and safe work environment for employees, jointly create employee welfare, promote labor-management coordination and harmony, and improve work quality, Mega Securities has established an occupational safety and health management system to enhance the autonomous management, continuously improve occupational safety and health performance, reduce occupational disasters, protect labor safety and health, and establish the Manual of Occupational Health and Safety. Mega Securities has formulated the "Occupational Safety and Health Management Plan" pursuant to "Occupational Safety and Health Act" of Taiwan and other relevant regulations, to identify, assess, and control workplace or occupational hazards, while strengthening the employee safety and health education and training, to reduce and prevent related risks from progressing.

In accordance with the "Sustainable Development Best Practice Principles" (the scope of the Principles is applicable to the overall operating activities of Mega Holdings and its subsidiaries) established by the parent company, Mega Securities, the salary and remuneration policies, and the employee performance evaluation system are closely related to sustainable development. Mega Holdings has established the "Implementation Rules for the Annual Evaluation of Subsidiaries" (applicable to Mega Securities) and the "Procedures for the Risk Management Evaluation of Subsidiaries", which include ESG business and management performance indicators for the subsidiaries of Mega Holdings (including Mega Securities) as an important basis for the adjustment of bonuses and remuneration to the chairman and general manager. In 2024, the ESG management performance increased to 5% (including the achievement of compliance with social (including occupational health and safety) and environmental related laws and regulations, information security incidents and customer data leakage, greenhouse gas scopes 1 to 3 and general waste reduction, etc.), ESG business performance 2% (growth rate of sustainable development bond investment and underwriting amount), and comprehensive assessment of risk management (active participation in and implementation of work related to the management related to emerging risks (including climate risk)) 5%, and the total impact accounted for 12% of the total score. In the future, we will continue to take a proactive approach to promote the linkage between senior executive performance and sustainability performance, and include ESG performance in all aspects of senior executive performance evaluation indicators.

Mega Securities has established relevant policies and regulations pursuant to ISO 45001 Occupational Safety and Health Management System. In the "Manual of Occupational Health and Safety" of Mega Securities, the guidelines of Occupational health and Safety are stipulated, as well as in the operating regulations such as "Regulations for Sections of Occupational Health and Safety Organization and Risk Management" and "Regulations for Identifying Occupational Health and Safety Hazards and Risk Assessment". The Company also further implements improvement measures based on the hazard identification and risk assessment.

Mega Securities has established the Occupational Safety and Health Promotion Team, to deliberate and supervise employee health and safety-related plans. The scope of the occupational safety and health management system covers the full-time employees, excluding temp workers from dispatch companies. However, in order to protect the occupational safety of temp employees, Mega Securities has also formulated relevant regulations. For example, in the "Regulations of Safety and Health Management in Operating Environment for Contractors Contracted to Various Business", it is required to specify that the contractors shall follow the regulations related to occupational health and safety management of Mega Securities, and sign the Information Sheet of Operating Environment and Hazardous Factors for Contracting/Outsourcing. When Mega Securities outsources various businesses to contractors, the contractors shall be informed in advance of the working environment and potential hazards at the construction site, to ensure the safety and health of workers.

The head office of Mega Securities passed the certification of the "ISO 45001:2018 Occupational Safety and Health Management System" in 2024. Please refer to Appendix 9.3 External Independent Assurance Statement for the detailed certification information.

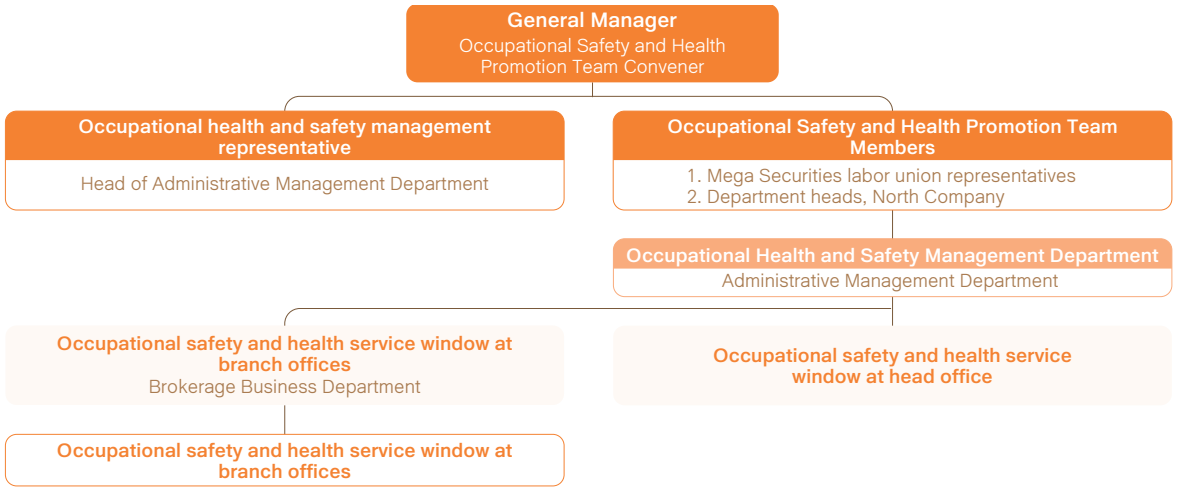


The Company has established the Occupational Safety and Health Promotion Team. The General Manager personally supervises the department heads to establish occupational safety and health policies, related systems, and implement specific measures, to create a safe, healthy, and friendly workplace environment, and passed the third-party certification of the ISO 45001:2018 Occupational Safety and Health Management System.

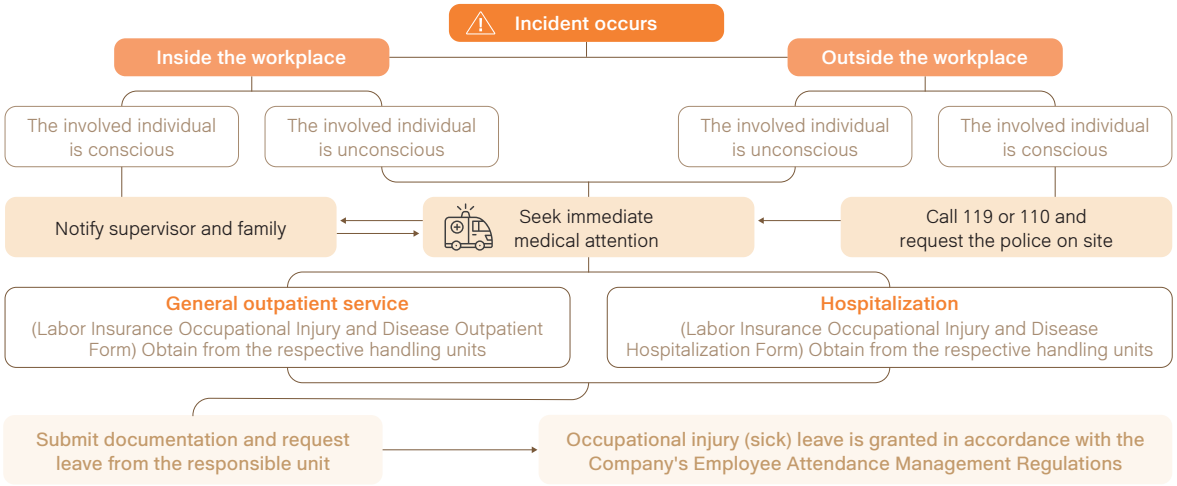
Occupational Health and Safety Promotion Team

The General Manager of Mega Securities is the convener of the Occupational Safety and Health Promotion Team, and serves as the ex-officio chair of the team meetings. The member of the promotion team consists of four representatives from the labor union of Mega Securities and the department heads of Mega Securities, for discussing, coordinating, and planning jointly the safety and health regulations, implementing the safety and health education and training programs and management matters. The Occupational Safety and Health Promotion Team held three meetings in 2024. Moreover, the Company has established the ISO45001 Occupational Safety and Health Disclosure Policy and related meeting minutes.

Diagram of Occupational Safety and Health Management System Framework



Flowchart of Handling Occupational Disaster



Occupational Health and Safety Training Plan

In response to the "Occupational Safety and Health Act," Mega Securities and its subsidiaries have deployed security staff or stationed security guards in each office building, and established a 24-hour monitoring system to control access and handle emergency situations. Mega Securities and its subsidiaries promote various occupational safety and health training programs, including training for occupational safety and health managers, training for fire fighting personnel, and first-aid training, to ensure the implementation of workplace safety. To prevent the occurrence of emergencies, Mega Securities organizes education and training on a regular basis, and organizes fire fighting and disaster prevention training courses every six months, to strengthen employees' ability to handle emergencies through on-site operation and drills. In 2024, there was no penalty incident for Mega Securities and its subsidiaries by violating the "Occupational Safety and Health Act."

Item	2024		First aid in the workplace and labor safety measures
	Number of people	Total hours	
Training for occupational safety and health manager	26	415	• Installation of the automated external defibrillator (AED) • Installation of first aid medicine and equipment • Fire and disaster prevention equipment • Fire and disaster prevention drill
Fire fighting management personnel	15	120	
First aid training	21	76	
General personnel (3-hour statutory occupational health and safety on-the-job education and training once every three years)	1,715	1,694	

Health promotion and workplace with peace of mind

In order to promote employees' physical and mental health and build a safe workplace, and to prevent employees from being affected by modern life pressures and improve their health, the Company organizeshealth promotion and safe workplace activities to strike an appropriate work-life balance. The activities and measures include health seminars, health checkups (a health checkup is conducted once every two years, and the number of employees is calculated according to Appendix 9.1.2 Social Indicator Data), the Employee Assistance Program (EAP), employee health insurance, and the establishment of lactation rooms (the headquarters has a lactation room; it was renovated in 2023 to provide a warm and friendly breastfeeding space), the establishment of a smoke-free workplace, the establishment of accessible facilities, and workplace testing (carbon dioxide and illumination are tested every six months, with carbon dioxide levels below 5,000 PPM, and lighting illuminance in the general office above 300mm, both meeting the legal requirements). In addition, the Company hires professional nurses and provides on-site physicians to provide regular on-site services and provide professional health consultation.

Mega Securities Workplace Health Promotion Program

Health Solutions	Solution Description	2023 Program Performance	2024 Program Performance
1.Health lectures	The Company regularly organizes health lectures to raise employees' health awareness, and invites relevant professional lecturers to come to the Company to give on-site lectures.	• A total of four sessions of the Employee Health Care Lecture Series were held: • with the topics of “Lung Adenocarcinoma”, “Walking Techniques and Basic Aerobics”, “Stress Relief” and “Slow Jogging,” benefited 152 participants. • A total of four sessions of the Female Care Lecture Series were held: • The topics were “Female Dietary and Nutritional Health - Eat Well to Look Well”, and “Female Cancer Risks and Prevention” - Benefiting 52 people. • Physical fitness: • Seven sessions of "basic muscle exercise" - benefiting 148 people.	Employee Health Care Lecture: • Topics: “breast cancer”, “colon cancer”, “mind-body conversation”, “pacing”, and “correcting posture”. Middle-aged and Elderly Health Care Lecture: • Topic: “Mega - Unveiling the Code to Bone Health”. • Five employee health care lectures - Benefiting 451 people. • One middle-aged and elderly health care lecture - Benefiting 73 people.
2. Psychological counseling (EAP)	Since late 2019, we began to engage a professional psychological counseling agency every year to provide employee with psychological counseling service. The employees may choose among the 0800 counseling phone, e-mail counseling, or one-on-on in-person counseling, to seek the counseling service from the professional psychiatrist, as a channel to relieve stress, communicate, and solve problems.	• Number of customers for 0800 counseling services: four • Number of customers for face-to-face counseling: one	• Number of customers for 0800 counseling services: four • Number of face-to-face consultations: four
3. Professional health counseling	We hire full-time nurses and provide stationed physician with regular on-site services, including employee health consultation, simple injury and illness treatment, emergency medical treatment, and employee protection plans. Physicians and nurses are regularly invited to provide on-site health counseling services for employees. The nurses plan and execute health lectures and health promotion activities, track and care for employees with high-risk, provide resources related to pregnancy and postpartum care for female employees or spouses of male employee, and conduct regular health promotion and pushes.	• Organized four on-site clinical counseling services that benefited 20 people.	• Organized four on-site clinical counseling services that benefited 14 people.
4. Operating environment inspection	In order to maintain a safe workplace environment for employees, and ensure indoor air quality, carbon dioxide detection is carried out on a regular basis pursuant to the law.	• Carbon dioxide and illuminance are tested once every six months. Where the measured values of the carbon dioxide concentration were all less than 5000PPM, and the measured values of the general office illumination is above 300 m candela. The measured results meet the legal requirements.	• Carbon dioxide and illuminance are tested once every six months. Where the measured values of the carbon dioxide concentration were all less than 5000PPM, and the measured values of the general office illumination is above 300 m candela. The measured results meet the legal requirements.

Mega Securities Workplace Health Promotion Program			
Health Solutions	Solution Description	2023 Program Performance	2024 Program Performance
5. Employee health insurance	All on-service employees are entitled to group insurance (medical insurance and accidental injury insurance). 1. Medical insurance (NT$2,500 per day for hospitalization, or NT$60,000 for medical expenses, NT$80,000 for surgery expenses, or reimbursed as paid, whichever is better), term life insurance (24 times of the salary) 2. Accidental injury insurance (maximum NT$20,000 per accident), term life insurance (24 times of the salary)	• Total premiums paid in 2023: NT$12,904,652 for medical insurance and NT$598,495 for accidental injury insurance • Benefiting 1,520 people	• Total premiums paid in 2024: NTD 18,151,605 for medical insurance and NTD 729,396 for accidental injury insurance; • Number of beneficiaries (as of December 31, 2023) 1,628
6. Workplace abuse	In order to prevent employees from physical or mental abuse in the course of performing their duties due to the behavior of others, the Company has formulated a plan to ensure the physical and mental health of employees.	• Gender equality lecture - Benefiting 106 people.	• Workplace abuse prevention training (online) - Benefiting 1,554 people. • Course (physical) on workplace abuse and gender violence - Benefiting 182 people. • Education and training on prevention and control of sexual harassment in the workplace - Benefiting 383 people. • 92 people benefited from the Three Acts of Gender Equality lecture.

Prevention of occupational disasters

Four major protection programs

For the four major protection programs (prevention of ergonomic hazards, prevention of abnormal workload-induced disease, prevention of illegal infringement, and maternal health protection) stipulated in the Occupational Safety and Health Act, Mega Securities has formulated a ergonomic hazard prevention plan, an abnormal workload induced disease prevention plan, a prevention plan for misconduct during the performance of duties, as well as a labor health service plan, a maternal labor health protection plan, and a suitable work plan for middle-aged and elderly employees, in order to manage various occupational safety hazards and preventive measures. We also use the digital learning platform to send relevant questionnaires, or perform on-site inspections to identify hazards and assess risks.

Four major protection programs	Prevention of ergonomic hazards	Description	(1) In order to reduce musculoskeletal-related problems while promoting the health of all employees, the Company has conducted 10 minutes of stretching for 10 minutes per workday since 2023. (2) In 2024, Mega Securities conducted a musculoskeletal symptom questionnaire in conjunction with employee health checkups. In 2025, it is expected that employees with the highest rating will be targeted for care and follow-up. The nurses, on-site service physicians, and occupational safety personnel will jointly examine the working environment at the site, and provide information on ergonomic improvement measures and health education. (3) In 2024, courses on prevention of ergonomic hazards were added to Mega Securities' education and training.
		Implementation results	(1) Benefiting 1,563 people (2) 1,312 valid musculoskeletal symptom surveys were completed in 2024.
	Prevention of diseases caused by abnormal workload	Description	In 2024, Mega Securities conducted an abnormal workload risk assessment questionnaire in conjunction with employee health checkups. In 2025, it is expected that employees with a high rating will be targeted for care and follow-up. The nurses, on-site service physicians, and occupational safety personnel will jointly examine the working environment at the site, and provide information on ergonomic improvement measures and health education.
		Implementation results	1,312 valid abnormal workload hazard risk assessment questionnaires were completed in 2024.
	Prevention of illegal infringement when performing duties	Description	(1) In 2024, Mega Securities conducted a questionnaire on misconduct during the performance of duties in conjunction with employee health checkups. (2) In 2024, courses on misconduct during the performance of duties were added to Mega Securities' education and training.
		Implementation results	(1) 1,312 valid questionnaires on misconduct during the performance of duties were completed in 2024. (2) Benefiting 1,559 people
	Maternity health protection	Description	Mega Securities has combined health initiatives with the Attendance Management System of the Human Resources Department to create a follow-up care list. The nurses and on-site physicians conduct follow-up care and provide information, such as, health guidance and benefit measures related to during and after pregnancy and breastfeeding. The Company also provides maternity care packages and newborn gift boxes, implementing the maternal health protection at the workplace.
		Implementation results	In 2024, care was provided for 21 pregnant and postpartum female employees and their spouses.

Work-related injuries

Mega Securities and its subsidiaries are committed to creating a friendly workplace environment. We continuously optimize employee healthcare and workplace safety measures every year, and value workplace safety. In 2024, the occupational injury rate was 2.17, and the lost days ratio was 3.13. In 2024, where the occupational injury was mainly caused by an employee while performing duties, or the accident occurred on the way between the residence and office and caused injury, the incident investigation mechanism was activated in the both cases, to take the initiative to investigate the causes of the incident and care for their health. Depending on the injury, the assistance to apply for outpatient for occupational injury, hospitalization, claims of injury/illness/disability were given pursuant to the labor insurance relate regulations, and the official injury/illness leave was granted. The nurses tracked the health condition of the employees after the incident, so that the victims really feels the care and love from the Company.

Statistics of work-related injuries

Item	2024
Occupational injury rate (IR)	2.17
Severe occupational injury rate	0
Percentage of fatalities due to occupational injuries	0.31
Lost days rate (LDR)	3.13
Absenteeism rate (AR) (%)	0.53

Note 1: Occupational injury rate (excluding personal traffic accidents of employees) = (No. of people injured × 1,000,000)/total No. of hours worked.
Note 2: Percentage of severe occupational injuries (excluding fatalities) = (No. of severe occupational injuries x 1,000,000)/total No. of hours worked.
Note 3: Death rate due to occupational injuries = (Number of fatalities due to occupational injuries x 1,000,000)/total No. of hours worked.
Note 4: Lost days rate = (No. of working days lost x 1,000,000)/total No. of hours worked.
Note 5: Absenteeism rate (%) = (total days absent/total man-days) x 100%.
Note 6: Please refer to Appendix 9.1.2 Social Indicator Data for detailed occupational injury statistics.
Note 7: The statistics for 2022 and 2023 covered employees of Mega Securities; the statistics for 2024 covered employees of Mega Securities and its subsidiaries.

6.3 Human Rights Protection

To protect the fundamental human rights of employees, suppliers, business partners, and other stakeholders, Mega Securities has established the "Human Rights Policy" by referring to the "Universal Declaration of Human Rights Poster of UN," "Global Compact of UN," "International Labor Organization of UN" and the "United Nations Guiding Principles on Business and Human Rights" and other relevant regulations; the Company is committed to creating a friendly workplace diverse and equal, and promote the sustainable development of society as a whole. By establishing a human rights risk due diligence process, we assess our operations and value chain, to investigate whether there are human rights-related risks to effectively mitigated the potential human rights impacts. In order to embed the concept of human rights protection in the daily operations, Mega Securities and its Subsidiaries conducts human rights education and training for all full-time employees every year.

Human rights issue management guidelines

The Company continuously monitor the international human right trends; by establishing a human rights risk due diligence process, we assess our operations and value chain, and new business relationships, e.g. M&A and joint ventures, to investigate whether there are human rights-related risks to effectively mitigated the potential human rights impacts.

↓

The Company formulates mitigation and improvement measures for the material human rights risks identified, and the compensation for risks that cannot be completely eliminated.

↓

The Company continuously promotes employee human rights education, deepens the employees' awareness of human rights, and understands their rights and complaint filing channels

+ Human Rights Policy	+ Anti-discrimination and Anti-harassment Principles	+ Regulation for Prevention of Sexual Harassment in the Workplace

Employee complaint hotline	Employee complaint email
02-23278988 ext. 7885	HR7885@megasec.com.tw

6.3.1 Human rights due diligence

In order to implement human rights risk management, Mega Securities and its Subsidiaries follow the Group' s human rights due diligence process to regularly review the human rights risks of Mega Securities, continuously track international human rights trends, analyze human rights issues that are of concern to sustainability rating agencies, and screen the important human rights issues as the main assessment items. The corresponding evaluation mechanism is designed with "employees" and "suppliers" as the main target of investigation. Mitigation and compensatory measures have been formulated for high-risk human rights issues identified in the investigation, and the improvement results are continuously tracked.

◆ Human rights due diligence process

• Plan — the planning stage

Compilation of human rights issues

By referring to the international trends, sustainability rating, and peer information, the information on human rights issues are collected for the internal employees, and design questionnaire of the surveys

• Do — Execution Phase

identification of human rights

Evaluate the operations every year to identify potential human rights risks.

• Check — Checking stage

Confirmation of identification result

Examine the Company' s operations for high-risk human rights issues, and the review of internal employee identification results. The above results will be reported to the Sustainable Development Committee.

• Action — Action phase

Compensation for risk mitigation

Formulate mitigation and compensation measures based on risks, track the implementation coverage rate and improvement rate of the measures, and flexibly adjust the investigation process and improvement measures.

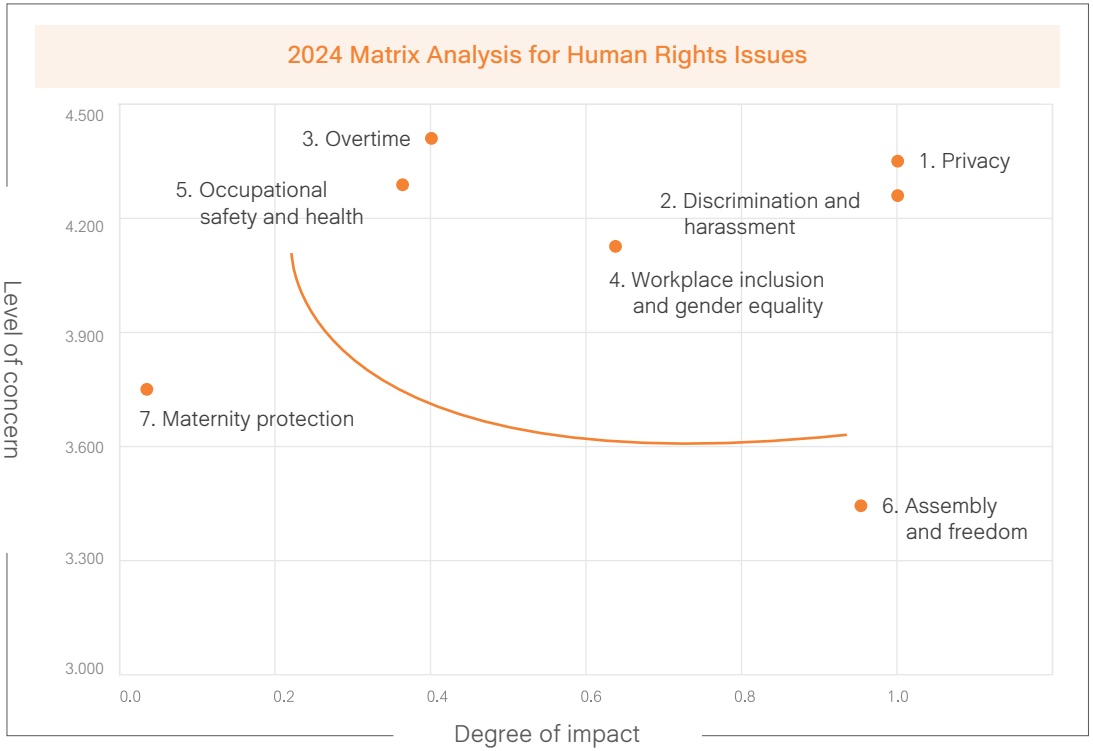
Plan | Summary of human rights issues

Scope of investigation	Survey respondents	Policies for compliance	Potential human rights issues	Groups covered by human rights risks	Investigation method
Operation of the Company	Employees	Mega Holding's Human Rights Policy Mega Securities' Human Rights Policy Mega Holdings' Anti-discrimination and Anti-harassment Principles	Maternity protection, workplace inclusion and gender equality (including equal pay for equal work), occupational safety and health, overtime working, privacy, freedom of assembly and negotiation, discrimination and sexual harassment	Employees of the Company	Human rights due diligence for employees
Value Chain	Suppliers	Mega Holding's Human Rights Policy Mega Securities' Human Rights Policy Mega Holdings' Anti-discrimination and Anti-harassment Principles Regulations of Supplier Sustainable Development Management of Mega Securities	Child labor, discrimination, forced labor, human trafficking, equal pay for equal work, freedom of association, right to collective bargaining, occupational safety and health, personal data protection and privacy	Children Women Indigenous peoples Migrant workers Third-party contracted labor	Supplier Sustainable Development Self-Assessment Questionnaire

Do | Human Rights Risk Identification

Employees' human rights risk assessment

In 2024, Mega Securities and its subsidiaries conducted human rights due diligence on its employees, and identified "workplace inclusion and gender equality," "occupational safety and health," "overtime working," "privacy rights," and "discrimination and harassment" based on the probability of occurrence and severity of each human rights issue, as high human rights risk factors of Mega Securities, while developing the risk matrix of human rights issues for Mega Securities.



Human Rights Assessment of Suppliers

In 2024, the main human rights risk factors of concern to Mega Securities and its subsidiaries in relation to all key suppliers included labor rights and human rights and occupational safety and health, with inquiries being made regarding any violation of the "Labor Standards Act," "Act of Gender Equality in Employment," "Employment Service Act," "Middle-aged and Elderly Employment Promotion Act," "Occupational Safety and Health Act," "Labor Pension Act," and "Labor Occupational Accident Insurance and Protection Act" by suppliers through the Inquiry System of Business Unit (Employer) Violating Labor Laws and Regulations by the Ministry of Labor. (please refer to 3.3.1 Supplier Management)

Check & Action | Verification of Identification Results and Compensation for Risk Mitigation

In recent years, Mega Securities and its subsidiaries have participated in the identification of material human rights issues of Mega Group, reviewed its own operating activities, and collected opinions from internal employees on human rights risks. In 2024, we invited internal employees to conduct a human rights due diligence survey through questionnaires, focusing on the two aspects of "degree of impact" and "degree of concern". We collected 48 valid questionnaires and created a matrix for analysis to identify issues that posed a significant potential risk to the operations of the Company. These included "privacy", "discrimination and harassment", "overtime", "workplace inclusion and gender equality", and "occupational safety and health", while proposing corresponding measures to mitigate human rights risks. The mitigation and compensation measures are applicable to all operating sites of Mega Securities, Mega Futures, and Mega International Investment Services. In the event of a major human rights incident, the compensation measures will be formulated in accordance with the relevant regulations.

Survey respondents	Total risk ratio (%)	Major risk factors	Risk ratio (%)	Mitigation measures	Compensation measures	Implementation percentage of mitigation and compensation measures
Employees	0.56%	Overtime work	0.06%	1. Reminding employees of monthly attendance through announcements or emails. 2. Reminding the off-duty time verbally and systematically, and remind the employees to apply for an extension of working hours in advance and take a 30-minute break if necessary. 3. Reminding the officers to allocate work properly, and to advise employees to leave if they stay in the office without overtime required.	1. Provide compensatory leave or overtime wage pursuant to the law. 2. Review the overtime status of departments every month. 3. Take the initiative to care for the working conditions of employees who often work overtime, and ask their supervisors to make timely adjustments to the work content if necessary.	100%
		Privacy right	0.00%	1. Establish regulations for protecting privacy rights of employees and customers. 2. Employees sign the confidentiality agreement for their clearly understanding of the confidentiality obligation. 3. Regularly promote the importance of personal data protection and organize relevant education and training.	1. Pursuant to the Personal Data Protection Act and relevant internal regulations, the emergency notification and contingency measures are adopted. 2. For the incidents leaking employee or customer privacy, the punishments linked to remuneration are taken to prevent recurrence. 3. Regularly conduct information security audits and internal audits, strictly implement customer privacy right and personal data protection measures, to ensure that the Company's business secrets and customer data are not leaked.	
		Occupational Health and Safety	0.43%	1. Establish first aid kits, automated external defibrillator (AED) and other medical devices, and provide programs such as health checkup subsidies and on-site medical care/ stationed physicians. 2. Regularly organize occupational health and safety-related education and training (such as firefighting, first aid, health promotion, among other things). 3. Regularly test the quality of the workplace environment (such as firefighting safety, air quality, drinking water quality, among other things).	1. Provide employees with regular health checkups or health checkup subsidies. 2. The health conditions of employees are tracked by the medical staff and stationed physicians. 3. Through the employee engagement survey and psychological counseling service (EAP) project, the employees' thoughts are understood for making appropriate adjustments.	
		Discrimination and Sexual Harassment	0.00%	1. Establish regulations and complaint handling procedures for the prevention of discrimination and sexual harassment. 2. Regularly organize anti-discrimination and anti-harassment education and training, or promote the same in public areas (e.g. pantry, bulletin board, among other things).	1. Pursuant to the internal regulations related to discrimination and sexual harassment prevention, the emergency notification and contingency measures are adopted. 2. For employees discriminate and sexually harass others, the punishments linked to the remuneration are adopted to prevent recurrence.	
		Workplace inclusion and gender equality	0.06%	1. Establish regulations related to employee diversity and gender equality, including no differential or unfair treatment in employment, remuneration, benefits, and promotions because of personal nationality, race, gender, sexual orientation, age, marital status, and physical or mental disabilities. 2. Regularly organize workplace inclusion and gender equality education and training, or promote the same in public areas (e.g. pantry, bulletin board, among other things).	1. Establish the employee complaint channels and provide a whistle-blowing mechanism for unfair differential treatment. 2. Recruit a certain percentage of disadvantaged groups (including the physically and mentally challenged and indigenous people) as much as possible according to the laws and regulations.	

Survey respondents	Total risk ratio (%)	Major risk factors	Risk ratio (%)	Mitigation measures	Compensation measures	Implementation percentage of mitigation and compensation measures
Suppliers	3.85%	Labor rights and human rights	3.85%	1. Continuously sign the "Supplier Sustainability Declaration" with suppliers and observe the Mega Securities' human rights policy. 2. Track the supplier's penalties related to labor and environmental safety regulations.	1. Require suppliers to ratify the deficiencies based on the self-evaluation results. 2. The supplier meetings are held every year, and provide relevant education and training to promote the concept of corporate sustainability.	100%
		Occupational safety and health	0.00%	1. Through actual interactive surveys (including supplier visits and communication meetings). 2. Track the supplier's penalties related to occupational safety regulations.	1. Require suppliers to ratify the deficiencies based on the self-evaluation results. 2. The supplier meetings are held every year, and provide relevant education and training to promote the concept of corporate sustainability.	

Note 1: Employee human right risk ratio (%) = number of employees affected by risk incidents/total number of employees x 100%.
Note 2: Supplier risk ratio (%) = number of key suppliers punished due to labor or environmental safety regulations/total number of key suppliers x 100%.
Note 3: The employee human rights risk mitigation and compensation measures adopted by Mega Securities, Mega Futures, and Mega International Investment Services cover 43 operating sites in Taiwan, with a coverage rate of 100%.
Note 4: Key suppliers of Mega Securities and its subsidiaries are defined as suppliers with a single or cumulative transaction amount of NTD 1.5 million or above in the previous year.

6.3.2 Human Right Risk Management

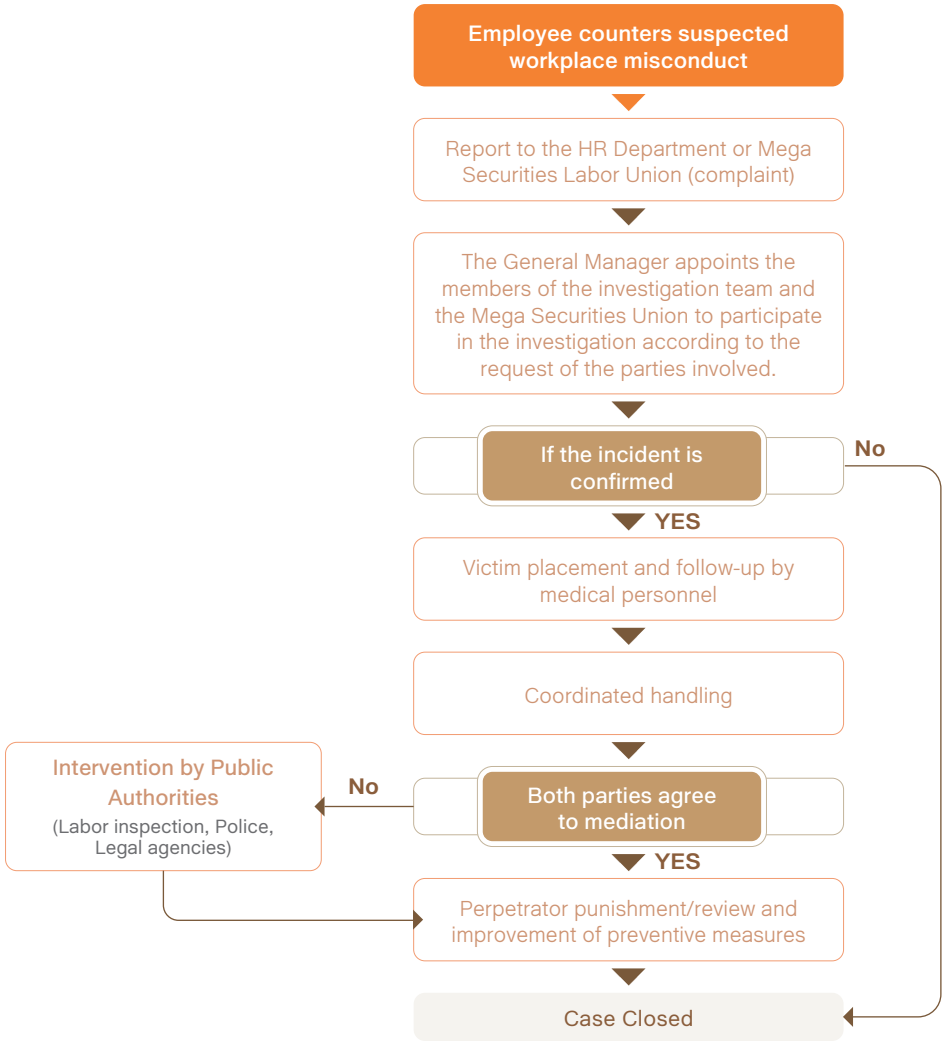
Education and training of human rights

To embed the concept of human right protection in the daily operations, Mega Securities continuously conducts human right education and training for its employees. The human right courses include illegal infringement, Personal Data Protection Act, ethical corporate management education and training, employees' confidentiality education and training, the theory and practice fair customer treatment in the financial industry, general employee safety and health education and training, and the Act of Gender Equality in Employment, among other things. The Company is committed to creating a diverse, equal, and friendly workplace and promoting the sustainable development of society as a whole. In 2024, a total of 11,656 people in Mega Securities and its Subsidiaries attended human right-related courses, and the total number of training hours reached 19,780 hours.

Promotion and maintenance of human rights

To promote and implement gender equality, Mega Securities and its subsidiaries refer to the spirit of the International Labor Organization Convention (ILO), and complies with the Human Rights Policy and "Anti-discrimination and Anti-harassment Principles" (applicable to Mega Securities and its subsidiaries), with the "Human Rights Policy" and the "Regulation for Prevention of Sexual Harassment in the Workplace" established. Mega Securities received six reports of workplace illegal infringement in 2024. They were investigated jointly by the ad hoc team and the labor union, and the cases were handled and closed. In addition, Mega Securities has published related programs and complaint filing channel information on the Company's intranet website, to strengthen promotion. If employees encounter illegal infringement, they may file a complaint through the internal employee complaint filing channels, and the employees are ensured to have a better understanding of workplace illegal infringement prevention and countermeasures.

◆ Reporting process for illegal infringement



Labor relations

In order to promote labor-management harmony, enhance business development, and protect employees' labor rights, the "Enterprise Labor Union of Mega Securities Co., Ltd" was founded in August 2017 by employees, with the directors (supervisors) and member (representative) meetings. Mega Securities and the enterprise labor union of Mega Securities convene regular labor-management meetings consisting of six representatives from each party. They exchange opinions on various issues, and conduct thorough communication. Through other communication platforms, such as setting up the union-specific section on the Company's intranet, conversations with the labor union directors and supervisors from time to time, to strengthen the stability of labor-management relations. Mega Securities and Mega Securities Labor Union signed a collective bargaining agreement, which has 56 articles. After 14 meetings of both parties, an agreement was reached and was approved by the 40th meeting of the 12th Board of Directors on January 16, 2025. The agreement is valid for three years. Both parties should renew the agreement or sign a new agreement three months before the expiration of the period. The original contract is effective before the new contract is submitted to the supervisor. In order to enhance the professional knowledge and skills of employees and to improve work efficiency, the Company has negotiated with the labor union and provided a certain amount of subsidies for labor education matters. Mega Securities is currently actively negotiating the collective bargaining agreements with the enterprise labor union of Mega Securities, to agree with the labor conditions related to the issues of benefits, working hours, leaves, employment, transfer and dismissal, retirement and compensations, health and safety, etc., to ensure that the rights and interests of employees are protected by labor-related laws and regulations, to promote the harmonious labor-management relation and create a win-win situation for labor and management. In addition, to implement our commitment to the employees' right to work, whenever units are added, relocated, or merged due to organizational adjustment, employees are informed of the change in advance. If any employee has no suitable job due to the changed business nature, or indeed incompetent at his/her job, the Company will notify him/her of the date of termination in advance in accordance with the provisions of Article 16 of the Labor Standards Act.



7 Co-Prosperity in Society

7.1 Financial Education

7.2 Social commitment

Corresponding United Nations Sustainable Development Goals (SDGs)



Stakeholders with priority access

- Community/School/Non-Profit Organization

The Company believes that sustainable development is the long-term goal of corporate development. We are committed to exerting positive influence in line with the Group's sustainable spirit. We respond to the UN's Sustainable Development Goals (SDGs) through the four major pillars of social co-prosperity -"financial education", "care for the disadvantaged", "cultural heritage", and "ecological sustainability".

To implement this concept, Mega Securities, through the resources and power of itself and "Mega Charity Foundation" and the "Mega Bank Culture and Education Foundation" under Mega Group, provides care and assistance to groups in need, in the aspects of providing financial education, taking care of the disadvantaged, supporting local sports and arts/culture, and other social welfare measures, seeking to spread love to every corner of Taiwan.

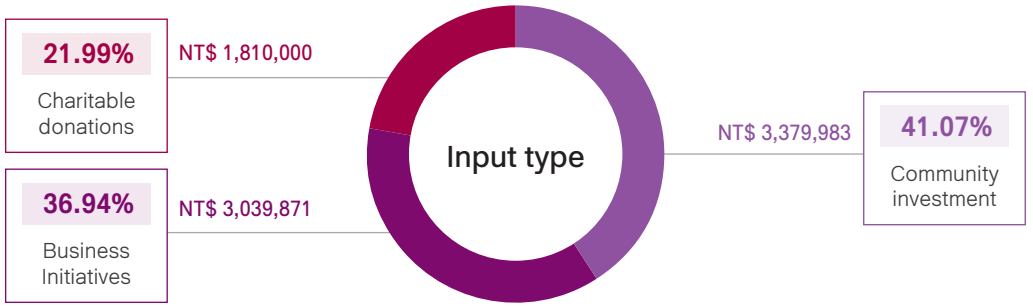
Pillars and performance of social co-prosperity strategies

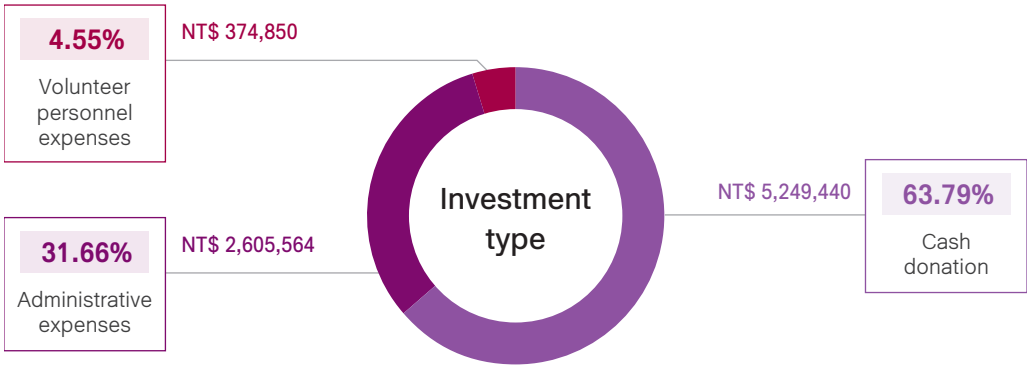
Pillars of social co-prosperity strategies	Linking to the SDGs	Social influence	Commercial benefits and social and environmental benefits
Financial Education	SDG4 Quality Education SDG 8 Decent Work and Economic Growth SDG10 Reduced Inequalities	• Promote the popularization of financial knowledge • Enhance financial literacy of the general public • Enhance awareness of fraud prevention in all aspects of finance • Cultivate financial talent and career development	• 24 sponsored/organized activities • 53 volunteers, totaling 246 hours • Benefiting 10,357 people • 51 press releases
Care for the disadvantaged	SDG1 No Poverty SDG10 Reduced Inequalities	• Provide resources and assistance to disadvantaged groups • Support sports and innovative talent development • Promote rural medical and health care • Support disaster relief and public welfare activities	• 11 sponsored/organized activities • 48 volunteers, totaling 171 hours • Benefiting 91 people • 19 press releases
Cultural heritage	SDG4 Quality Education	• Promote the national health movement • Support the development of local arts and cultural activities • Drive the benefits of the local tourism industry	• Five events sponsored / organized
Ecological sustainability	SDG13 Climate Action	• Promote environmental restoration and ecological balance • Enhance mountain and forest conservation and ecological diversity • Enhance the awareness of environmental protection among the public	• Six events sponsored / organized • 122 volunteers, totaling 465 hours

Influence assessment

The Social Co-Prosperity Team under the Sustainable Development Committee of Mega Securities has drawn up the annual work execution plan and goals, and regularly reviews their effectiveness. With reference to the B4SI (Business for Social Impact) evaluation framework, the social investment benefits are comprehensively evaluated from "investment", "output", to "impact". The forms of investment include "cash donations", "in-kind donations", "volunteer personnel expenses", and "management expenses". The types of investment activities include "charitable contributions", "community investments", and "business initiatives". Based on the statistics of the above items, the social influence and benefits of Mega Securities are effectively tracked and evaluated. In 2024, the social investment of Mega Securities totaled NTD 8,229,854, with 223 volunteers and 882 service hours. The Company sponsored or organized a total of 46 events, benefiting 10,448 persons.

Proportion of investment in the strategic pillars of social co-prosperity (Amount: NT$)	Amount	Percentage
Financial Education	4,369,554	53%
Care for the disadvantaged	2,132,675	26%
Cultural heritage	1,530,000	19%
Ecological sustainability	197,625	2%
Total	8,229,854	100%





7.1 Financial Education

7.1.1 Financial Education

With the financial expertise of Mega Securities, we give back to society, and are committed to promoting financial education and anti-fraud awareness to fulfill our corporate social responsibility. In 2024, we implemented inclusive finance through multiple actions to facilitate the improvement of financial literacy for the general public.

Financial education: Mega Securities organized 10 financial seminars and visits in collaboration with colleges and universities, communities, government agencies, and public welfare organizations. The seminars and visits covered securities practices and risk management, benefiting 316 students and helping them improve their financial literacy and explore their career development. The seminars included four anti-fraud lectures (such as the elderly lecture held with the Southern Taiwan Joint Services Center, Executive Yuan, and the "Eye Care and Financial Anti-Fraud" lecture held with the Taiwan Prevent Blindness Foundation), raising the awareness on fraud prevention among 233 people. In addition, the Company promoted proper investment concepts through press releases and financial columns.

Internship: 53 students were provided with internships or part-time jobs to accumulate practical experience and lay the foundation for their future career development.

Public welfare engagement: The Company sponsored the "Financial Literacy Charity Library", "Financial Service Charity Carnival", and "Taiwan Venture Capital Summit" to promote financial literacy, prevent fraud, and support innovative entrepreneurship. The total amount invested in these 14 sessions was NTD 2,761,904, benefiting 9,755 people.

Financial education

NTD 4,369,554 was invested in 2024 to sponsor/organize 24 educational sessions, with 53 volunteers and 246 hours of work, benefiting 10,357 people

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Inclusive financing education	Students (high school, college students)	• Four lectures on financial management and anti-fraud awareness were held at colleges and universities. • One lecture on financial management and the promotion of anti-fraud was held at the Indigenous Student Resource Center at the university. • Mega Securities, Mega Futures, and Mega International Investment Services jointly organized a session for high school and university students to learn about the securities industry and explore their career paths, and promoted anti-fraud awareness among the students.	• Enhanced financial literacy and fraud prevention awareness. • Promoted career development and social fairness.	• Sponsored / organized sessions: 6 • No. of volunteers: 40 • Volunteer hours: 208 • No. of press releases: 4 • Beneficiaries: 316	148,400

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Inclusive financing education	Public	• One financial lecture and anti-fraud awareness session was held for Master's Program In-service Professionals. • 2 anti-fraud awareness campaigns were held in conjunction with local units, targeting at the elderly. • One session on eye protection and health education and anti-fraud awareness was held in conjunction with the Taiwan Prevent Blindness Foundation, incorporating the elderly.	• Enhanced financial literacy and fraud prevention awareness. • Promoted health and financial safety.	• Sponsored / organized sessions: 4 • No. of volunteers: 7 • Volunteer hours: 14 • No. of press releases: 18 • Beneficiaries: 233	74,750
	Public Existing / Potential Customers	• We released 7 press releases to promote awareness of financial fraud. In addition to promoting the concept of preventing financial fraud, we also compiled the information of the FSC and other financial institutions to support our campaigns. • Cooperated with the Taiwan Securities Association, to provide a column of "Financial Weekly - Investment Viewpoint" on the Liberty Times with 12 news articles.	• Enhanced the public' s awareness of fraud prevention and investment and wealth management knowledge, and expanded the financial knowledge.	• No. of press releases: 19	N/A
Internships or part-time jobs	Students	• 53 college students were provided with internship opportunities. The eight departments include Brokerage Business Department, Capital Market Business Department, Share Agency Department, Proprietary Business Department, Financial Commodity Business Department, Legal Affairs and Compliance Office, Information Department, Planning Office, as well as at Mega Futures and Mega International Investment Services.	• Cultivated financial talent and enhanced students' workplace competitiveness. • Helped students accumulate practical experience and lay the foundation for their future careers, and supported education fairness and industry sustainability.	• Beneficiaries: 53	1,384,500
Sponsorship to financial events	Students	• Donated NTD 500,000 to Taiwan Reading Culture Foundation, and set up the "Financial Literacy Charity Library" project at Chueiyang Elementary School in Chiayi City.	• Provided financial education resources to enhance basic financial knowledge, promote education fairness, and build a solid foundation of financial literacy.	• Sponsored / organized sessions: 1	500,000
	Public	• Mega Securities and Mega Futures participated in two "2024 Financial Service Charity Carnival" events to promote financial knowledge and anti-fraud concepts. • Participated in four "New Financial Knowledge Halloween Party" events for new immigrants, and set up stalls to promote financial knowledge and anti-fraud concepts in the form of games. • Participated in the year-end volunteer event of the Mega Charity Foundation - TFCF South Taichung held at Daren Elementary School, promoting anti-fraud. • Sponsored the "2024 Taiwan Venture Capital Summit" with NTD 500,000. The activities included four in-depth seminars on innovative entrepreneurship, investment in startups, digital economy, and new venture overseas, and new venture capital presentations.	• Enhanced the financial literacy and fraud prevention awareness of diverse communities. • Supported innovative business development and promoted the sustainable growth of industries.	• Sponsored / organized sessions: 11 • No. of volunteers: 6 • Volunteer hours: 24 • Beneficiaries: 4,748	1,202,033

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Sponsorship to financial events	Public Existing / Potential Customers	• The Company donated NTD 100,000 to the "2024 Annual Meeting of the Institute of Directors - Exploring Taiwan's International Competitive Edge under the Global Competitive Situation". The event targeted board members, general managers, and corporate governance officers of listed companies to discuss the international competitive edge of domestic companies, with the Taiwan Institute of Directors' White Paper published.	• Enhanced the global perspective and corporate governance capabilities of senior management, and promoted the international competitiveness of Taiwanese companies to elevate the sustainable growth of the industry.	• Sponsored / organized sessions: 1 • Beneficiaries: 195	100,000
		• Mega Securities and Mega Futures jointly held the "Anticipate Favorable Issues and Make Precise Investment Layouts" at the 2025 Investment Trend Forum, focusing on the global economic situation and industry trends, to help investors grasp investment opportunities.	• Enhanced the insights of global economic and industrial trends of investors, and promoted responsible investment and the benefits of economic growth and market stability.	• Sponsored / organized sessions: 1 • No. of press releases: 10 • Beneficiaries: 4,812	959,871

Highlights

Content	Photo
Inclusive Financial Education - Cross-Community Fraud Prevention and Literacy Program With the help of various parties, the 10 events organized by the Mega Securities firm promoted financial literacy and fraud prevention awareness. Beneficiaries of the events included 549 individuals from diverse communities. The events included four financial lectures at colleges and universities, a special session for indigenous students, career exploration activities, and two awareness sessions on fraud prevention for the elderly and one eye protection and health education lecture. The goal is to combine health and financial education to care for disadvantaged groups.	
Diverse Internship Program - Broaden Career Horizons The Company has launched a diverse department internship program, providing 53 college students with internships or part-time job opportunities spanning eight departments - Brokerage Business Department, Capital Market Business Department, Share Agency Department, Proprietary Business Department, Financial Commodity Business Department, Legal Affairs and Legal Compliance Office, Information Department, Planning Office, as well as at Mega Futures and Mega International Investment Services. By doing this, we help students gain an in-depth experience in financial practices and accumulate work experience, thereby promoting industry-academia integration. Some students also received formal employment opportunities to realize the principle of "learning by doing". The Company will continue to deepen industry-academia collaboration to create more diverse learning and development opportunities for young generations, promote the cultivation of financial talent, and boost the sustainable growth of the industry.	
Fun Learning - Facilitate Financial Literacy and Fraud Awareness Through Interactive Games In an effort to promote financial knowledge and anti-fraud concepts, Mega Securities participated in six events, including the "2024 Financial Service Charity Carnival" and the "Financial New Knowledge Halloween Party". The goal was to deepen the promotion of financial education through games and fun interactions. These events attracted 3,662 people of different communities, including junior high school students, college students, new immigrants, elderly people, and persons with disabilities. Through interactive games, participants learned financial knowledge and fraud prevention skills. In the future, the Company will continue to promote financial inclusion and create more meaningful welfare experiences.	

7.2 Social Commitment

7.2.1 Care for the Disadvantaged

Mega Securities has long been dedicated to caring for the disadvantaged in society, integrating its own resources and the "Mega Charity Foundation" and the "Mega Bank Culture and Education Foundation" to promote diversified public welfare activities, and to practice SDG 1 (Eliminating Poverty) and SDG10 (Reduced Inequality). In 2024, we invested approximately NTD 2,132,675 in sports development, support for persons with disabilities, children's welfare, medical and health, and emergency aids, fulfilling our social responsibility.

Care for the disadvantaged

NTD 2,132,675 was invested in 2024 to sponsor/organize 11 educational sessions, with 48 volunteers and 171 hours of work, benefiting 91 people

Sports development: Supported Pinghe Elementary School Hockey Team to compete in the U.S., made a donation to the NTHU Racing Team, helping students participate in international sports competitions.

Supported people with disabilities: Assisted the Down Syndrome Foundation's "Yangming Home for the Disabled - Yongfu Home Xin-Yen Park" to improve the children's quality of life and promote social inclusion.

Children's welfare: Donated to the Zhenlan Children's Home to help disadvantaged children obtain more comprehensive care and support.

Medical and health: In response to the Blindness Prevention Program, we promote eye care education and raise health awareness among the public.

Emergency aid: Provided immediate aid and reconstruction resources to support the reconstruction of Hualien after the earthquake.

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Care for the disadvantaged	Students	• The Company donated NTD 300,000 to the "Pinghe Elementary School Hockey Team" for participating in the "California Cup International Field Hockey Tournament". Priority was given to the students from families with major emergencies or low-income households.	• Supported the development of grassroots sports and provided students with opportunities to compete internationally. • Priority was given to the students from families with major emergencies or low-income households to alleviate the economic burden and ensure fair opportunities.	• Sponsored / organized sessions: 1 • No. of press releases: 8 • Beneficiaries: 11	300,000
	College and university students	• Donated to the NTHU Racing Team to participate in the 2024-2025 Formula SAE (electric car and unmanned car team).	• Supported students to participate in international games and enhanced the international competitive edge of engineering and technology talent. • Promoted the integration of academic and practical work and enhanced students' ability to apply technology.	• Sponsored / organized sessions: 1 • Beneficiaries: 80	450,000

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Care for the disadvantaged	Public	• Organized two volunteer activities for Down Syndrome Foundation's Mid-Autumn Festival gift box folding, with 48 volunteers (including 7 family members) from Mega Securities and Mega Futures, totaling 171 volunteer hours.	• Encouraged employees to participate in public welfare activities and promoted social inclusion. • Support the operation of public welfare organizations.	• Sponsored / organized sessions: 2 • No. of volunteers: 48 • Volunteer hours: 171	72,675
	Public	• In January, NTD 28,000 was donated to Down Syndrome Foundation, supporting the activation of the Foundation' s "Yangming Home for the Disabled - Yongfu Home Xin-Yen Park" - a facility operated by the Foundation for people with disabilities. • In March, NTD 100,000 was donated to Down Syndrome Foundation, supporting its special activity on 2024 World Down Syndrome Day. • In March, we donated NTD 200,000 to the Affiliated Taichung City Zhenlan Children' s Home of Dajia Mazu Social Welfare Foundation for looking after disadvantaged children, youth support services, and health/physiotherapy expenses. • In April, we donated NTD 400,000 to the "Foundation for Disaster Relief" of the Ministry of Health and Welfare, Executive Yuan, in response to the earthquake in Hualien. • In December, we donated NTD 20,000 to the Taiwan Prevent Blindness Foundation to help promote eye health education, children's eye health, and charity clinics in rural areas to protect the eye health of the underprivileged. • In December, NTD 362,000 was donated to Down Syndrome Foundation to purchase nutritional supplements and blenders to improve the quality of care for the elderly. • In December, we donated NTD 20,000 to the Taiwan Prevent Blindness to support the promotion of eye care and vision protection programs such as eye education and charity clinics in rural areas.	• Cared for the disadvantaged, improved wellbeing, and provided medical care. • Supported emergency relief and assistance in reconstruction work.	• Sponsored / organized sessions: 7 • No. of press releases: 11	1,310,000

Highlights

Content	Photo
Supported Pinghe Elementary School Hockey Team on the International Arena Mega Securities donated NTD 300,000 to the Pinghe Elementary School Hockey Team in Changhua City to participate in the "2024 California Cup International Field Hockey Tournament". The California Cup International Field Hockey Tournament was the 52nd annual event, attracted over 2,000 athletes from 18 countries in 2024". After being crowned champions for the 4th time in 2023, Pinghe Elementary School won another championship in 2024, achieving five consecutive titles. The Company published eight articles to increase the visibility of its brand. In the future, the Company will continue to support the development of sports in Taiwan.	
Care for Down Syndrome Foundation Children - Build a Healthy and Happy Park Mega Securities donated NTD 390,000 to "Down Syndrome Foundation" to support the "Yangming Home for the Disabled - Yongfu Home Xin-Yen Park", and purchased nutritional supplements and blenders to improve the quality of life and health for 75 children. From the activation of the park to the improvement of daily life, the Company took concrete actions to care for the disabled, promoting social inclusion and health and well-being. In the future, we will continue to engage in public welfare activities. (Note: The number of children is based on the number of 75 in October2024provided by the Foundation)	

7.2.2 Cultural heritage

The Company has long been devoted to sports development and cultural heritage, and has sponsored sports events and arts and cultural activities to promote sports and local tourism development. In doing so, we foster social connections and sustainable growth. We firmly believe that sports and culture are important forces to promote diversity and inclusion. Therefore, we continue to invest resources to encourage public participation in sports and support local culture. We also use our social influence as a corporation to fulfill our sustainable commitment.

In 2024, the Company invested NTD 1.53 million in sponsoring a total of 5 events to support sports and cultural development, including:

Promoting sports for all: Sponsored the "Unified Invoice Road Running" event organized by the Ministry of Finance to promote health and charity.

Promoting local culture and tourism: We supported the "Taiwan Lantern Festival in Tainan", "Taiwan East Coast Land Arts Festival", "Yunlin County Government National Day Party", and "National Day Celebration in Taipei Dome", to promote the heritage of local culture and the development of tourism economy.

Culture heritage

NTD 1,530,000 was invested in 2024 to sponsor/organize a total of 5 events

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Sports Promotion	Public	• Sponsored the 2024 "Unified Invoice Road Running" event organized by the Ministry of Finance, at a total cost of NTD 100,000.	• Encouraged public participation in sports to enhance health awareness and quality of life.	• Sponsored / organized sessions: 1	100,000
Arts and cultural education	Public	• NTD 330,000 was donated to the 2024 Taiwan Lantern Festival to support local tourism and arts and cultural development. • Donated NTD 500,000 to the "2024 Taiwan East Coast Land Arts Festival" organized by the Tourism Administration, MOTC, to support the development of local tourism and culture. • Donated NTD 200,000 to the Yunlin County Government to host the 2024 National Day fireworks to boost local tourism • Donated NTD 400,000 to the Taipei Dome to organize the 2024 National Day Event to support domestic arts and cultural activities.	• Promoted local cultural activities to enhance the development of the tourism economy. • Promoted cultural heritage.	• Sponsored / organized sessions: 4	1,430,000

Highlights

Content	Photo
Light up the East Coast - Sponsored the 2024 TECLandArts Festival Mega Securities donated NTD 500,000 to the "2024 Taiwan East Coast Land Arts Festival" of the Tourism Administration, MOTC. During the Festival, the resources of the local communities in Taitung were combined to bring together domestic and foreign artists and performance groups, creating an immersive arts and cultural experience. Five landscape art works were exhibited during the festival, attracting 145,509 visitors, and the concert and fair attracted 27,000 participants. The event deepened the heritage of the local culture, boosted the development of the tourism economy on the east coast, and promoted the sustainable growth of the local community. In the future, the Company will spare no effort in supporting arts and cultural events to turn art into a force that connects people.	

7.2.3 Ecological Sustainability

Adhering to the spirit of sustainable development, Mega Securities has actively promoted environmental protection and ecological restoration initiatives to protect the mountains, forests, and natural ecosystems of Taiwan with practical actions. Mega Securities will continue to do its best for the earth, and drive more people to pay attention to the natural environment, and jointly protect our home. In 2024, in response to the Group’s call, we actively engaged in mountain and forest restoration and mountain cleanup activities to encourage employees to take practical actions to practice environmental sustainability, ensuring that natural resources can be passed on to future generations.

Forest restoration: Participated in Taiwan Reforestation Association's "Construction of Tree Islands for the Restoration of Fire-Protection Greenbelts Along the Lungmujing Trail at Dadu Mountain, Taichung", promoting ecological balance and improving the ecological environment of the mountains and forests.

Mountain cleanup: 97 volunteers participated in 5 mountain cleanups in northern, central, and southern Taiwan, accumulating 377.5 hours of volunteer time. They removed weeds, cleared garbage, and helped ecological restoration.

Ecological sustainability

NTD 197,625 was invested in 2024 to sponsor/organize 6 activities, with 122 volunteers and 465 hours of work.

Core of strategic pillars	Stakeholders	Activity	Key influence	Commercial benefits and social and environmental benefits	Expenses invested (NT$)
Protect the Earth's ecology	Public	• The Company participated in Taiwan Reforestation Association's "Construction of Tree Islands for the Restoration of Fire-Protection Greenbelts Along the Lungmujing Trail at Dadu Mountain, Taichung". A total of 25 volunteers from Mega Securities and their families participated in the event, accumulating 87.5 hours of volunteer time. • A total of 4 mountain cleanups were held in northern, central, and southern Taiwan. The locations included - Datun Nature Park in Northern Taiwan; Dongshi Forest Garden, Taichung; Gonglaoping Trail, Fengyuan; and Shoushan National Nature Park, Kaohsiung. A total of 76 volunteers from Mega Securities and Mega Futures participated in the activity, removing weeds and accumulating 304 hours of volunteer time. • To protect the environment and ecology, a total of 21 employees of Mega Futures and their families organized the mountain cleanup in Guanyin Mountain, Bali District, New Taipei City. The total service hours were 73.5, and a total of 10.4 kilograms of garbage was removed.	• Improved the ecological environment of mountain and forest areas and promoted biodiversity conservation.	• Sponsored / organized sessions: 6 • No. of volunteers: 122 • Volunteer hours: 465	197,625

Highlights

Content	Photo
In response to World Environment Day - Taiwan Mountain Cleanup In response to World Environment Day, the Company participated in the Taiwan Mountain Cleanup organized by Mega Financial Holding Company, maintaining ecological balance in the mountains and forests. A total of 76 volunteers and their families participated in the cleanup, removing hundreds of kilograms of weeds at Datun Nature Park in Northern Taiwan; Dongshi Forest Garden, Taichung; Gonglaoping Trail, Fengyuan; and Shoushan National Nature Park, Kaohsiung. The total number of volunteer hours reached 224. Recognizing the importance of protecting the mountain and forest to sustainable development, the Company will continue to implement the ESG policy and promote ecological conservation and environmental protection education in the future, thereby fulfilling its corporate social responsibility.	





8 Corporate Governance

8.1 Corporate Governance and Ethical Management
8.2 Risk Management
8.3 Legal Compliance
8.4 Combating Crime

Corresponding United Nations Sustainable Development Goals (SDGs)



Material Topics

- GRI Metric
- GRI 205: Anti-corruption
- GRI 206: Anti-competitive Behavior
- GRI 405: Employee Diversity and Equal Opportunity
- GRI 417 Marketing and Labeling

SASB Standards

- Business ethics - N-IB-510a.1, FN-IB-510a.2, FN-IB-510b.1
- Professional integrity - FN-IB-510b.2, FN-IB-510b.3, FN-IB-510b.4
- Employee motivation and risk tolerance- FN -550b.1 and 550b.2
- System risk management - FN-IB-550a.2
- Employee motivation and risk tolerance - FN-IB-550b.3

Corresponding material topics

- Corporate governance and ethical management, legal compliance, risk management

Stakeholders with priority access

- All stakeholders

The Company was rated as one of the top 25% among securities firms in the sustainability financial evaluation, which shows that the Company's efforts in corporate governance have been recognized. Mega Securities upholds the spirit of implementing and improving corporate governance, to emphasize the ethical management, legal compliance, anti-money laundering, and risk control. Through the professionalism, diversity, and independence of the directors, Mega Securities has established a safe and sound business environment and an open and transparent governance system, to provide the management team with comprehensive decision-making advice. In the current environment full of uncertainties, including environmental issues such as climate change and energy shortages, or social issues such as COVID-19, the US-China conflict, and the Ukraine-Russia war, Mega Securities has responded to various ESG risks very prudentially, by showing strong resilience and courage to embrace various challenges, in line with the Mega Group's sustainability goals, to move forward.

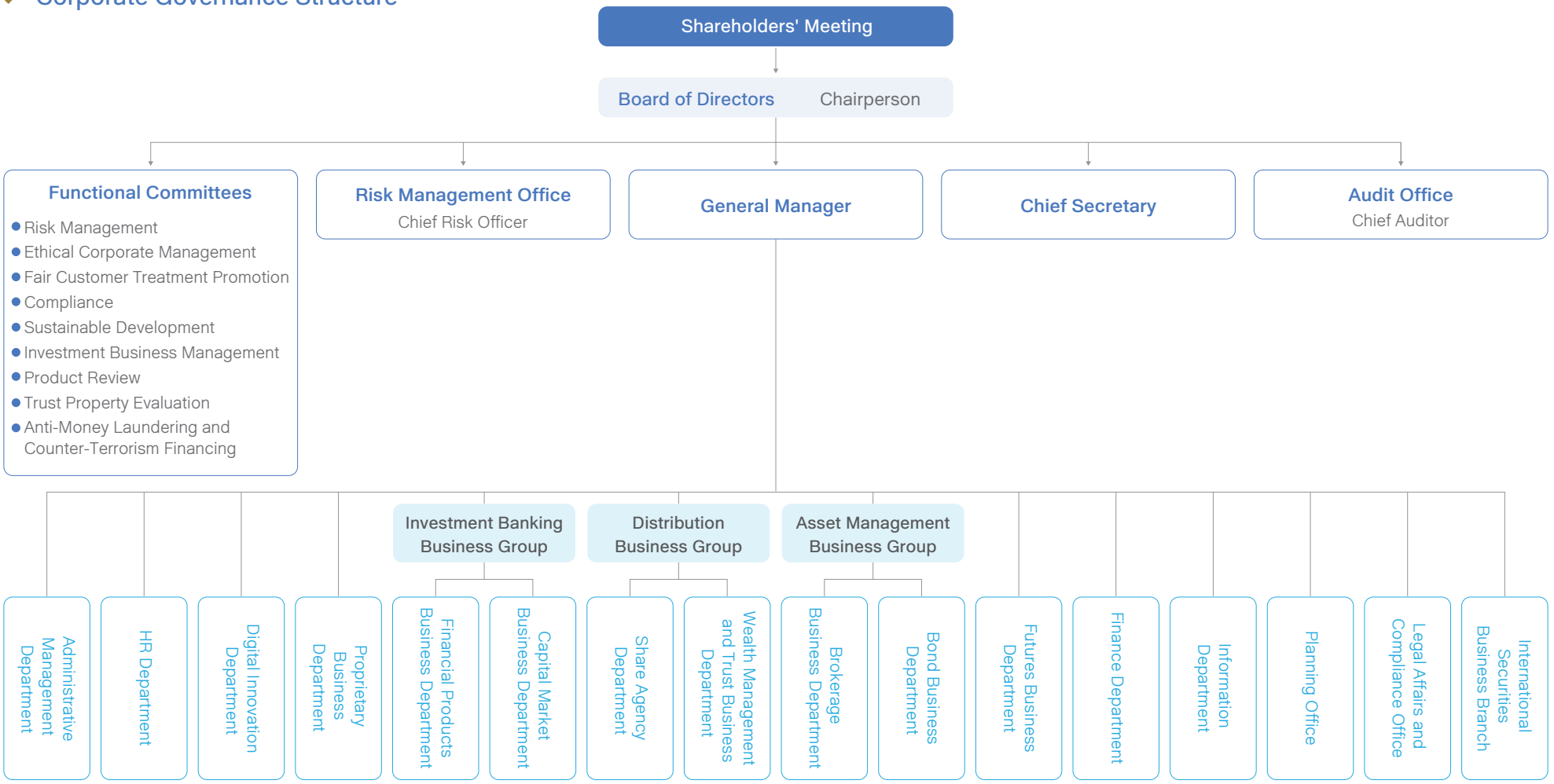
8.1 Corporate Governance and Ethical Management

8.1.1 Corporate Governance Structure

Mega Securities is an investee 100% owned by Mega Holdings. It has a complete corporate governance structure. According to the Company Act, all powers of shareholders' meetings are exercised by the Board of Directors, which is the highest governance body of the Company. In addition to exercised the power of the shareholders' meeting to deliberate the dividend distribution, the Articles of Incorporation and key regulations, and other major issues or decisions, the Board of Directors also conduct business pursuant to laws and regulations, including deliberating and approving the Company's business plan, annual financial report, and semi-annual financial report, and evaluating the effectiveness of the internal control system, appointment/dismissal of accountants, and appointment and dismissal of managerial officers, among other proposals The Board of Directors has also established the Risk Management Committee, the AML/CFT Committee, the Trust Property Review Committee, the Product Review Committee, the Investment Business Management Committee, the Ethical Corporate Management Committee, the Fair Customer Treatment Promotion Committee, the Compliance Committee, and the Sustainable Development Committee, to assist the Board of Directors in deliberating various proposals for ensuring the quality of the Board's decision-making. On September 20, 2024, the Board of Directors of Mega Securities passed the "Audit Committee Charter" and established the Audit Committee under the Board of Directors. The Audit Committee has been implemented since the date of the 13th Board of Directors (April 22, 2025).

Name	Member Composition	Authorities	Meeting frequency
Board of Directors	All seven directors (two independent directors included)	• Establishment of an effective and appropriate internal control system. • Selection and supervision of managerial officers. • Review of the Company's management decisions and business plans, and supervision of the implementation. • Review of the Company's financial goals and supervision of the achievement. • Supervision of the Company's operation results. • Performance appraisals and remuneration standards for managerial officers and sales personnel. • Supervision and handling of the risks faced by the Company. • Ensure that the Company complies with relevant laws and regulations. • Planning of the Company's future development. • Establishment and maintenance of the Company's image and fulfillment of social responsibilities. • Appointing professionals such as accountants or lawyers. • Protection of the rights and interests of investors.	At least once every quarter (12 meetings were held in 2024, with an overall attendance rate of 100% for all directors, including proxy attendance; in-person attendance rate of 85% or higher for each director).In addition, two independent directors attended each meeting of the Board of Directors.

Corporate Governance Structure



Note：Starting from 2025.4.22, the Audit Committee and the Investment Commission have been established.

Information on the Committee

Committee Name	Member Composition	Authorities	Meeting frequency
Audit Committee	The Committee shall consist of no less than three independent directors, including at least one convener and at least one of whom shall have accounting or financial expertise. The convener is elected from among the independent directors.	• The provisions of the Securities and Exchange Act, the Company Act and other laws and regulations governing supervisors shall apply to the Committee. • The provisions of Article 14-4, paragraph 4 of the Securities and Exchange Act regarding the powers and duties of supervisors in the Company Act shall apply to the independent directors of the Committee.	On-board on 2025.4.22.
Risk Management Committee	The Committee is chaired by the Chairperson. The other members are composed of the General Manager, Chief Risk Officer, heads of the Finance Department, Legal Affairs and Compliance Office, Risk Management Office, Brokerage Business Department, Capital Market Business Department, Bond Business Department, Financial Commodity Business Department, Wealth Management and Trust Business Department, Futures Business Department, and Proprietary Business Department. (From the date of appointment of the 13th Board of Directors (i.e. April 22, 2025), the independent directors shall serve as the convener. The other members are the General Manager, Chief Risk Officer, Chief Information Security Officer, heads of the Finance Department, Legal Affairs and Compliance Office, Brokerage Business Department, Capital Market Business Department, Bond Business Department, Financial Commodity Business Department, Wealth Management and Trust Business Department, Futures Business Department, and Proprietary Business Department.	• Supervising the implementation of risk management operations. • Reviewing the risk management policies, annual risk management objectives, the Charter of the Risk Management Committee, and the Risk Management Rules, among other regulations. • Deliberating the overall risk appetite or risk limit. • Deliberating the solutions and improvement measures for exceeding the overall risk appetite or risk limit. • Reviewing other important risk management matters.	At least once every quarter (A total of 8 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 99.04%)
Trust Property Evaluation Committee	An independent director serves as the convener, and the members are the other two independent directors, the Chief Risk Officer, and the heads of the Legal Affairs and Compliance Office and the Bond Business Department. (From the date of appointment of the 13th Board of Directors (i.e. April 22, 2025), the General Manager serves as the convener. The members are the General Manager, Chief Risk Officer, the heads of the Legal Affairs and Compliance Office, the Planning Office, and the Finance Department.)	Reviewing whether the utilization of the trust property complies with laws and regulations, while conforming to the trust agreement through an ex-post review mechanism.	At least once every quarter (A total of 5 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)

Committee Name	Member Composition	Authorities	Meeting frequency
Product Review Committee	An independent director serves as the convener, and the members are the other two independent directors, the General Manager, the Chief Risk Officer, and the heads of Finance Department, Legal Affairs and Compliance Office, Bond Business Department, Brokerage Business Department, and Wealth Management and Trust Business Department. (From the date of appointment of the 13th Board of Directors (i.e. April 22, 2025), the General Manager serves as the convener. The committee members are the independent directors or directors, the General Manager, the Chief Risk Officer, and the heads of Finance Department, Legal Affairs and Compliance Office, Bond Business Department, Brokerage Business Department, and Wealth Management and Trust Business Department.)	Before Mega Securities is commissioned or sells any offshore structured products, review the products in advance.	Held from time to time as needed based on the product launch (A total of four meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)
AML/CFT Committee	The AML/CFT Committee has one chair, on deputy chair, nine members, and one director general. • The General Manager chairs and convenes the Committee. • The officer dedicated to AML/CFT in Mega Securities is the deputy chair. • The members are composed of heads of the Brokerage Business Department, Capital Market Business Department, Bond Business Department, Financial Commodity Business Department, Wealth Management and Trust Business Department, Share Agency Department, Information Department, Administrative Management Department, and HR Department. • The head of the Anti-Money Laundering Team of the Legal Compliance Office is the director general. The committee members may designate dedicated AML/CFT personnel from various departments to participate in the meeting as necessary. The Risk Management Office, Audit Office, and subsidiaries of Mega Securities shall appoint personnel to participate in the non-voting role.	• Supervise the execution of anti-money laundering (AML) and counter-terrorism financing (CTF) activities by relevant departments. • Reviewing and analyzing the causes and improvement plans for any penalties imposed on Mega Securities by regulatory authorities for AML and CTF violations. • Evaluating the adequacy of the control measures of Mega Securities in light of industry penalty cases or other significant AML and CTF matters. • Reviewing reports on the execution of AML and CTF activities. • Reviewing and approve important AML and CTF regulations and methodologies that Mega Securities is required to report to the board of directors. • Reviewing and approving any AML/CFT-related matters that need to be submitted to the Board of Directors for approval.	I. Regular meetings: at least once every quarter II. Special meetings: when any material AML/CFT incident occurs, and a special meeting is required to be convened, such meeting shall be convened. (A total of four meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)

Committee Name	Member Composition	Authorities	Meeting frequency
Legal Compliance Committee	The Committee is chaired by the Chairperson, and the General Manager serves as the deputy chair. The members are composed of the Chief Risk Officer, the heads Brokerage Business Department, Capital Market Business Department, Bond Business Department, Financial Commodity Business Department, Wealth Management and Trust Business Department,Futures Business Department, Proprietary Business Department, Share Agency Department, Information Department, Administrative Management Department, Finance Department, Planning Office, Legal Affairs and Compliance Office, and HR Department. The Audit Office and subsidiaries participate the meeting in a non-voting capacity.	• Deliberating relevant reports on regulatory compliance risk management. • Deliberating the important regulations of the compliance system that must be submitted to the board of directors according to laws and regulations. • Deliberating the analysis of the causes of the above disciplinary actions or fines imposed by the competent authority against Mega Securities, and the improvement plans. • Deliberating the analysis of the causes and improvement plans for major regulatory violations or instances where the Company's rating has been downgraded by the financial competent authority. • Reviewing the summary reports of compliance testing results related to any penalties imposed by competent authorities on Mega Securities. • Evaluating the adequacy of Mega Securities' control measures in light of industry penalty cases or other significant regulatory compliance matters. • Deliberating the report on the implementation of the compliance system. • Deliberating other important issues or matters related to the implementation of sustainable development. • Supervising the implementation of the above-mentioned matters.	At least once every quarter (A total of 5 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)
Investment Business Management Committee	The Chairperson serves as the chair and convener of the meeting, with two independent directors, the General Manager, and the Chief Risk Officer of the Risk Management Committee serving as members. (Revoked on the date of appointment of the 13th Board of Directors (i.e. April 22, 2025))	Deliberating the major change in business plans such as the acquisition and disposal of equity in investment business, increase or decrease of capital in subsidiaries, the appointment of equity representatives of investees, and the relevant management regulations of investment business.	At least once every month (A total of 13 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 98.46%)
Fair Customer Treatment Promotion Committee	The General Manager chairs the Committee. The other members are composed of heads of the Brokerage Business Department, Financial Commodity Business Department, Bond Business Department, Wealth Management and Trust Business Department, Capital Market Business Department, Share Agency Department, Legal Affairs and Compliance Office, Information Department, and HR Department.	• Examine the fair customer treatment regulations, annual promotion plans, and self-evaluation of the Board of Directors. • Regularly assess the implementation of fair customer treatment by relevant departments, the results of self-inspections, the annual implementation of promotion plans, and review customer complaints and opinions. • Promote and coordinate relevant departments to organize education and training and follow the principle of fair customer treatment. • Other important issues or matters related to fair customer treatment and fraud prevention.	At least quarterly (A total of 7 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)

Committee Name	Member Composition	Authorities	Meeting frequency
Ethical Corporate Management Committee	The General Manager serves as the chairperson. The other members are the Chief Risk Officer and the heads of the Brokerage Business Department, Financial Commodity Business Department, Bond Business Department, Wealth Management and Trust Business Department, Capital Market Business Department, Proprietary Business Department, Futures Business Department, Information Department, Digital Innovation Department, Administrative Management Department, Finance Department, Share Agency Department, Legal Affairs and Compliance Office, Planning Office, and HR Department.	• Assist in incorporating integrity and ethical values into the Company' s business strategies, and formulate relevant preventive measures to ensure that ethical corporate management is in compliance with laws and regulations; and review the whistle-blowing system to ensure the effectiveness of its implementation. • Regularly analyze and assess the risk of unethical conduct within the business scope, formulate a plan for preventing unethical conduct accordingly, and establish related standard operating procedures and conduct guidelines for each plan. • Plan internal organization, establishment, and responsibilities, and arrange mutual supervision and checks and balances for business activities within the scope of business with higher risk of unethical conduct. • Promote and coordinate ethics policy promotion training. • Assist the Board of Directors and management in auditing and assessing whether the preventive measures established for the implementation of ethical corporate management are operating effectively, and evaluating the compliance status of relevant business processes on a regular basis and producing reports.	At least once a year (A total of four meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)
Sustainable Development Committee	The General Manager serves as the chairperson. The other members are the Chief Risk Officer and the heads of the Brokerage Business Department, Wealth Management and Trust Business Department, Proprietary Business Department, Bond Business Department, Financial Commodity Business Department, Capital Market Business Department, Share Agency Department, Information Department, Administrative Management Department, Finance Department, Share Agency Department, Legal Affairs and Compliance Office, Planning Office, HR Department, and Digital Innovation Department.	• Review the Company' s sustainable development plan or major projects and make sure they are in line with the planning of the Sustainability Committee of the financial holding parent company. • Deliberate the Company' s sustainable financial policies or relevant regulations. • Regularly assess the risks of environmental, social, and corporate governance issues related to the Company's operations, and propose response plans for submission to the Board of Directors. • Regularly assess the operational continuity and resilience of core operating systems and equipment, and propose response plans for submission to the Board of Directors. • Review the Company' s sustainability report. • Regularly evaluate the effectiveness of sustainable development plans, projects, and activities. • Promote and coordinate relevant departments to organize education and training and implement sustainable development-related affairs. • Deliberate other important issues or matters related to the implementation of sustainable development.	At least quarterly (A total of 9 meetings were held in 2024, and the attendance rate of members including the attendance by proxy reached 100%)

8.1.2 Ethical Corporate Management

Ethical Corporate Management

In order to establish a good corporate governance system and foster a culture of integrity, Mega Securities has adopted the "Ethical Corporate Management Best Practice Principles", "Ethical Corporate Management Committee Charter", "Ethical Corporate Management Procedures and Code of Conduct", "Ethical Code of Conduct", "Procedures for the Handling of Grievance Cases" for the management of anti-corruption, fair trade, donations, conflicts of interest, and business secrets. Mega Securities has established the Ethical Corporate Management Committee under the Board of Directors. The main duties of the Committee are to assist the Board of Directors and management in auditing and assessing the implementation of ethical corporate management. The Ethical Corporate Management Committee reports to the Board of Directors once a year on the implementation of the Ethical Corporate Management Best Practice Principles. In 2024, Mega Securities received four grievance cases through the grievance channel, of which two were investigated and established (referring to grievance cases that met the acceptance scope and were investigated to establish violation). The investigation report was completed in accordance with the Company' s procedures, and the handling status and improvement measures were reported to the Board of Directors. The defect patterns were also strengthened in the relevant meetings. There was one grievance case that was handled by the independent director of Mega Securities and designated by the independent director to be investigated and handled. The grievance case was investigated by the Audit Office, but not established, and a letter was sent to Mega Securities Holdings. In 2024, there were no violations of Article 3 of the "Ethical Corporate Management Procedures and Code of Conduct" that define higher risks of unethical conduct, nor was there any dismissals or disciplinary actions due to corruption. The subsidiary has also established relevant ethical corporate management procedures in conjunction with the rules of Mega Securities. In 2024, Mega Futures received one grievance case through the grievance channel, and did not receive any grievance case from the parent company for investigation and handling. In 2024, Mega International Investment Services did not receive any grievance case, and the investigation and verification were completed in accordance with the Procedures for the Handling of Grievance Cases.

During Mega Securities' annual self-evaluation of the Ethical Corporate Management Best Practice Principles, the Company requires directors and managers at the level of the manager and above (including branch managers) to sign the statement of compliance with the ethical corporate management policy. In 2024, the signing rate was 100%. Any employee who violates the policy will be punished according to the "Employee Reward and Punishment Procedures" depending on the severity of the case. We will also strengthen the implementation of relevant education and training and other improvement measures to prevent similar negative incidents from happening again. In addition, in conjunction with the internal control and audit mechanism, the ethical management policies, prevention plans, operating procedures, and consequences of unethical conduct are promoted from time to time to embed the concept of ethical management as part of the company culture.

All of the business partners of Mega Securities have signed the statement in accordance with the Company' s policy, and there has been no occurrence of the suspension of business cooperation due to corruption violations.

Mega Securities has established the "Guidelines for the Management of External Donations and Sponsorships", which prohibit Mega Securities from making political donations and explicitly limits donations to government agencies or charitable organizations registered with the competent authorities or established according to laws.

+ Ethical Corporate Management Best Practice Principles	+ Ethical Corporate Management Procedures and Code of Conduct	+ Ethical Code of Conduct

Implementation of Ethical Corporate Management Best Practice Principles by Business Partners of Mega Securities and its Subsidiaries			
By Type	Scope of Coverage	Signing of the Statement	Provision of education and training
Mega Securities	100%	100% (Target: Directors, supervisors, and managers and above (including branch managers)	100% (Target: Full-time employees)
Business partners (including contractors, suppliers, and service providers)	100%	100%	100% (Target: Key suppliers)
Subsidiary	100%	100%	100%

Note：The "Ethical Corporate Management Best Practice Principles include anti-corruption and fair trade, and all directors have received education and training on the ethical corporate management.

The scope of training courses for the Code of Conduct of Mega Securities and its subsidiaries includes ethical management and anti-corruption. Nearly 100% of the employees completed the training, and all directors of Mega Securities and its subsidiaries participated in relevant training.

Communication and training on the code of conduct for employees of Mega Securities and its subsidiaries		
No. of employees covered by the Code of Conduct		
Management roles	197	
Non-management roles	1,426	
Total	1,623	
Training type	Total training hours	Total No. of people trained (person-time)
Internal training	1,062	1,679
External training	6	2
Total	1,068	1,681

Grievance system

Mega Securities has established the "Procedures for the Handling of Grievance Cases", under which the Audit Office is responsible for accepting grievance cases. The Audit Office has also set up a dedicated grievance hotline, a grievance email, and protection measures for whistleblowers. Employees and outsiders of Mega Securities can report violations of the law or regulations to the department accepting the grievance case through internal and external reporting channels directly. If the reported misconduct is verified to be true, the relevant departments will review the internal control system and operating procedures, and propose improvement measures to prevent similar negative incidents from recurring. If the whistleblower has made concrete contributions to the Company, he/she will be rewarded as appropriate. In addition, if the reported misconduct is investigated and reveals any major violation or the possibility of causing major damage to the Company, the Investigation Department shall immediately prepare a report and submit it to the Board of Directors. A case classified as a major incidental event or a violation of law will be handled in accordance with the "Procedures for Major Incidental Events" of Mega Securities, notified or reported to the relevant authorities. In addition, the "Procedures for the Handling of Grievance Cases" also clearly stipulate that after a grievance case is accepted, it shall be treated as a confidential file, and the identity of the whistleblower and the content of the report shall be kept confidential. The information that could reveal the identity of the whistleblower shall not be leaked. The whistleblower shall not be dismissed, demoted, or subject to salary reduction or impairment of his/her rights covered by law, contract, or custom. There should not be any other unfavorable disciplinary action imposed against the whistleblower. The subsidiaries also formulate the procedures for handling of grievance cases in conjunction with the system of Mega Securities. The reporting channels of Mega Securities are as follows:

+ Procedures for the Handling of Grievance Cases	+ Grievance email	+ Grievance hotline
	whistle@megasec.com.tw	(02)3322-7254

Flowchart of the grievance process

Whistleblowing Channels

- Grievance hotline
- Grievance mailbox
- Written grievance

Acceptance principles

- After accepting a grievance case, the department shall assign dedicated personnel to handle the case in strict confidence and conduct a formal examination.
- The whistleblower shall provide the name, telephone number and specific facts for investigation.

Investigation procedures

- After a grievance case is accepted, it shall be treated as a confidential document.
- During the acceptance and investigation process, the relevant personnel who have handled or participated in the case shall recuse themselves if they have a conflict of interest in the case.

Investigation report

- The investigation shall be completed within three months from the date of acceptance. If the case is of special nature or complicated, the investigation period may be extended with the consent of the supervisory level.
- If the facts involve general employees, the investigation report shall be submitted to the chairman. If the facts involve directors, supervisors, or those at the manager level or above, the investigation report shall be submitted to the independent directors, and the supervisors shall review the report and the investigation department shall report to the Board of Directors.

Survey results

- The department accepting the grievance case shall notify the whistleblower in writing or by other means of the outcome of the handling of the reported case.
- If the reported misconduct is verified to be true, the relevant departments will review the internal control system and operating procedures, and propose improvement measures.
- In the event of a major incident or violation of law, the Company shall handle such matter in accordance with the "Procedures for Major Incidental Events of Mega Securities", and notify or report to the relevant authorities.

Protection Measures for Whistle blowers

According to Article 9 of Mega Securities' "Procedures for the Handling of Grievance Cases", Mega Securities shall take the following protection measures for whistleblowers:

I. The identity of the whistleblower and the content of the report shall be kept confidential, and information sufficient to identify the whistleblower shall not be leaked to prevent unfair treatment or retaliation.

II. The whistleblower shall not be dismissed, demoted, or subject to salary reduction or impairment of his/her rights covered by law, contract, or custom. There should not be any other unfavorable disciplinary action imposed against the whistleblower.

8.1.3 Status of the Operation of the Board of Directors

Director Election

Mega Securities is a 100% invested subsidiary of Mega Holdings. Directors and supervisors are appointed by Mega Holdings. In 2024, the Board of Directors of Mega Securities had seven directors (including two independent directors) and three supervisors, serving a term of three years. (On April 22, 2025, the term of office of directors and supervisors will expire, and the shareholders of the Company will reassign a new Board of Directors consisting of nine directors, including three independent directors, accounting for 1/3 of the total number of directors. As the Audit Committee under the Board of Directors has been established, there are no supervisors.)

Communication Content of the Board of Directors

The Company held a total of 12 Board of Directors meetings in 2024, regularly reported to the Board of Directors on the progress of the Company's key business operations, the meeting minutes of each functional committee, and the discussions that affected important company decisions. In doing this, the Board of Directors was able to give advice and guidance, fulfilling the responsibilities of the Board of Directors in supervising the organization's operations. The major reports and discussions in 2024 are as follows:

Items reported	Communication content and results	Communication frequency
Financial aspect	● Annual budget and business plan	Annually
	● The financial statements audited (or reviewed) by CPAs were submitted to the Board of Directors for approval	Quarterly
	● Reported on the profits and losses of the Company and its subsidiaries.	Monthly
Audit aspect	● Annual internal audit plan	Annually
	● Summary report of audit business	Monthly
Compliance	● Implementation status of regulatory compliance	Every six months
	● Implementation status of AML/CFT	Every six months
Risk Management	● Formulation of risk management objectives	Annually
	● Overview and implementation status of risk management	Bi-monthly
Corporate Sustainability	● Formulate the ESG promotion plan, specific targets and medium and long-term targets	Annually
	● ESG promotion and implementation, investment in ESG risk industries and sustainable industries	Quarterly
	● Fair customer treatment promotion and enhancement measures, customer complaint and financial dispute handling	Quarterly
	● Implementation of ethical corporate management	Annually

Independence of Directors

In order to facilitate independent directors to exercise their powers objectively, the "Corporate Governance Best Practice Principles" of Mega Securities stipulate that independent directors may not serve more than three consecutive terms in order to prevent their independence from being reduced due to having a long tenure. None of the independent directors has been appointed for more than three consecutive terms. Mega Securities emphasizes the independence of directors. The Chairman and General Manager are not held by the same individual, nor are they related to each other as spouses or relatives of first degree. The directors are also not related to each other as spouses or relatives of second degree. The independent directors have the independence required by the competent authority, and do not concurrently serve as a director (including independent director) or supervisor in more than five companies.

To ensure the independence of directors, all positions concurrently held by a director of Mega Securities are in compliance with the requirements of the competent authority. Among them, Wu Ming-Tsung's serving as the director and general manager of Mega Securities is in compliance with the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms", none of the other directors serve as a manager of Mega Securities, meeting the independence criteria.

Mega Securities and its subsidiaries report the major deficiencies and improvements made by domestic and foreign regulatory authorities and internal and external audit reports, as well as major operational and business matters, to the Board of Directors to keep abreast of the timeliness of responding. In addition, Mega Securities has set clear regulations on the recusal of directors. The directors also exercise a high degree of self-discipline. When a motion proposed by the Board of Directors involves an interest in the directors or the legal entity they represent, they must explain the important content of the interest at the current Board meeting and recuse themselves from discussion and voting, and must not exercise voting rights on behalf of other directors.

Diversity of Directors

Mega Securities values the diversity of its directors. Our directors have backgrounds in finance, economics, accounting, finance, law, information security, digital finance, and corporate sustainability, equipped with professional industry experience and professional knowledge. The policy on Board diversity is specified in the "Corporate Governance Best Practice Principles" of Mega Securities. The diversity of Board members takes into account the Company's operation, business model, and development needs.

As of the end of 2024, the 12th Board of Directors consists of seven directors (including two independent directors), and four female directors, accounting for 57% of the total members, exceeding the target of 33% (one-third).

Information on Director Independence and Diversity

Name	Job Title	Nationality	Physiological gender	Date of election/ appointment	Term of office (year)	Date of first appointment	Age	Professionalism										Number of other public companies in which the director is concurrently serving as an independent director
								Ability to make operational judgements	Ability to perform accounting and financial analysis	Ability to operate and manage	Ability to manage crises	Expertise in securities and derivatives	Knowledge of international markets.	Ability to lead	Risk management knowledge and ability	Ability to make decisions.	Ability to manage ESG development	
Chen, Pei-Chun	Chairperson	Republic of China	Woman	2021/12/29	8.1	2016/11/23	>50	V		V	V	V	V	V	V	V	V	0
Huang, Yi-Jui	Independent Director	Republic of China	Man	2021/12/29	6.17	2018/10/29	>50	V	V	V	V	V	V	V	V	V	V	2
Hsu, Chin-Ling	Independent Director	Republic of China	Woman	2021/12/29	7.86	2017/2/22	>50	V	V			V				V	V	2
Wu, Ming-Tsung	Director and General Manager	Republic of China	Man	2021/12/29	3	2021/12/29	>50	V	V	V	V	V	V	V	V	V	V	0
Ting, Han-Yin	Director	Republic of China	Woman	2021/12/29	7.76	2017/3/29	>50				V			V	V		V	0
Kuo, Ying-Chun	Director	Republic of China	Man	2021/12/29	3	2021/12/29	>50	V	V	V	V			V	V	V	V	0
Chang, Chia-Lin	Director	Republic of China	Woman	2021/12/29	4.33	2020/9/1	>50				V			V	V		V	0
Liu, Yu-Chun	Supervisor	Republic of China	Woman	2021/12/29	6.17	2018/10/29	>50	V	V	V			V	V	V	V	V	1
Lin, Yi-Shou	Supervisor	Republic of China	Woman	2024/01/01 (Note 2)	1	2024/1/1	>50			V	V					V	V	0
An, Lan-Chung	Supervisor	Republic of China	Man	2021/12/29	4.67	2016/11/23	>50	V	V	V	V	V	V	V	V	V	V	0

Note 1: The Company has 1,160,000,000 shares. The Company is a subsidiary wholly owned by Mega Financial Holding Company Ltd. which also appoints the Company's directors and supervisors.
Note 2: The Company' s directors and supervisors are appointed by Mega Financial Holding Company Ltd. The term of office of the 12th term is from December 29, 2021 to December 28, 2024. The list of directors appointed: Chairman Chen Pei-Chun, Independent Director Huang Yi-Jui, Independent Director Hsu Chin-Ling, Director and General Manager Wu Ming-Tsung, Director Ting Han-Yin, Director Kuo Ying-Chun, and Director Chang Chia-Lin.
Note 3: For details on the independence of directors, please refer to the 2024 annual report of Mega Securities.

Continuing education for directors

In response to international corporate governance and the development trend of legal compliance, money laundering prevention, ethical management, fair treatment of customers, and sustainable operations, as well as the latest laws and regulations, Mega Securities offers a variety of external institutions to provide Board members with continuing education courses. By doing this, we aim to strengthen the ability of our directors in the course of performing their duties so they are equipped with the required capabilities keep pace with the times. When taking office or during their term of office, Board members shall continue to participate in the continuing education courses held by designated institutions and organizations as specified in the "Guidelines and Map of Continuing Education for Directors and Supervisors of Securities Firms" and the "Guidelines and Map of Continuing Education for Directors and Supervisors of the Futures Industry". The topics of the continuing education courses cover risk management, business, commerce, accounting, law, corporate social responsibility, or sustainable development. The Group's annual ESG-related course training procedures also stipulate that directors and supervisors take at least 3 hours of continuing education.

In 2024, the seven directors of the 12th Board received a total of 390.2 hours of training, with an average 55.7 training hours per person, far superior to the "Guidelines and Map of Continuing Education for Directors and Supervisors of Securities Firms" and the "Guidelines and Map of Continuing Education for Directors and Supervisors of the Futures Industry", which stipulate that directors must receive 6 hours of training to continue to serve as directors. The courses for directors include corporate governance, money laundering prevention, risk management, internal control, ESG sustainability, and information security, aimed to strengthen the professional functions of directors and supervisors and optimize corporate governance. The directors' continuing education status in 2024 is also disclosed on the Market Observation Post System and the Company’ s website.

Board Performance Evaluation

As a means to implement corporate governance and enhance the functions of the Board of Directors, Mega Securities established the "Board Performance Evaluation Guidelines" in 2023. The Board of Directors, functional committees, and all Board members were evaluated in 2024. The performance evaluation of the Board of Directors and functional committees are conducted by an external professional independent institution or a team of experts and scholars at least every three years. The 2025 performance evaluation of the Board of Directors will be conducted by an external professional independent organization or an expert team.

+ Board Performance Evaluation Guidelines

+ Evaluation Results of the Board of Directors’ Performance in 2024

8.1.4 Remuneration and Shareholding Policy

Remuneration Policy for Directors (Including Independent Directors)

The "Board Performance Evaluation Guidelines" of Mega Securities set forth the scope and method of the annual performance evaluation of directors, the evaluation procedures, and evaluation indicators. Mega Securities conducts performance evaluations in accordance with the Guidelines and reports the evaluation results to the Board of Directors and provides them to the parent company, Mega Financial Holdings, as a reference for selecting and nominating directors. The remuneration to the chairman, who is also a director and the general manager, is determined in accordance with the Articles of Incorporation and the "Salary Standards for Chairmen and General Managers Assigned or Recommended by the Ministry of Finance to Public and Private Companies and Their Invested Companies", stipulated by the Ministry of Finance. The directors and supervisors are given transportation allowances according to the actual needs of business execution. The remuneration to independent directors is determined by the Board of Directors in accordance with the Articles of Incorporation. The remuneration to independent directors is determined in accordance with the Company's Articles of Incorporation, to wit, “The Board of Directors is authorized to determine the remuneration of independent directors based on the extent of their participation in the Company’ s operations and the value of their contributions to the Company, as well as the usual standards in the industry” ; as well as the “Remuneration Criteria for Independent Directors” of Financial Holdings Companies.

Item \ Type of Personnel	Directors and supervisors of Mega Securities
Correlation between the remuneration policy and business performance	1. Due to the actual performance of duties, the chairman, who is also a director and the general manager, is paid reasonable remuneration in accordance with the parent company’ s rules. 2. The Board of Directors is authorized to determine the remuneration of independent directors based on the extent of their participation in the Company’ s operations and the value of their contributions to the Company, as well as the usual standards in the industry 3. The remaining directors and supervisors are paid transportation expenses according to the parent company’ s regulations. 4. The directors and supervisors are appointed by the single corporate shareholder, Mega Financial Holdings. The Articles of Incorporation stipulate that no earnings will be distributed to directors and supervisors. 5. Mega Holdings has established the "Implementation Rules for the Annual Evaluation of Subsidiaries” (applicable to Mega Securities) and the "Procedures for the Risk Management Evaluation of Subsidiaries", which include ESG business and management performance indicators and comprehensive risk management appraisals for the subsidiaries of Mega Holdings (including Mega Securities) as an important basis for adjustment of bonuses and remuneration to the chairman who is also a director and general manager.
Remuneration standards and packages	1. Due to the actual performance of duties, the chairman, who is also a director and the general manager, is paid reasonable remuneration in accordance with the parent company’ s rules. The parent company’ s performance evaluation items include ESG-related indicators such as ESG management performance.(including compliance with social and environmental laws and regulations, information security incidents and customer data leakage, GHG Scopes 1 to 3, and general waste reduction); ESG business performance, comprising 2%, which includes, sustainable development bond investment and underwriting amount growth rate; and a comprehensive risk management evaluation, comprising 5%, and including active participation in emerging risks (including climate risk) management-related tasks and implementation. 2. Independent directors receive fixed monthly remuneration (NTD 50,000 per month), and no other remuneration is received. 3. The remaining directors and supervisors are paid transportation expenses according to the parent company’ s regulations.
Remuneration determination procedure	1. The remuneration to the chairman and general manager is based on the "Salary Standards for Chairmen and General Managers Assigned or Recommended by the Ministry of Finance to Public and Private Companies and Their Invested Companies", stipulated by the Ministry of Finance with Letter Tai-Cai-Ku-Zi-09903506650 dated March 23, 2010. 2. The remuneration to independent directors is subject to the "Remuneration Criteria for Independent Directors", stipulated by Mega Holdings with Letter Zhao-Guan-Zi-No.0990011483 dated September 30, 2010.

Remuneration policy for senior management

Mega Securities has established salary rules for employees by grade. The salary of managers is determined based on the internal salary range, external market salary surveys, and the median salary as the basic positioning. The remuneration paid is based on the management responsibilities of the managers, while considering the factors of attracting and retaining professional management talent, providing relatively reasonable remuneration for the positions, and evaluating the performance of the managers (including financial and non-financial indicators) on a regular basis. In addition, the distribution of performance bonus is determined based on the evaluation results. Evaluations are categorized into professional competency, work attitude, and attendance, with specific evaluation criteria and weighting varying by department based on its functions. For example, the Sales Department' s evaluation includes work quality (target achievement rate), business management, and leadership. The remuneration to the general manager is based on the "Salary Standards for Chairmen and General Managers Assigned or Recommended by the Ministry of Finance to Public and Private Companies and Their Invested Companies", stipulated by the Ministry of Finance with Letter Tai-Cai-Ku-Zi-09903506650 dated March 23, 2010. In terms of non-financial indicators, the assessment items for the chairman and general manager of Mega Securities by the parent company Mega Holdings and the assessment items for the executive level of Mega Securities both include sustainability performance. They are described as follows:

- In accordance with the "Sustainable Development Best Practice Principles" (the scope of the Principles is applicable to the overall operating activities of Mega Holdings and its subsidiaries) established by the parent company, Mega Securities, the salary and remuneration policies, and the employee performance evaluation system are closely related to sustainable development. Mega Holdings has established the "Implementation Rules for the Annual Evaluation of Subsidiaries" (applicable to Mega Securities) and the "Procedures for the Risk Management Evaluation of Subsidiaries", which include ESG business and management performance indicators for the subsidiaries of Mega Holdings (including Mega Securities) as an important basis for the adjustment of bonuses and remuneration to the chairman and general manager. In 2024, as the proportion of evaluation for responding to climate change increased, the ESG management performance increased to 5% (including the achievement of compliance with social and environmental related laws and regulations, information security incidents and customer data leakage, greenhouse gas scopes 1 to 3 and general waste reduction, etc.), ESG business performance to 2% (growth rate of sustainable development bond investment and underwriting amount), and comprehensive assessment of risk management (active participation in and implementation of work related to the management related to emerging risks (including climate risk) increased to 5%, with the total impact accounting for 12% of the total score. In the future, we will continue to take a proactive approach to promote the linkage between senior executive performance and sustainability performance, and include ESG performance in all aspects of senior executive performance evaluation indicators.
- The annual appraisal items of the department heads and branch managers of the departments related to Mega Securities' three lines of defense for fair treatment includes the performance of customer service and treatment. The extent of the impact accounts for 1-10% of the total appraisal scores according to the importance of each department. The appraisal items include the ability to properly handle customer complaints, ability to conduct reviews on fair treatment of customers, and measures proposed to actually enhance fair treatment of customers, which are adopted by the Fair Customer Treatment Promotion Committee.
- Mega Securities reviews the annual ESG promotion plan's KPI achievement status for each department in charge on a quarterly basis, and reports to the Sustainable Development Committee and the Board of Directors. The KPI achievement status is used as a reference for evaluating the annual performance of each department' s supervisors. In the future, we will continue to actively promote the mechanism to link the performance of senior executives with sustainable performance, and include the performance of all ESG aspects in the evaluation indicators of senior executives.

In addition, the annual performance appraisal of the general employees of Mega Securities also includes ESG items, and the participation in education and training (including ESG), education and training on AML/CFT operations, legal compliance execution, and risk management are all included in the annual employee appraisal for additional or deducted points (up to 10 points).

Basic remuneration information

Mega Securities approves bonuses every year based on the Company's overall operating performance and employee performance evaluation results. The average remuneration adjustment in 2024 (excluding the employee with the highest remuneration) was 13.81%, the median salary adjustment for 2024 (excluding the employee with the highest remuneration) was 21.39%, and the annual increase of the employees with the highest remuneration was 63.71%.

Item	2023	2024
Average remuneration of all employees excluding the highest paid employee (NTD)	1,223,600	1,392,538
Median remuneration of all employees excluding the highest paid employee (NTD)	984,695	1,195,333
Annual total remuneration of the highest paid employee (NTD)	10,683,043	17,489,409
Annual total compensation ratio (average) (Note 2)	9	13
Annual total compensation ratio (median) (Note 3)	11	15

Note 1: The annual total remuneration of the highest paid employee was calculated in accordance with the Salary Calculation Rules for Full-time Employees in Non-Managerial Positions announced by the Taiwan Stock Exchange.
Note 2: The annual total compensation ratio (average) is the annual total remuneration of the highest paid employee/ the average of remuneration of all employees excluding the highest paid employee.
Note 3: The annual total compensation ratio (median) is the annual total remuneration of the highest paid employee/ median of the remuneration of all employees excluding the highest paid employee.

The remuneration to the senior managers of Mega Securities is as follows. Bonuses and special expenses are variable remuneration, accounting for 47.15% of the total remuneration.

Remuneration category	Percentage
Salary	50.71%
Bonuses and special expenses	47.15%
Employee remuneration	2.14%
Total	100%

Note：Senior managers refer to the supervisors at the deputy general manager level or above.

8.2 Risk Management

8.2.1 Implementation of Risk Management Policy

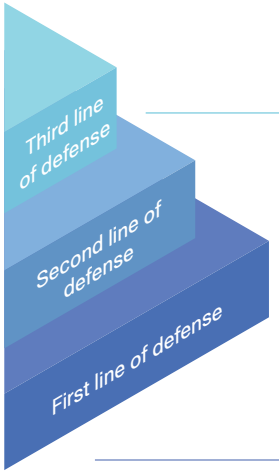
Risk Management Structure

To supervise the effectiveness of the risk control mechanism, Mega Securities has the Board of Directors as the highest decision-making unit for risk management. The Board of Directors is responsible for approving risk management policies and procedures, overall risk appetite, and appointing the Risk Management Committee to supervise daily risk management affairs. The Risk Management Committee has been established under the Board of Directors to supervise the establishment of the risk control mechanism and ensure the implementation of the risk management policy. The convener of the Committee is composed of the Director and General Manager, the Chief Risk Officer, and other department heads as members. The Committee is responsible for supervising the implementation of risk management business, deliberating the risk management policies, annual risk management objectives, the Articles of Incorporation of the Risk Management Committee, and risk management rules, and reviewing the overall risk appetite or risk limit. The Risk Management Committee convenes at least one meeting every quarter. Extraordinary meetings may also be convened as needed for business needs or for emergencies. The Risk Management Office is responsible for meeting affairs, and the implementation status and meeting minutes shall be reported to the Board of Directors on a regular basis.

Risk management measures

For Mega Securities, the risk management policy is approved by the Board of Directors, which clearly defines the risk management objectives and regularly monitors the implementation. The Board of Directors also approves the risk management rules to address major financial and non-financial risk categories, such as market, credit, liquidity, operational, climate, and others according to the three lines of defense mechanism of the business departments, the Risk Management Office, the Legal Affairs and Compliance Office, and the Audit Office. We have defined the management principles for the six risk types, and regularly review the risk management mechanism, risk appetite, and risk management priority through assessment reports, scenario analyses, and stress tests to establish response strategies, control objectives, internal control systems, and procedures. The procedures and clear attribution of responsibilities can be incorporated by each business department into individual management regulations to effectively manage the Company's various operational and sustainability risks. In addition, in order to effectively respond to the risks brought about by climate change, Mega Financial Holdings has incorporated climate change risk management into the risk management policies and guidelines. Mega Securities has also been approved by the Board of Directors to add a climate risk management policy to its risk management policy and add the emerging risks to its risk management rules.

Risk type	Risk response / Management
Market risk	Alerts and stop-loss mechanisms for single assets held by departments are to be set based on the risk limits, loss limits, and risk values. Conduct stress testing periodically and perform scenario analysis from time to time according to the economic and financial situation.
Credit risk	The Company conducts credit investigations on the counterparty and grants appropriate transaction limits, and tracks the changes in the counterparty' s credit. If necessary, the Company requires the counterparty to provide collateral or take credit enhancement measures.
Liquidity risk	Set the limit for holding marketable securities issued by a single company and a single industry, limits for total exposure to credit risk for a single customer, a single group, and a single country, as well as limits and an early warning mechanism.
Operational risk	Establish standard operating procedures according to the product risk characteristics, trading operation controls, and related procedures to establish internal control standards and control points. Annual operational risk self-assessments are conducted to effectively control and implement risk self-assessment mechanisms that reflect and resolve practical operational issues in each department to achieve risk control, mitigation, transfer, and avoidance.
Climate Risk	Set limits and alert mechanisms for high carbon emissions from high carbon emissions industries Set the target for SBT investment positions and regularly track the implementation of the target.
Other risks	For emerging risks such as legal risk, strategic risk, reputation risk, information security risk, and biodiversity risk, a dedicated unit or department is assigned to conduct control; dynamically develop and implement strategies and emergency response measures in response to international trends and regulatory adjustments.



Audit Office

Review the implementation of the risk management system

Risk Management Office and Compliance Office

Establish risk management regulations, and periodically review and monitor overall risks

Sales Department

Responsible for identifying, assessing, and controlling climate-related risks associated with their operations in accordance with internal control procedures, such as authorities and operational guidelines

Risk management education and training

Mega Securities and its subsidiaries encourage employees to participate in internal and external risk management-related education and training in accordance with the Group's policy. By doing this, we are able to enhance employees' risk awareness and establish a risk management culture to facilitate the effective implementation of risk management policies. In addition, in accordance with the "Procedures for the Risk Management Evaluation of Subsidiaries" established by the Group, the number of people who participate in the risk management education and training of Mega Securities each year will be correlated with their performance. In 2024, a total of 35,020 people from Mega Securities participated in risk management-related training courses, and the total number of training hours reached 83,521 hours. The topics included laws and risk trends and aspects related to anti-money laundering (AML) and counter-terrorist financing (CFT), climate change information disclosure for the securities industry, and low-carbon transformation path planning - carbon rights and carbon pricing.

8.2.2 Emerging Risk Assessment and Response

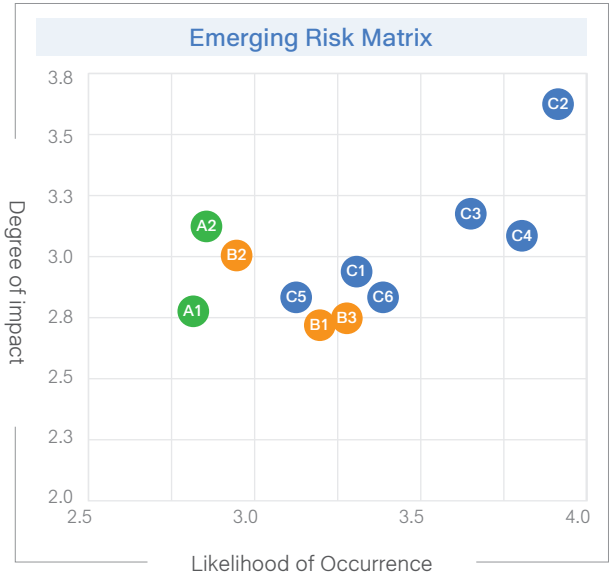
As the financial environment becomes increasingly complex, in addition to the existing risk assessments, Mega Group also incorporates emerging risks into the scope of risk management. Questionnaires were distributed to all units within the Group to assess major emerging risks. Major emerging risks were listed as key risk management issues by the Group. Each subsidiary monitors major risk issues (including emerging risks) and reports to the Board of Directors and the Risk Management Committee.

In addition, to respond to the impact of climate change on the operations of our branches, staff, and business operations, the Company not only takes preventive measures against risks that may affect its own operations, but also actively supports important projects or programs of other companies or social groups to improve the environment, providing business cooperation opportunities. At the same time, we continue to keep abreast of the latest development trends of emerging risks from the risk reports published by important global institutions and the information from personal or corporate customers, and adopt effective hierarchical management.

◆ Emerging Risk Assessment Process

The process of the Group's emerging risk assessment is described as follows:

STEP 1	STEP 2	STEP 3	STEP 4
Risk identification	**Risk assessment**	**Risk response**	**Risk report**
The definition and scope of emerging risks are defined with reference to the World Economic Forum (WEF) Global Risks Report and the DJSI questionnaire on the definition of emerging risks, and 11 emerging risk factors were identified.	A survey was conducted to assess the 11 emerging risk factors based on the "likelihood of occurrence" and "degree of impact", and the "risk sensitivity" (possibility of occurrence x degree of impact) was calculated and sorted to create the emerging risk matrix.	We have screened out the significant new risks of the Group for the next 3 to 5 years, among which, the threat of “deepfake technology”, “the threat of surveillance and detection”, and "major changes in the global system" have the greatest impact on the Group, and we have formulated relevant countermeasures accordingly.	The identification results of emerging risks are reported and disclosed in the Sustainability Report.



Risk type	Emerging risk factors	Likelihood of occurrence (1-5)	Degree of impact (1-5)	Risk sensitivity = Likelihood of occurrence x Degree of impact (1-25)	Ranking by risk type
A Environmental risk	A1 Biodiversity loss and ecosystem collapse	2.83	2.79	7.91	2
A Environmental risk	A2 Major changes in the global system	2.88	3.13	8.98	1
B Social risk	B1 Inequality or lack of development opportunities	3.25	2.79	9.07	1
B Social risk	B2 Non-voluntary migrant workers	2.96	3.00	8.88	3
B Social risk	B3 Social polarization	3.25	2.79	9.07	1
C Technology risk	C1 Impact of artificial intelligence	3.29	2.96	9.74	4
C Technology risk	C2 Threat of deepfake technology	3.92	3.63	14.20	1
C Technology risk	C3 Threat of monitoring and detection	3.71	3.21	11.90	2
C Technology risk	C4 False information and fake information	3.83	3.08	11.82	3
C Technology risk	C5 Lack of AI governance and management	3.17	2.83	8.97	6
C Technology risk	C6 Lack of blockchain technology	3.33	2.88	9.58	5

Impact of emerging risks on the Mega Group and Countermeasures

Risk factors	Threat of deepfake technology
Risk type	Technology risk
Risk description	1. The use of AI to generate virtual reality images or audio technology to produce false images for criminal purposes (such as AI facial recognition technology) may lead to personal or corporate confusion, resulting in personal data leakage or property damage, which may jeopardize business development. 2. According to the forecast of the World Economic Forum (WEF), more than 90% of the content on the Internet may be generated by AI by 2026, and the use of business fraud with deepfake technology has become a new threat. 3. The 2024 security survey by Thomson Reuters indicates that 8.5% of enterprises, particularly those in the financial industry, believe that they may encounter the risk of fraudulent use of deepfake technology in the next year, a number which has doubled since 2023, especially in the financial industry, it reached 14.8% in 2024. This shows that the long-term development of the financial industry will be subject to severe impact from the use of deepfake technology.
Impact on business	1. Business fraud: Using deepfake technology to impersonate company executives or important customers to make large transfers or disclose sensitive information. According to TransUnion Hong Kong's State of Omnichannel Fraud in the first half of 2024, businesses globally lost approximately 6.5% of their total revenue to fraud. If Mega Securities had suffered the same loss, the estimated loss would have been NTD 535 million. 2. Trust crisis: Deepfake technology makes it difficult to distinguish the authenticity of audiovisuals, increasing the uncertainty and risk of financial transactions, and potentially reducing the trust of customers in Mega. According to the statistics of the Police Department, about 13.23% of the victims of fraud are over 50 years old. In addition, according to the internal statistics of Mega Securities, about 41% of the active account holders are over 50 years, reflecting the importance of middle-aged and elderly customers. Based on this, it is necessary for the Company to proactively promote services and activities targeting elderly customers. 3. Legal risk: To prevent the impact of deepfake technology applications, financial institutions must comply with more regulatory requirements to ensure the authenticity and integrity of data, which increases legal compliance costs and operational complexity. Tackling technology-based fraud has resulted in continuous increased legal compliance management costs. For example, in order to perform customer due diligence operations, the cost of purchasing the Dow Jones list database in 2024 totaled approximately NTD 1.15 million.
Mitigation and Countermeasures	1. Collaborate with Criminal Investigation Bureau: The "Letter of Intent on Financial Fraud Prevention and Cybersecurity Joint Defense" and the "Letter of Intent for Fraud Prevention" were signed between Mega Financial Holdings and the Criminal Investigation Bureau. In doing so, we continue to share information with the Criminal Investigation Bureau and work together to issue press releases to remind customers to be careful to prevent fraud. 2. Enhance corporate identity: The Mega Securities social media account has been certified by Meta (i.e. the Facebook blue verification badge), becoming the first public securities organization in Taiwan to attain it. The Company also sends emails to customers to promote relevant information so that they are able to accurately identify Mega Securities. 3. Strengthen the fraud detection mechanism: In 2024, the Company purchased an external information system to detect fraud on it website or social media accounts. At the same time, the dedicated personnel will take the initiative to screen potential fraud risks and report to the Criminal Investigation Bureau or appoint a contractor to remove the system. The information system expenditure is approximately NTD 250,000. (1) Establish a fraud reporting mechanism: Our customer service hotline continues to provide customers with anti-fraud consultation services, with a fraud case reporting mechanism also established. The reporting process for suspected fraud cases received from customers is clearly defined, and the relevant cases are reported to the MOPS' fraud joint defense area to prevent fraud.

Risk factors	Threat of monitoring and detection
Risk type	Technology risk
Risk description	1. Advanced technologies such as global positioning systems (GPS), artificial intelligence (AI), machine learning (ML), intelligent monitoring systems, and drones are used to monitor and track individuals or enterprises. For example, digital footprints of users are collected through mobile phones, and the ability to monitor personal information, including location, conversation records, and daily activities, seriously infringes on personal privacy, freedom, and business secrets. 2. According to iThome's 2024 Financial Security Risk Map, among the 14 high-risk and high-impact security risks, social engineering and hacking threats have been the top security risks in the financial industry for two consecutive years. 3. Customer data is the most important digital asset for the financial industry and the most sought-after target for hackers. The intrusions of hackers into the system for financial crime is having a huge impact on the financial industry and must be prevented.
Impact on business	1. Infringement of privacy: Because financial institutions own a large amount of personal data, including data related to transactions, balances, and conversation records, the abuse or disclosure of such data will infringe on personal privacy, and may lead to customer loss or legal action. In 2024, the percentage of electronic order placement transactions of Mega Securities was 87.49%, indicating the importance of online transactions, and it is necessary for the Company to actively protect customer privacy and transaction security. 2. Leakage of business secrets: Business secrets of enterprises, such as transaction strategies and customer data, may be obtained by competitors if they are improperly monitored and tracked, resulting in the loss of competitive advantages and economic losses. 3. Information security risk: Social engineering and ransomware attacks require more resources for information security protection. In 2024, the DDoS attack launched by the NoName057 against Taiwan caused the website of Mega Securities to shut down. We must continue to strengthen information security protection measures to tackle these cyber threats.
Mitigation and Countermeasures	1. Keep customer data confidential: Formulate confidentiality measures for customer data, and include customer data protection in the internal control system through customer data protection, and conduct employee education and training. Third-party organizations are commissioned to conduct personal data protection inspections every year to ensure the implementation of customer privacy and personal data protection. 2. Implement personal data inventory: Execute personal data inventory every year according to the Personal Data Security Principles to protect customer rights. 3. Introduce the protection mechanism: The Group has uniformly purchased Akamai CDN (Content Delivery Network) to introduce the protection mechanism to the official website and trading system to strengthen the defense capability against DDoS attacks. 4. Enhance the information security system: Every year, we regularly scan for system vulnerabilities and conduct penetration tests, as well as establishing the security operation center (SOC) to ensure the appropriateness and effectiveness of information security and network risk control. 5. Enhance information security awareness: To raise colleagues' awareness of information security and prevent personal data leakage due to phishing emails, Mega Securities conducts social engineering drills on a regular basis to reduce information security risks.

Risk factors	Major changes in the global system
Risk type	Environmental risk
Risk description	1. The Earth is suffering irreversible changes overtime, exceeding the tolerance level and posing a significant impact on the health of the earth and human life. This is not beneficial to the future development of the Company, and the financial impact is difficult to estimate. 2. The World Meteorological Organization (WMO) confirms that 2024 was the warmest year on record, with a global average temperature 1.55˚ C higher than the average between 1850 and 1900, resulting in more frequent extreme climate disasters, such as fires, heat waves, floods, and droughts, which pose serious threats to human health and ecosystems. 3. In 2024, the Amazon rainforest experienced a severe drought, weakening the functioning of the globally significant carbon sink and causing significant losses to biodiversity. Such irreversible change has a long-term impact on the global ecological balance.
Impact on business	1. Impact of environment-related industries: According to the assessment of Mega Securities, the electricity supply industry, real estate development industry, and integrated circuit manufacturing industry have a higher level of dependence on ecosystem services such as flood prevention, water flow regulation, soil and sediment maintenance, and water supply. Their operating activities also have a higher level of impact on factors such as interference and toxic soil or water pollutants. Therefore, it is necessary for Mega Securities to pay special attention to major changes in the environment and climate to ensure the sustainability and stability of investment portfolios. 2. Increased supervision pressure: Governments and international organizations have increased supervision requirements for financial institutions, such as the Global Reporting Initiative (GRI)' s release of "GRI 101: Biodiversity 2024", which will come into effect on January 1, 2026, prompting financial institutions to take actions on the environment. The International Sustainability Standards Board (ISSB) has been working on the draft of the IFRS S3 to include environment-related information disclosure in the framework. The Taskforce on Nature-related Financial Disclosures (TNFD) released guidelines in September 2023 to emphasize that enterprises must disclose environment-related risks and opportunities, and the impact of their operations on biodiversity. The Company must enhance the professional knowledge of internal personnel and invest in long-term training and costs.
Mitigation and Countermeasures	1. Strengthen the assessment and management of natural capital risks: In response to the impact of major changes in the global system, the LEAP methodology of TNFD is applied to assess environmental risks, identify the dependence and impact of Mega on natural capital, formulate relevant management measures. The ENCORE tool is also used to assess the dependence and biodiversity impact of the financing portfolio on the ecosystem. 2. Comply with international standards: We have established a business model that is in harmony with the natural environment according to the TNFD framework and the United Nations Convention on Biological Diversity. Moreover, we are committed to complying with the principles of protecting biodiversity and "zero forest destruction" when adding or relocating operating sites.

8.2.3 Capital Adequacy Management and Level 3 Asset Management

Capital adequacy management

In order to effectively manage the capital adequacy ratio of Mega Securities, the Capital Adequacy Management Rules of Mega Securities have been formulated in accordance with the requirements of the Risk Management Rules. According to the Capital Adequacy Management Rules, the authorized capital adequacy ratio of Mega Securities shall not be less than 150%, and the capital adequacy ratio target and early warning indicators are listed as annual risk management objectives. The monitoring results are reviewed regularly and reported to Mega Holdings. In addition, to establish a capital adequacy assessment process and maintain an appropriate proprietary capital structure, while taking into account business development and risk control to improve the efficiency of capital utilization, Mega Securities has formulated the Capital Adequacy Management Enforcement Rules to implement the capital strategies of senior management. The relevant information is reported to the competent authority.

1. Objectives of capital management

Mega Securities adopts the advanced method to calculate the capital adequacy ratio in cooperation with the competent authorities, and regularly calculates and reports the capital adequacy ratio of Mega Securities in accordance with the Regulations Governing Securities Firms. The management objective of Mega Securities' capital adequacy ratio shall not be less than 250%. If the ratio is lower than 270% of the alert value, the General Manager will convene relevant departments to discuss the adjustment of the positions held by the sales department to adjust the capital adequacy ratio above the alert indicators.

2. Capital management policies and procedures

Evaluate the overall risk tolerance and the suitability of risk management by calculating the operating risk equivalent amount (including credit risk, market risk, and operational risk equivalent amount) and qualified capital, which are used as the basis for adjusting risk positions and risk management policies.

3. Capital adequacy ratio

The capital adequacy ratios of Mega Securities as at December 31, 2024 and 2023 were 338% and 349%, respectively.

4. Market risk management policies

To effectively control market risks, the Company plans the authorized limits, loss limits, risk value limits, and other related quantitative indicators of each department and product line based on the capital adequacy ratio, and controls the limits of various market risks through the risk management system. Each department conducts operations (or disposes of) according to the Market Risk Enforcement Rules to effectively control market risks.

According to the characteristics of the overall position and each product line of Mega Securities, early warning and loss stop mechanisms shall be defined in the Risk Management Rules, and appropriate Risk Management Enforcement Rules shall also be established for each department. The content should include the authorization structure and report of each level, the process and operation content, transaction scope, market risk measurement method, market risk limit and approval level, and handling method for exceeding the limit, etc., and are implemented.

Assess the product lines that need to be hedged, and check daily whether the operation is within the scope of authorization. In addition, in response to emergencies, the Company conducts hedging operations for interest rate and equity derivatives to reduce position losses caused by abnormal market fluctuations. The Risk Management Office analyzes data such as various financial instrument positions, assessed gains and losses, analysis of sensitive risk factors, and stress testing on a regular or unscheduled basis, and reports to the chairman and the general manager as a reference for business decision-making.

(1) Measurement techniques and limits of market risk

We establish a quantitative risk model to measure risks. In addition to the basic position/nominal limit and profit/loss information, the model also covers risk factor analysis and VaR calculation and management. To effectively control market risks, the Company plans the authorized limits, loss limits, risk value limits, and other related quantitative indicators of each department and product line based on the capital adequacy ratio, and controls the limits of various market risks through the risk management system. Each department conducts operations (or disposes of) according to the Market Risk Enforcement Rules to effectively control market risks.

(2) Sensitivity analysis

In addition to stress testing, sensitivity analyses of changes in various market risk factors can be conducted for each product line of the Company's proprietary parts, and the impact on the overall net value when foreign exchange rates, interest rates, and stock prices change by a certain percentage can be simulated and assessed.

Valuation process for level 3 fair value

For Mega Securities to carry out fair value valuations for Level 3 financial instruments, the valuation department must first confirm with the Verification Department about the valuation model, parameters used, parameter sources, and calculation methods. Moreover, whether the data sources are independent and reliable must be confirmed and unscheduled calibration performed, with evaluation model, and adjustment of parameters and calculation methods adjusted to ensure that the evaluation results are reasonable.

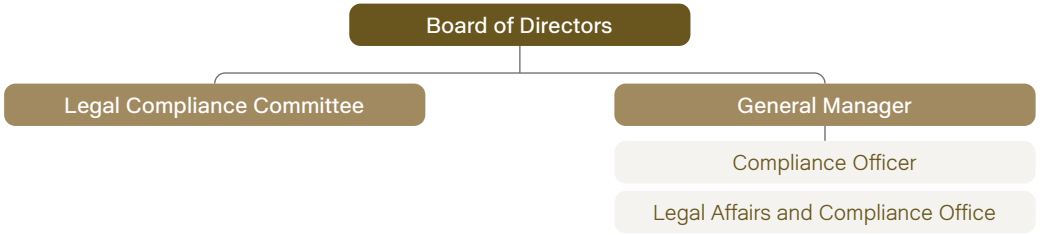
8.3 Legal Compliance

8.3.1 Compliance Management Mechanism

Mega Securities has established its compliance system in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" of the FSC, and designated the Legal Affairs and Compliance Office as the dedicated department in charge of the planning, management, and execution of the compliance system. The head of the Legal Affairs and Compliance Office is appointed by the Board of Directors to be the head of the Company's compliance affairs and is responsible for the overall management of compliance affairs and reporting to the Board of Directors and the supervisors every six months. In the event of a major violation of law or a downgrade from the competent authority, the compliance officer shall immediately notify directors and supervisors and report the compliance matter to the Board of Directors.

The Board of Directors has also established the Compliance Committee, chaired by the chairman of the Board, and the Legal Affairs and Compliance Office as the dedicated department to effectively implement the promotion and execution of Mega Securities' compliance system. Moreover, a meeting is convened on a regular basis to achieve the goal of independent identification, assessment, and monitoring of compliance. In 2024, 4 Compliance Committee meetings were held.

Compliance Management Structure



Duties of the Committee are as follows:

- Review relevant reports on regulatory compliance risk management.
- Review and approve important regulations and methodologies related to regulatory compliance that must be submitted to the Board of Directors.
- Analyze the causes and improvement plans for any penalties imposed on the Company by regulatory authorities, including corrective actions and fines.
- Analyze the causes and improvement plans for major regulatory violations or instances where the Company' s rating has been downgraded by financial regulators.
- Review summary reports of compliance testing results related to any penalties imposed by regulatory authorities.
- Evaluate the adequacy of the Company's control measures in light of industry penalty cases or other significant regulatory compliance matters.
- Review reports on the execution of the regulatory compliance system.
- Review other important regulatory compliance-related issues or matters.
- Oversee the implementation of the above-related matters.

The Legal Affairs and Compliance Office is responsible for the following compliance matters:

- Compliance Committee's conference affairs department
- Establish and maintain clear and appropriate systems for regulatory communication, coordination, and communication
- Ensure that all operational and management regulations are updated in accordance with relevant laws and regulations, so that all business activities comply with legal requirements.
- Oversee and ensure that each department regular conducts self-assessments of compliance
- Implement appropriate and relevant legal training to personnel across departments
- Address any other matters required by regulatory authorities

Legal compliance education and training

To raise awareness of compliance risks and establish a culture of compliance to facilitate the effective implementation of company policies, Mega Securities and its subsidiaries encourage employees to participate in various internal and external compliance education and training. In 2024, Mega Securities provided a total of 85,231 hours of compliance training for 36,477 employees.

8.3.2 Penalties

In 2024, Mega Securities was notified of a total of 2 fines by the competent authorities, with a total fine of NTD 390,000. Relevant measures have been implemented to strengthen control and prevent similar incidents from recurring. No subsidiaries incurred fines from the competent authorities. In 2024, there were no penalties imposed on Mega Securities or its subsidiaries for reaching the material threshold and no incidents related to anti-competitive behavior, anti-trust, or monopolistic behavior. There were no product and service information, labeling, marketing communications, or voluntary regulation incidents, nor were there any investment-related investigations, customer complaints, private human rights lawsuits, or mediation, arbitration, or legal proceedings involving violations of integrity.

Case description	Fines	Other penalties	Improvement measures
The Company failed to include customers with a related party relationship in the control of the related party accounts; the Company sold total loss-absorbing capacity (TLAC) to non-professional investors; the Company failed to disclose investment risks to the customer at the time of the transaction of purchasing foreign securities below a BBB rating.	NTD 300,000	Corrective action	1. Amendment to the control principles of the related party account system. 2. A new method for checking TLAC products has been added. If a customer is found to have bought TLAC bonds by mistake, they will be notified as soon as possible. 3. The recording items for sales personnel accepting bond orders have been expanded to include the bond’ s credit rating.
Incidents involving withholding of wages for breach of contract and compensation expenses.	NTD 90,000	Name of the company, name of the person in charge, date of penalty, the violation of the law and amount of penalty	The Company has canceled the fund transfer system for the misstatement account and returned the funds to the employees (including current employees and those who left the Company).

Note : Materiality threshold refers to a disciplinary action of warning or higher by the competent authority, a single fine of NTD 1 million or higher, or a major penalty as defined in th “Significant Penalties as Stipulated in the Measures for Handling Significant Penalties for Violations of the Financial Services Act by the Financial Supervisory Commission” .

8.3.3 Audit System

In accordance with the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" issued by the Financial Supervisory Commission, Mega Securities has appointed a Chief Auditor under the Board of Directors. An Audit Office has also been set up with a number of auditors to assist the Board of Directors and management in auditing and evaluating the effectiveness of the internal control system. The internal audit unit reports to the Board of Directors every year to discuss the annual internal audit plans (including securities and futures business) of the headquarters and branches, handles the audit plans of subsidiaries, and strengthens the risk assessment-based audit plan in accordance with the abovementioned standards. The internal audit unit plans to faithfully disclose in the audit report any deficiencies and anomalies found in the internal control system in an audit, and follows up after the report has been reviewed to ensure that relevant units have taken appropriate improvement measures in a timely manner. After completion, the audit report is submitted to the independent directors and supervisors for review by the end of the month, and the General Auditor will attend the Board meeting regularly to report the audit business report.

Status of audit professional licenses obtained or relevant tests passed at the end of 2024

Title of test or license	Number of people passing
Banking Internal Control and Internal Audit	49
International Internal Auditor	0
Internal Auditor Qualifications	194
Accountant	5

8.4 Combating Crime

8.4.1 Management Mechanism for Combating Crime

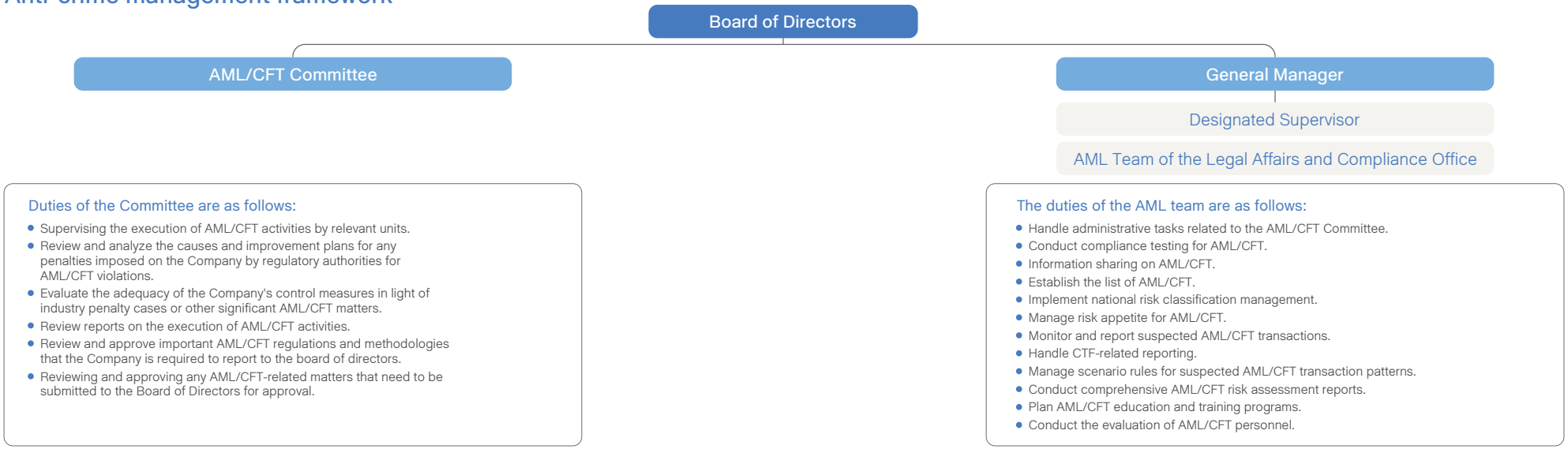
Mega Securities complies with the regulations of the competent authorities and the requirements of the Mega Group to implement the "Money Laundering Control Act", the "Counter-Terrorism Financing Act", and the "Regulations Governing Anti-Money Laundering of Financial Institutions", and supervises all departments to implement prevention and control measures. Mega Securities supervises all departments to implement prevention and control measures. Operations related to AML/CFT include customer due diligence, transaction monitoring, and education and training. At Mega Securities, we have established a money laundering prevention monitoring and list screening system, and provide comprehensive training for money laundering prevention personnel.

To supervise and manage the AML/CFT business of each department, Mega Securities has established the AML/CFT Committee, which is under the Board of Directors and chaired by the general manager. Regular committee meetings are held every quarter to review important regulations and AML/CFT-related matters that require review or approval by the Board of Directors. Regulations and AML/CFT-related matters that do not require approval of the Board of Directors are approved by the general manager according to the hierarchical responsibility chart. The scope of the Committee's supervision includes overseeing the implementation of various matters related to AML/CFT, reviewing the disciplinary actions taken by the competent authority against Mega Securities due to matters related to AML/CFT, and analysis of the causes of the disciplinary actions or fines imposed by the competent authority. The Committee is also responsible for reviewing the adequacy of Mega Securities' control measures and the implementation of various AML/CFT-related matters, such as penalties imposed by peers or other important AML/CFT-related matters, The relevant results are reported to the Board of Directors, and a total of 4 meetings were held in 2024.

According to the provisions of the hierarchical responsibility chart, the general manager of Mega Securities is responsible for supervising each department to carefully evaluate and review the implementation of the internal control system for AML/CFT, and approve important regulations and AML/CFT regulations that are not required to be submitted to the Board of Directors. In 2024, a total of 16 AML/CFT procedures were approved; adjustments made to various 2024 threshold parameters of AML/CFT transactions; 2024 annual AML/CFT legal compliance test report compiled; and counter-terrorist financing compliance testing for each business department and subsidiary for 2025 planned.

The Board of Directors has appointed the compliance officer to also serve as the dedicated head of AML/CFT. In addition to reporting to the Board of Directors and the supervisors on the implementation of AML/CFT every six months, the compliance officer is also responsible for coordinating and supervising the prevention and control of AML/CFT. The compliance officer reports suspected AML/CFT transactions to the Ministry of Justice Investigation Bureau. In order to effectively supervise and manage the implementation of Mega Securities' AML/CFT operations, the managers and sales department heads of each branch act as the supervisors. In addition, dedicated personnel have been designated in the Legal Compliance Office for the implementation of AML/CFT-related operations of Mega Securities.

Anti-crime management framework



8.4.2 Anti-crime Measures

Mega Securities has formulated and announced 22 AML/CFT internal rules. In order to supervise each department's AML/CFT operations, Mega Securities regularly conducts compliance tests and legal compliance risk self-assessments, and has designated dedicated personnel in the Legal Compliance Office to assist in each department's AML/CFT operations.

In accordance with domestic laws and regulations, group consistency standards, and with reference to the Forty Recommendations of the Financial Action Task Force (FATF), the Company has established a sound organizational structure and policies and procedures to effectively identify and assess various AML/CFT risks, and to identify higher money laundering threats and vulnerabilities for control, in order to implement the requirements of international regulations. The implementation procedures include physical and non-physical customer due diligence (CDD), review of terrorism lists, review and monitoring of lists of politically exposed persons (PEPs), and participation of senior management in auditing clients with high money laundering and terrorism risks. The Company also communicates with each other through the Group's AML/CFT Committee on the implementation of AML/CFT matters, and regularly share and collect the list of high-risk customer lists and suspected AML/CFT transaction reporting and de-identification cases through the information sharing area set up by the Group.

Effectiveness of Specific Actions of Mega Securities in 2024 to Enhance AML and Crime Monitoring

Measures	Implementation status
Institutional Risk Assessment (IRA)	The Company performs a company-wide risk assessment for money laundering, terrorism financing, financing of militia, and sanctions at least once a year. As well as this, we conduct quantitative and qualitative analyses of the results of the risk assessment, and compile a risk assessment report, internal control assessment items, and improvement plan timelines, which are deliberated by the AML/CFT Committee prior to reporting to the Board of Directors.
Establishment of an AML system	1. To identify and control money laundering threats and vulnerabilities, Mega Securities has implemented various anti-money laundering systems, including transaction monitoring and list scanning, to prevent money laundering and terrorism financing. 2. In October 2024, the list of cautioned accounts was formally included, the system will be finalized, and the system was established and the control measures for the information of the cautioned accounts were established to strengthen control.
Customer identity due diligence	We have established the "Customer Due Diligence Procedures", "Procedures for Identification and Control of PEPs", and "Name and Title Verification Procedures" for the identification of customers, counterparties and related persons as well as comparison with the counter-terrorism list. Regular audits are conducted according to the risk level. In addition, Mega Securities performs centralized audits by the Compliance Office and reports to the Ministry of Justice Investigation Bureau if there are clients who meet the criteria of suspected money laundering and terrorism after approval by the dedicated supervisor.
Identification, regular review, and monitoring of policies for high-risk customers such as PEPs	1. We have established the "Customer Due Diligence Procedures", "Procedures for Identification and Control of PEPs", and "Name and Title Verification Procedures" for the identification of customers, counterparties and related persons as well as comparison with the counter-terrorism list. If the client is identified as a PEP or has other high-risk factors, the PEP should be approved by a higher level supervisor according to the “Client Risk Rating and Classification Procedures”, and his/her review frequency should be subject to once a year. In accordance with the “Procedures for Ongoing Monitoring of Accounts and Transactions and Reporting of Suspected Money Laundering or Terrorist Transactions”, if the transaction monitoring of this account is an account type, it should be carried out once every business day. 2. We have formulated the "Procedures for Identification and Control of PEPs" and "Procedures for Creation of Money Laundering and Terrorism Financing List Databases". After comparing with the purchased databases, those who do not fall under PEPs as defined by Mega Securities are included in the whitelist database. PEPs and their related parties that are known to have been shared by the Mega Group or discovered through customer due diligence conducted by our business units not included in the Mega Securities database should be included in the PEP database.
Suspicious Transaction Report (STR) Centralized Project	1. Any obvious abnormality found in the client's business by the business departments should be reported to the supervisor and the head of the headquarters and then to the Legal Compliance Office, which will be reviewed and reported to the Ministry of Justice Investigation Bureau after approval by the dedicated supervisor. 2. The Compliance Office of Mega Securities performs centralized review of transactions to avoid the sales representatives from reviewing the customers’ transactions. If there are customers who meet the suspected AML/CFT criteria, the dedicated officer will approve and report to the Ministry of Justice Investigation Bureau.
Application of Regtech	1. The transaction monitoring system (including RPA’s daily anti-money laundering operation and the use of the Tableau software to assist in the transaction monitoring operation of AML). 2. AML self-assessment system. 3. List database establishment system (including whitelist database, PEP database, material and negative news database, country risk rating database, and customer database under investigation by external authorities).
Other specific actions to enhance the monitoring performance	1. With the aforementioned software and systematic monitoring, the average case closing time has been reduced by 75% in the past three years, and the number of false positive cases has been reduced by approximately 74% through the annual review of the type adequacy. 2. Training or briefings on legal compliance technology from time to time.

Mega Securities and its subsidiaries are committed to AML/CFT. Every year, we invite internal and external experts to provide education and training and related lectures on money laundering prevention. This includes physical lectures, digital learning, video training, etc., further enhancing the professional knowledge and skills of AML/CFT personnel. In 2024, the completion rate of the personnel who should have completed the statutory hours of the training rate reached 100%.

2024 Anti-crime-related education and training of Mega Securities and its subsidiaries

Training type	Total training hours	Total No. of people trained (person-time)
The profit-making network provides regular and continuous training and case analysis (for all employees).	1,877	1,877
Provision of online courses and self-evaluation	7,058	3,085
Face-to-face training provided by compliance/legal affairs personnel	890	716
Face-to-face training provided by an external professional company	184	45
Mandatory participation in the annual refresher training program	2,476	251

Status of anti-crime licenses obtained or relevant tests passed of Mega Securities and its subsidiaries at the end of 2024

Title of test or license	Number of people passing
Certified Anti-Money Laundering Specialist (CAMS)	9
Test for Money Laundering Prevention and Counter-Terrorist Financing Professionals	249





9 Appendix

9.1 Sustainability Data

9.2 Sustainability Criteria and Index Comparison Table

9.3 External Independent Verification Statement

9.1 Sustainability Data

9.1.1 Environmental Indicator Data

Energy consumption

Energy type	Item	2022	2023	2024
General electricity	Consumption (kWh)	5,779,218	5,880,271	4,087,857
	Expenditure (thousand)	23,175	25,084	23,503
	Energy consumption (GJ)	20,810	21,174	14,719
Green power	Consumption (kWh)	55,618	723,000	1,651,000
	Expenditure (thousand)	119	3,705	8,192
	Energy consumption (GJ)	200	2,603	5,945
Gasoline	Quantity used (liters)	27,327	8,763	14,159
	Expenditure (thousand)	863	270	443
	Energy consumption (GJ)	892	286	451
Natural gas	Consumption volume (m^3)	-	-	-
	Expenditure (thousand)	-	-	-
	Energy consumption (GJ)	-	-	-
Diesel (mobile)	Quantity used (liters)	-	399	1,550
	Expenditure (thousand)	-	11	43
	Energy consumption (GJ)	-	14	56
Diesel (fixed)	Quantity used (liters)	-	239	115
	Expenditure (thousand)	-	7	3
	Energy consumption (GJ)	-	8	4

Energy type	Item	2022	2023	2024
Liquefied petroleum gas (LPG)	Quantity used (kg)	-	-	-
	Energy consumption (GJ)	-	-	-
Total energy consumption (GJ)		21,903	23,917	21,175
Per-capita energy consumption (total calorific value (GJ)/person)		14.65	15.77	12.94
Energy intensity (Gross calorific value (GJ)/ Income NTD 1 million)		5.24	3.68	2.50

Note 1: The data scope of energy consumption includes all operating sites in Taiwan, subsidiaries Mega Futures and Mega International Investment Services. The energy consumption figures of Mega Holdings, as assured by Deloitte Taiwan, include the above data of Mega Securities.

Note 2: The energy consumption coefficient (calorific value) is based on the "Energy Statistics Manual (updated on 2024.10.04)" published by the Bureau of Energy, Ministry of Economic Affairs. The electricity was 860 kcal/kWh, and the diesel is 8,400 kcal/liter; each kcal was calculated at 4.1868 Joules.

Note 3: The energy consumption coefficient (heat value) is based on the 2024 calorific value of gasoline and diesel announced by the Ministry of Environment on February 13, 2025. The calorific value of automotive gasoline and diesel fuel in 2024 was 7,609 kcal/liter for automotive gasoline and 8,642 kcal/liter for automotive diesel fuel; each kcal was calculated at 4.1868 joules.

Note 4: Mega Securities and its subsidiaries do not produce or sell energy, so the value of electricity, heating, cooling, and steam sold is 0.

Note 5: Emissions per capita = total energy consumption / number of full-time employees in the scope of the inventory. There were 1,637 regular employees of Mega Securities (including the headquarters and branches) and all subsidiaries.

Water withdrawal

Total water withdrawal in the past three years

Unit: million liters

Item	Source	2022	2023	2024
Water withdrawal	Third-party water (Water supply company)	28.532	32.204	28.940
Water withdrawal per capita		0.019	0.021	0.018

Note 1: The data on the total amount of water withdrawal is based on the actual month of water consumption, covering all 43 operating sites in Taiwan (excluding the same address). The water consumption is mainly for the daily needs of employees and water for cooling and air conditioning. The water intake data of the Mega Group, which is subject to limited assurance by the accounting firm, includes the above data from Mega Securities.

Note 2: The water used is entirely fresh from the government' s Water Supply Department (<=1,000 mg/L total dissolved solids), and there is no groundwater pumping or water supply in other ways. All wastewater used is discharged into sewers.

Note 3: According to the World Resources Institute (WRI) water risk assessment tool, all of Mega Securities' operating sites in Taiwan are located in low-medium water stress risk areas.

Note 4: The total number of employees as of 2024/12/31 is 1,637, and the water consumption data collection period is from 2024/1/1 to 2024/12/31.

GHG emissions

Unit: $MtCO_2e$/year

Item/Year	By company	2022		2023		2024	
		Total emissions	Intensity	Total emissions	Intensity	Total emissions	Intensity
Direct GHG emissions (Scope 1) - Self-owned company vehicles	Mega Securities	22.36	0.006	19.02	0.003	32.83	0.004
	Mega Futures	1.54	0.004	1.64	0.006	2.84	0.009
	Mega International Investment Services	0.98	0.026	1.05	0.032	1.81	0.044
Direct GHG emissions (Scope 1) - Other	Mega Securities	73.50	0.019	25.22	0.004	92.95	0.011
	Mega Futures	0.99	0.003	-	-	-	-
	Mega International Investment Services	0.64	0.017	-	-	-	-
Direct GHG emissions (Scope 1)	Total	100.00	0.074	46.93	0.045	130.43	0.015
Energy Indirect GHG Emissions (Scope 2)	Mega Securities	3,387.83	0.869	3,099.09	0.494	2,580.03	0.313
	Mega Futures	96.48	0.279	89.29	0.328	85.82	0.285
	Mega International Investment Services	61.66	1.623	57.07	1.729	54.84	1.342
	Total	3,545.97	2.770	3,245.45	2.551	2,720.69	0.321
Total Scope 1+2 emissions	Total	3,645.97	2.845	3,292.38	2.596	2,851.12	0.336

Item/Year	By company	2022		2023		2024	
		Total emissions	Intensity	Total emissions	Intensity	Total emissions	Intensity
Other indirect GHG emissions (Scope 3) - Other (Note 6)	Mega Securities	594.77	0.095	577.54	0.092	441.75	0.054
	Mega Futures	17.26	0.063	17.97	0.066	18.34	0.061
	Mega International Investment Services	11.03	0.334	11.49	0.348	11.72	0.287
Other indirect GHG emissions (Scope 3) - business travel	Mega Securities	10.53	0.002	18.78	0.003	19.73	0.002
	Mega Futures	-	-	-	-	-	-
	Mega International Investment Services	-	-	-	-	-	-
Other indirect GHG emissions (Scope 3) - investment	Mega Securities	931.71	0.148	120,775.12	19.244	100,013.71	12.135
	Mega Futures	-	-	-	-	1.50	0.005
	Mega International Investment Services	-	-	-	-	-	-
Other indirect GHG emissions (Scope 3)	Total	1,565.29	0.643	121,400.90	19.753	100,506.75	11.849
No. of operating sites verified by a third party			43		43		43
Third-party verification coverage rate (%)			100		100		100

Note 1: In 2024, the Company obtained a total of 1,651 renewable energy certificates (T-RECs) and the total emissions measured on a location-based basis were 2,851.12 metric tons of CO_2e (Scope 1 + 2 emissions). The total emissions measured on a market-based basis were 2,211.70 metric tons of CO_2e (Scope 1 + 2 emissions) in 2024, and 2,934.50 metric tons of CO_2e (Scope 1 + 2 emissions) in 2023.
Note 2: In 2022, the external verification unit was SGS Taiwan; in 2023 and 2024, the external verification unit was DNV GL Business Assurance Co., Ltd.
Note 3: The GHG calculated are CO_2, CH_4, N_2O and HFCs.
Note 4: The scope of inventory and verification of Scope 3 investment includes all investments in 2023, and companies that had been held for more than one year and on the list of the Ministry of the Environment in 2022.
Note 5: The calculation of the emission intensity is as follows: (1) The intensity of the three companies, Mega Securities, Mega Futures, and Mega International Investment Services, is calculated as: Intensity = total emissions/ total income in the parent company only financial statement(NTD million); (2) Total intensity of the three companies, Mega Securities, Mega Futures, and Mega International Investment Services, is calculated as: Total emissions/total income in the consolidated financial statements(NTD million).
Note 6: The statistics include waste disposal and purchased electricity (upstream emissions).

Total amount of waste

Unit: kg

Total waste in the past three years				
	Year	2022	2023	2024
Direct disposal	General domestic waste (non-recyclable)	53,100	81,430	60,205
	Food waste	4,363	2,049	113
	Subtotal of direct disposals	57,463	83,479	60,318

Unit: kg

Total waste in the past three years				
Resource recycling (reuse)	Paper containers, waste paper	23,987	23,912	32,492
	Iron and aluminum cans	170	527	324
	Plastic	498	1,901	697
	Glass	-	149	8
	Batteries	-	14	36
	Fluorescent tube lights	271	262	3
	Subtotal for recycling (reuse) of resources	24,926	26,765	33,560
Total		82,389	110,244	93,878

Note 1: In 2024, 2023, and 2022, comprehensive inventories were conducted for Mega Securities, Mega Futures, and Mega International Investment Services
Note 2: Mega Securities mainly operates offices and does not generate any hazardous waste.
Note 3: All waste is disposed of off-site. General domestic waste is mainly treated by incineration, and food waste is treated by incineration, feed and compost.

9.1.2 Social Indicator Data

Statistics on global employment in the past three years

Item		No. of employees in 2022	No. of employees in 2023	No. of employees in 2024
Full-time employees	Female	990	989	1,051
	Male	505	528	572
	Taiwan operating sites	1,495	1,517	1,623
	Overseas operating sites	-	-	-
	Subtotal	1,495	1,517	1,623

Item		No. of employees in 2022	No. of employees in 2023	No. of employees in 2024
Dispatched personnel	Female	-	-	-
	Male	1	1	1
	Subtotal	1	1	1
Part-time employees	Subtotal	3	6	11
Total		1,496	1,518	1,624

Note 1: Dispatch staff includes drivers of the executives, who are dedicated drivers of company executives; part-time personnel refers to student workers.
Note 2: Both full-time and non-full-time employees of Mega Securities and its subsidiaries are employees of the Taiwan operating sites.
Note 3: In 2024, there were 51 non-employee workers at Mega Securities and its subsidiaries, including interns, cleaning personnel of contractors, and security personnel of contractors.
Note 4: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on Full-Time Employees in the Past Three Years

Category		2022		2023		2024	
		No. of people	Percentage in this category	No. of people	Percentage in this category	No. of people	Percentage in this category
Senior executives (deputy general manager and above)	Female	2	29%	1	17%	2	25%
	Male	5	71%	5	83%	6	75%
Mid-level supervisors (unit supervisors)	Female	31	36%	36	38%	36	38%
	Male	55	64%	59	62%	58	62%
Entry-level supervisors (non-unit supervisors)	Female	62	66%	59	69%	64	67%
	Male	32	34%	26	31%	31	33%
Woman supervisor of revenue generating functions (sales department)		81	52%	85	53%	87	53%
No. of woman employees in science, technology, engineering, and mathematics (STEM)-related roles		30	38%	75	51%	48	42%

Note 1: Revenue-generating functions are calculated by business unit, excluding support units such as human resources, legal compliance, and audit.
Note 2: Jobs related to science, technology, engineering, and mathematics (STEM) are counted as jobs involving statistics, mathematics, and actuarial, such as financial instrument issuance departments, IT departments, etc.
Note 3: Please refer to 6.1.1 Human Resources and Structure.
Note 4: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on global full-time employees with disabilities in the past three years

Nationality		2022		2023		2024	
		No. of employees	As a percentage to all employees	No. of employees	As a percentage to all employees	No. of employees	As a percentage to all employees
Gender	Female	3	0.30%	3	0.30%	5	0.48%
	Male	5	0.99%	5	0.95%	6	1.05%
Age	Under 29 years old	-	-	-	-	-	-
	30-50 years old	6	1.85%	5	1.71%	5	0.65%
	Over 51 years old	2	0.80%	3	0.98%	6	0.87%
Region	Taiwan operating sites	8	0.54%	8	0.53%	11	0.68%
	Overseas operating sites	-	-	-	-	-	-
Position	Management roles	2	1.07%	2	1.08%	2	1.02%
	Non-management roles	6	0.46%	6	0.45%	9	0.63%
Total		8	0.54%	8	0.53%	11	0.68%

Note 1: Please refer to 6.1.2 Employee Diversity
Note 2: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on nationality of global full-time employees in the past two years

Nationality	2023				2024			
	No. of employees	As a percentage to all employees	No. of supervisors	As a percentage to all supervisors	No. of employees	As a percentage to all employees	No. of supervisors	As a percentage to all supervisors
Taiwan	1,330	99.9%	186	100%	1,425	99.9%	197	100%
Malaysia	1	0.1%	-	-	1	0.1%	-	-
Total	1,331	100%	186	100%	1,426	100%	197	100%

Note 1: Please refer to 6.1.2 Employee Diversity
Note 2: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on global new employees in the past three years

Item		2022		2023		2024	
		No. of people	Percentage	No. of people	Percentage	No. of people	Percentage
Gender	Female	84	48%	91	46%	108	55%
	Male	92	52%	105	54%	89	45%
Age	Under 29 years old	68	39%	91	46%	106	54%
	30-50 years old	93	53%	92	47%	84	43%
	Over 51 years old	15	8%	13	7%	7	4%
Region	Taiwan operating sites	176	100%	196	100%	197	100%
	Overseas operating sites	-	-	-	-	-	-
Total		176	100%	196	100%	197	100%

Note 1: Please refer to 6.1.3 New Recruits and Resigned Employees.
Note 2: The statistics for 2022 and 2023 covered new employees of Mega Securities; the statistics for 2024 covered new employees of Mega Securities and its subsidiaries.

Statistics on global employee resignations in the past three years

Item		2022		2023		2024	
		No. of people	Percentage	No. of people	Percentage	No. of people	Percentage
Gender	Female	87	53%	90	52%	48	40%
	Male	77	47%	84	48%	72	60%
Age	Under 29 years old	41	25%	50	29%	36	30%
	30-50 years old	83	51%	80	46%	65	54%
	Over 51 years old	40	24%	44	25%	19	16%
Region	Taiwan operating sites	164	100%	174	100%	120	100%
	Overseas operating sites	-	-	-	-	-	-
Total		164	100%	174	100%	120	100%

Note: The statistics for 2022 and 2023 covered resigned employees of Mega Securities; the statistics for 2024 covered resigned employees of Mega Securities and its subsidiaries, of which 111 employees resigned from Mega Securities.

Statistics on education and training of global full-time employees in the last three years

Unit: hours

Item		2022		2023		2024	
		Total training hours	Training hours per capita	Total training hours	Training hours per capita	Total training hours	Training hours per capita
Gender	Female	40,752	41.16	47,500	48.03	56,739	53.99
	Male	20,266	40.13	29,668	56.19	33,207	58.05
Position	Management roles	9,537	51	13,025	70.03	13,938	70.75
	-Senior executive	408	58.29	537	89.50	652	81.44
	-Mid-level executives	4,903	57.01	6,857	72.18	7,466	79.42
	-Junior level supervisor	4,226	44.96	5,631	66.25	5,821	61.27
	Non-management roles	51,481	39.36	64,143	48.19	76,006	53.30
Type	Internal training	11,610	7.77	19,419	12.80	32,087	19.77
	External training	49,408	33.05	57,749	38.07	57,859	35.65
Total		61,018	40.81	77,168	50.87	89,946	55.42

Note 1: The average training hours per person is the total training hours of each item divided by the total number of participants. The number of training hours per person in a training type is the total number of training hours divided by the total number of employees.
Note 2: Please refer to 6.1.5 Talent Training.
Note 3: The statistics for 2022 and 2023 are the number of hours of education and training for employees in service at Mega Securities as of December 31, 2024; the statistics for 2024 are the number of hours of education and training for employees in service at Mega Securities and its subsidiaries as of December 31, 2024.

Statistics on professional license subsidies for full-time employees in the past three years

Item		2022		2023		2024	
		No. of people	Total amount (NTD thousand)	No. of people	Total amount (NTD thousand)	Total amount (NTD thousand)	Total amount (NTD thousand)
Gender	Female	29	64	8	26	5	37
	Male	14	41	3	8	9	241
Position	Management roles	-	-	-	-	6	107
	Non-management roles	43	105	11	34	8	171
Total		43	105	11	34	14	25

Note 1: Please refer to 6.1.5 Talent Training.
Note 2: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on childcare leave of full-time employees in the last three years

Item	2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
No. of employees entitled to parental leave in the current year	9	8	17	6	10	16	12	14	26
No. of employees who actually took unpaid parental leave in the current year	5	1	6	1	-	1	4	2	6
No. of employees due for reinstatement in the current year	5	-	5	3	-	3	4	1	5
No. of employees actually reinstated in the current year	3	-	3	2	-	2	4	1	5
Reinstatement rate (%)	60.0%	-	60.0%	66.7%	-	66.7%	100%	100%	100%
No. of employees actually reinstated in the previous year	1	-	1	3	-	3	2	0	2
No. of employees who remained in service 12 months after reinstatement in the previous year	1	-	1	3	-	3	1	0	1
Retention rate (%)	100.0%	-	100.0%	100.0%	-	100.0%	50%	0%	50%

Note 1: Reinstatement rate (%) = (No. of employees actually reinstated in the current year/No. of employees due for reinstatement in the current year) x 100%.
Note 2: Retention rate (%) = (No. of employees who remained in service 12 months after reinstatement in the previous year/No. of employees actually reinstated in the previous year) x 100%.
Note 3: Please refer to 6.2.1 Remuneration and Benefits.
Note 4: The statistics for 2022 and 2023 are for the employees of the Company as of December 31, 2024, and the statistics for 2024 are for the employees of the Company and its subsidiaries as of December 31, 2024.

Statistics on health checkup of full-time employees

Item		2024
Item	Female	1,011
	Male	557
Age	Under 39 years old	372
	40 to 49 years old	532
	Over 50 years	664
Region	Taiwan operating sites	1,568
	Overseas operating sites	-
Total		1,568

Note 1: A health checkup is conducted once every two years. The most recent checkup was 2022. Please refer to 6.2.2 Occupational Health and Safety.
Note 2: The statistics for 2024 cover employees of the Company and its subsidiaries who participated in the health checkups in 2024.

Statistics on occupational injuries of global full-time employees in the past three years

Item			2022	2023	2024
Occupational injury gender	Female		10	-	3
	Male		3	1	4
Injury category	Injury while on duty or in the workplace	Severe occupational injury	-	-	-
		Recordable occupational injury	-	-	6
	Traffic accidents during work commute	Severe occupational injury	-	-	-
		Recordable occupational injury	13	1	1
Total No. of people injured			13	1	7
No. of fatalities caused by occupational injuries			-	-	1
Total working days			248	247	249
Total No. of hours worked (hours)			2,966,080	2,997,592	3,233,016
No. of working days lost			166.50	0.5	10.13
Occupational injury rate (IR)			4.38	0.33	2.17
Percentage of severe occupational injuries (excluding fatalities)			-	-	-
Percentage of fatalities due to occupational injuries			-	-	0.31
Lost days rate (LDR)			56.13	0.17	3.13

Note 1: Occupational injury rate (excluding personal traffic accidents of employees) = (No. of people injured × 1,000,000)/total No. of hours worked.
Note 2: Percentage of severe occupational injuries (excluding fatalities) = (No. of severe occupational injuries x 1,000,000)/total No. of hours worked.
Note 3: Death rate due to occupational injuries = (Number of fatalities due to occupational injuries x 1,000,000)/total No. of hours worked.
Note 4: Lost days rate = (No. of working days lost x 1,000,000)/total No. of hours worked.
Note 5: Please refer to 6.2.2 Occupational Health and Safety.
Note 6: The statistics for 2022 and 2023 covered employees of Mega Securities; the statistics for 2024 covered employees of Mega Securities and its subsidiaries.

Statistics on absenteeism rate of global full-time employees in the past three years

Item	2022	2023	2024
Total days absent	3,319.38	722.25	1,899.5
Absenteeism rate (AR) (%)	0.895	0.193	0.470
Employee data coverage rate (%)	100	100	100

Note 1: Absenteeism rate (%) = total days absent/ total working days x 100%.
Note 2: The total days absent includes the total number of days lost due to various forms of absence, including work-related leave, illness, menstrual leave, minor illnesses (such as the common cold, fever, influenza), and personal leave and sick leave for undisclosed reasons; excluding scheduled or permitted absences (e.g. family care leave, festivals and holidays, training, maternity leave, paternity leave, marriage leave, bereavement leave, official leave).
Note 3: Please refer to 6.2.2 Occupational Health and Safety.
Note 4: The statistics for 2022 and 2023 covered employees of Mega Securities; the statistics for 2024 covered employees of Mega Securities and its subsidiaries, of which the total number of days of absence of Mega Securities is 1,778.5 days, and the absenteeism rate is 0.465%.

9.2 Sustainability Criteria and Index Comparison Table

GRI Standards Index

Mega Securities has covered the content of the period from January 1, 2024 to December 31, 2024 in accordance with the GRI standards. As there were no applicable GRI Industry Standards issued at the reporting time of this Report, we used GRI 1: Foundation 2021 for the preparation of the Sustainability Report.

Disclosure Item		Corresponding Chapter	Page No.
GRI 2 General Disclosures (2021)			
2-1	Organizational details	1.1 Background	10
2-2	Entities included in the organization' s sustainability reporting	About this Report	1
2-3	Reporting period, frequency and contact point	About this Report	1
2-4	Restatements of information	About this Report (there was no restatement of information in this annual report)	1
2-5	External assurance	About this Report 9.3 External Independent Verification Statement	1 210
2-6	Activities, value chain and other business relationships	1.1 Background 3.3 Sustainable Procurement	10 72
2-7	Employees	9.1 Sustainability Data	188
2-8	Workers who are not employees	9.1 Sustainability Data	188
2-9	Governance structure and composition	2.1 Sustainable Governance Structure 8.1 Corporate Governance and Ethical Management	18 158
2-10	Nomination and selection of the highest governance body	8.1 Corporate Governance and Ethical Management	158
2-11	Chair of the highest governance body	8.1 Corporate Governance and Ethical Management	158
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainable Governance Structure 3.1 Climate Action	10 46
2-13	Delegation of responsibility for managing impacts	2.1 Sustainable Governance Structure 3.1 Climate Action	18 46
2-14	Role of the highest governance body in sustainability reporting	About this Report 2.1 Sustainable Governance Structure 3.1 Climate Action	1 18 46
2-15	Conflicts of interest	8.1 Corporate Governance and Ethical Management (Please refer to page 61 of the Annual Report)	158
2-16	Communication of critical concerns	2.1 Sustainable Governance Structure 8.1 Corporate Governance and Ethical Management	18 158
2-17	Collective knowledge of the highest governance body	8.1 Corporate Governance and Ethical Management	158
2-18	Evaluation of the performance of the highest governance body	8.1 Corporate Governance and Ethical Management	158
2-19	Remuneration policies	8.1 Corporate Governance and Ethical Management	158
2-20	Process to determine remuneration	8.1 Corporate Governance and Ethical Management	158
2-21	Annual total compensation ratio	8.1 Corporate Governance and Ethical Management	158
2-22	Statement on sustainable development strategy	Message from the Chairperson	3
2-23	Policy commitments	8.1 Corporate Governance and Ethical Management 8.2 Risk Management 6.3 Human Rights Protection	158 173 140

Disclosure Item		Corresponding Chapter	Page No.
2-24	Embedding policy commitments	8.1 Corporate Governance and Ethical Management 6.3 Human Rights Protection	158 140
2-25	Processes to remediate negative impacts	6.3 Human Rights Protection 8.2 Risk Management	140 173
2-26	Mechanisms for seeking advice and raising concerns	8.1 Corporate Governance and Ethical Management	158
2-27	Compliance	8.3 Legal Compliance	181
2-28	Membership associations	1.1 Background	10
2-29	Approach to stakeholder engagement	2.3 Stakeholders and Material Topics	29
2-30	Collective bargaining agreements	6.3 Human Rights Protection	140

Material Topics

Disclosure Item		Corresponding Chapter	Page No.
GRI 3 Material Topics (2021)			
3-1	Process to determine material topics	2.4 Material Topic Analysis and Management	32
3-2	List of material topics	2.4 Material Topic Analysis and Management	32
3-3	Management of material topics	2.4 Material Topic Analysis and Management	32
Operational Performance			
GRI 201 Economic Performance (2016)			
201-1	Direct economic value generated and distributed	1.2 Operational performance	14
Climate Action			
GRI 201 Economic Performance (2016)			
201-2	Financial implications and other risks and opportunities due to climate change	3.1 Climate Action	46

Material Topics

Disclosure Item		Corresponding Chapter	Page No.
GRI 305 Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	3.1 Climate Action 9.1 Sustainability Data	46 188
305-2	Energy indirect (Scope 2) GHG emissions	3.1 Climate Action 9.1 Sustainability Data	46 188
305-3	Other indirect (Scope 3) GHG emissions	3.1 Climate Action 9.1 Sustainability Data	46 188
305-5	Reduction of GHG emissions	3.1 Climate Action 3.2 Green Operations 9.1 Sustainability Data	46 69 188
Sustainable Finance			
	Custom Topics	4.1 Sustainable Finance and Responsible Finance	92
Customer Relations			
	Custom Topics	5.2 Customer Relations	109
Information Security			
GRI 418 Customer Privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.3 Information Security	115
Digital Innovation			
	Custom Topics	5.4 Digital Innovation	121
Talent Attraction and Development			
GRI 401 Employment (2016)			
401-1	New employee hires and employee turnover	6.1 Talent Attraction and Development 9.1 Sustainability Data	123 188
GRI 404 Training and Education (2016)			
404-1	Average hours of training per year per employee	6.1 Talent Attraction and Development 9.1 Sustainability Data	123 188

Material Topics			
Disclosure Item		Corresponding Chapter	Page No.
405-1	Diversity of governance bodies and employees	6.1 Talent Attraction and Development 8.1 Corporate Governance and Ethical Management 9.1 Sustainability Data	123 158 188
Happy Workplace			
GRI 201 Economic Performance (2016)			
201-3	Defined benefit plan obligations and other retirement plans	6.2 Happy Workplace (For details on the 2024 benefit plan, please refer to p.41 of the consolidated financial report of 2024 Q4)	131
GRI 401 Employment (2016)			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.2 Happy Workplace	131
GRI 405 Employee Diversity and Equal Opportunity (2016)			
405-2	Ratio of basic salary and remuneration of women to men	6.2 Happy Workplace	131
GRI 403 Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system	6.2 Happy Workplace	131
403-2	Hazard identification, risk assessment, and incident investigation	6.2 Happy Workplace	131
403-3	Occupational health services	6.2 Happy Workplace	131
403-4	Worker participation, consultation, and communication on occupational health and safety	6.2 Happy Workplace	131
403-5	Worker training on occupational health and safety	6.2 Happy Workplace	131
403-6	Promotion of worker health	6.2 Happy Workplace	131
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.3 Human Rights Protection	140

Material Topics			
Disclosure Item		Corresponding Chapter	Page No.
403-8	Workers covered by an occupational health and safety management system	6.2 Happy Workplace	131
403-9	Work-related injuries	6.2 Happy Workplace 9.1 Sustainability Data	131 188
Corporate Governance and Ethical Management			
GRI 405 Employee Diversity and Equal Opportunity (2016)			
205-2	Communication and training about anti-corruption policies and procedures	8.1 Corporate Governance and Ethical Management	158
205-3	Confirmed incidents of corruption and actions taken	8.1 Corporate Governance and Ethical Management	158
GRI 405 Employee Diversity and Equal Opportunity (2016)			
405-1	Diversity of governance bodies and employees	6.1 Talent Attraction and Development 8.1 Corporate Governance and Ethical Management 9.1 Sustainability Data	123 158 188
Risk Management			
	Custom Topics	8.2 Risk Management	173
Compliance			
GRI 206: Anti-competitive Behavior (2016)			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	8.3 Legal Compliance (no such incident this year)	181
GRI 417 Marketing and Labeling (2016)			
417-2	Incidents of non-compliance concerning product and service information and labeling	8.3 Legal Compliance (no such incident this year)	181
417-3	Incidents of non-compliance concerning marketing communications	8.3 Legal Compliance (no such incident this year)	181

General Topics

Disclosure Item		Corresponding Chapter	Page No.
GRI 302 Energy (2016)			
302-1	Energy consumption within the organization	3.2 Green Operations 9.1 Sustainability Data	69 188
GRI 303 Water and Effluents (2018)			
303-3	Water withdrawal	9.1 Sustainability Data	188
GRI 305 Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	9.1 Sustainability Data	188
305-2	Energy indirect (Scope 2) GHG emissions	9.1 Sustainability Data	188
305-3	Other indirect (Scope 3) GHG emissions	9.1 Sustainability Data	188
305-5	Reduction of GHG emissions	3.2 Green Operations 9.1 Sustainability Data	69 188
GRI 306 Waste (2020)			
306-3	Waste generated	3.2 Green Operations 9.1 Sustainability Data	69 188
306-4	Waste diverted from disposal	3.2 Green Operations 9.1 Sustainability Data	69 188
306-5	Waste directed to disposal	3.2 Green Operations 9.1 Sustainability Data	69 188
GRI 308 Supplier Environmental Assessment (2016)			
308-1	New suppliers that were screened using environmental criteria	3.3 Sustainable Procurement	72
GRI 402: Labor/Management Relations (2016)			
402-1	Minimum notice periods regarding operational changes	6.3 Human Rights Protection	140
GRI 403 Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system	6.2 Happy Workplace	131
403-2	Hazard identification, risk assessment, and incident investigation	6.2 Happy Workplace	131

General Topics

Disclosure Item		Corresponding Chapter	Page No.
403-3	Occupational health services	6.2 Happy Workplace	131
403-4	Worker participation, consultation, and communication on occupational health and safety	6.2 Happy Workplace	131
403-5	Worker training on occupational health and safety	6.2 Happy Workplace	131
403-6	Promotion of worker health	6.2 Happy Workplace	131
403-8	Workers covered by an occupational health and safety management system	6.2 Happy Workplace	131
403-9	Work-related injuries	6.2 Happy Workplace 9.1 Sustainability Data	131 188
GRI 404 Training and Education (2016)			
404-1	Average hours of training per year per employee	6.1 Talent Attraction and Development 9.1 Sustainability Data	123 188
404-3	Percentage of employees receiving regular performance and career development reviews	6.1 Talent Attraction and Development	123
GRI 405 Employee Diversity and Equal Opportunity (2016)			
405-1	Diversity of governance bodies and employees	6.1 Talent Attraction and Development 8.1 Corporate Governance and Ethical Management 9.1 Sustainability Data	123 158 188
405-2	Ratio of basic salary and remuneration of women to men	6.2 Happy Workplace	131
GRI 406 Non-discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	6.3 Human Rights Protection	140
GRI 414 Supplier Social Assessment (2016)			
414-1	New suppliers screened using social standards	3.3 Sustainable Procurement	72
414-2	Negative social impacts in the supply chain and actions taken	3.3 Sustainable Procurement	72

SASB Sustainability Accounting Standards

SASB Investment Banking & Brokers (FN-IB)				
TOPIC	CODE	METRIC	Corresponding Chapter/Description	Page No.
Employee Diversity & Inclusion	FN-IB-330a.1	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	9.1.2 Social Indicator Data	191
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	FN-IB-410a.1	Revenue from (1) underwriting, (2) advisory and (3) securitisation transactions incorporating integration of environmental, social and governance (ESG) factors, by industry	4.1.2 Responsible investment	97
	FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social and governance (ESG) factors, by industry	4.1.2 Responsible investment	97
	FN-IB-410a.3	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment banking and brokerage activities	4.1.1 Sustainable Finance Management 4.1.2 Responsible investment	92 97
Business Ethics	FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	8.3.2 Penalties	182
	FN-IB-510a.2	Description of whistleblower policies and procedures	8.1.2 Ethical Corporate Management	164
Professional Integrity	FN-IB-510b.1	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	8.3.2 Penalties	182
	FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	8.3.2 Penalties No professional integrity-related mediation or arbitration has occurred with Mega Securities	182
	FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	8.3.2 Penalties No professional integrity-related mediation or arbitration has occurred with Mega Securities	182
	FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	8.1.2 Ethical Corporate Management	164
Systemic Risk Management	FN-IB-550a.1	Global Systemically Important Bank (GSIB) score, by category	Mega Securities is a securities business and therefore not applicable for this indicator.	
	FN-IB-550a.2	Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities	For details, please visit Mega Securities Image Website→Corporate Governance→ Status of risk management	
Employee Incentives & Risk-taking	FN-IB-550b.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	1. Please refer to "6.2.1 Remuneration and Benefits" for details. 2. Failure to apply the remuneration claim clause to the senior management of Mega Securities 3. For more details, 2024 Mega Securities Annual Report, pp. 34-35	

SASB Investment Banking & Brokers (FN-IB)				
TOPIC	CODE	METRIC	Corresponding Chapter/Description	Page No.
Employee Incentives & Risk-taking	FN-IB-550b.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	Failure to apply the remuneration claim clause to the senior management of Mega Securities	
	FN-IB-550b.3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	8.2.3 Capital Adequacy Management and Level 3 Asset Management	179
ACTIVITY METRIC	FN-IB-000.A	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitisation transactions	4.1.2 Responsible investment	97
	FN-IB-000.B	(1) Number and (2) value of proprietary investments and loans by sector	4.1.2 Responsible investment	97
	FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	4.1.2 Responsible investment	97

"Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies - Climate-Related Information for Listing in Attachment 2"

	Articles of Incorporation	Corresponding Chapter	Page No.
Article 4-1	As stipulated in Article 2, listed companies shall disclose climate-related information in a special chapter:		
	1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and the management.	3.1.1 Climate governance	47
	2. Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finances (short-, medium-, and long-term).	3.1.2 Climate strategy	50
	3. Describe the financial impacts of extreme climate events and transitional actions.	3.1.2 Climate strategy	50
	4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	3.1.3 Climate Risk Management	64
	5. If scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be explained.	3.1.2 Climate strategy	50
	6. If there is a transformation plan in place to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transformational risks.	3.1.2 Climate strategy	50
	7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be described.	3.1.3 Climate Risk Management	64
	8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if carbon offsets or Renewable Energy Certificates (RECs) were used to achieve the relevant goals, it should be explained The source and quantity of carbon reduction credits or the quantity of Renewable Energy Certificates (RECs) that were exchanged.	2.2 Sustainability Vision and Strategy 3.1.4 Climate indicators and targets 3.2.2 Energy and GHG Management	20 68 70
	9. Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and specific action plans 9-1 The Company's greenhouse gas inventory and assurance situation in the last two years, stating the greenhouse gas emissions (ton CO_2e), intensity (ton CO_2e/million yuan), and data coverage in the last two years. A description of the assurance for the most recent two years, including the assurance scope, assurance institutions, assurance criteria, and assurance opinions. 9-2 Greenhouse gas reduction goals, strategies, and specific action plans. Specify the base year and data for greenhouse gas reduction, reduction goals, strategies, and specific action plans, and the status of goal achievement.	3.1.4 Climate indicators and targets 9.3 External Independent Verification Statement	68 210

UNGC United Nations Global Compact

Disclosure Item		Corresponding Chapter	Page No.
Human rights	Businesses should support and respect internationally proclaimed human rights	6.3 Human Rights Protection	140
	Guarantee not to be complicit in human rights abuses		
Labor Standards	Enterprises should support freedom of association and effectively recognize the right to collective bargaining	6.1 Talent Attraction and Development 6.3 Human Rights Protection	123 140
	Eliminate all forms of forced and compulsory labor		
	Effectively abolish child labor		
	Eliminate discrimination in employment and occupation		
Environment	Businesses should support a precautionary approach to environmental challenges	3.1 Climate Action 3.2 Green Operations	46 69
	Enterprises should take measures to fulfill more corporate environmental responsibilities	3.2 Green Operations 3.3 Sustainable Procurement	69 72
	Encourage the development and diffusion of environmentally friendly technologies	5.4 Digital Innovation	121
Anti-corruption	Enterprises should strive to oppose all forms of corruption, including extortion and bribery	8.1 Corporate Governance and Ethical Management	158

TCFD Climate-related Financial Disclosures

Level	Disclosure Item	General industry indicators	Corresponding Chapter	Page No.
Governance	a	Describe the board's oversight of climate-related risks and opportunities	3.1.1 Climate governance	47
	b	Describe management's role in assessing and managing climate-related risks and opportunities		
Strategy	a	Describe the short-, medium- and long-term climate-related risks and opportunities identified by the organization	3.1.2 Climate strategy	50
	b	Describe the impact of climate-related risks and opportunities on the organization's business, strategic, and financial planning		
	c	Describe the organization's strategic resilience and consider physical climate risks under different climate-related scenarios (including 2° C or more severe scenarios).		
Risk Management	a	Describe the organization's process for identifying and assessing climate-related risks.	3.1.3 Climate Risk Management	64
	b	Describe the organization's process for managing climate-related risks.		
	c	Describe how the process for identifying, assessing and managing climate-related risks is integrated into the organization's overall risk management system.		
Indicators and targets	a	Disclose the indicators used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process.	2.2 Sustainability Vision and Strategy 3.1.4 Climate indicators and targets 9.1.1 Environmental Indicator Data	20 68 188
	b	Disclosure of Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks		
	c	Describe the objectives used by the organization to manage climate-related risks and opportunities, and the performance of the objectives.		

TCFD Task Force on Climate-related Financial Disclosures

Level	Disclosure Item	General industry indicators	Corresponding Chapter	Page No.
Governance	a	Describe the supervision of the Board of Directors on dependencies, impacts, risks, and opportunities related to the environment.	3.4.1 Nature-related financial disclosures	75
	b	Describe the role of management in assessing and managing dependencies, impacts, risks, and opportunities related to environment.		
	c	Describe the organization' s human rights policy and engagement activities, as well as the oversight of the Board of Directors and management in regards to the respect for indigenous peoples, local communities, affected parties, and other stakeholders in assessing and responding to environment-related dependencies, impacts, risks, and opportunities		
Strategy	a	Describe the organization' s environment-related dependencies, impacts, risks, and opportunities in the short, medium, and long term.	3.4.2 Natural Dependency and Impact Analysis	77
	b	Describe environment-related dependencies, impacts, risks, and opportunities in the short, medium, and long term on the organization' s business model, value chain, strategy and financial planning, and any transformation plan or analysis.		
	c	Describe the organization' s resilience in response to environment-related risks and opportunities under different scenarios.		
	d	Disclose the organization' s direct operations, the upstream and downstream (if possible) of the value chain, and the assets and/or activity locations that meet the priority conditions.		
Risk Management	a (i)	Describe the process by which the organization identifies, assesses, and prioritizes environment-related dependencies, impacts, risks, and opportunities in its direct operating sites.	3.4.2 Natural Dependency and Impact Analysis	77
	a (ii)	Describe the process by which the organization identifies, assesses, and prioritizes environment-related dependencies, impacts, risks, and opportunities in its upstream and downstream value chain.		
	b	Describe the organization' s processes for managing environment-related dependencies, impacts, risks, and opportunities.		
	c	Describe the process for identifying, assessing, prioritizing, and managing environment-related risks into the organization' s overall risk management.		
Indicators and targets	a	Disclose the indicators used by the organization to assess and manage major environment-related risks and opportunities based on its strategy and risk management process.	3.4.2 Natural Dependency and Impact Analysis	77
	b	Disclose the indicators used by the organization to assess and manage dependencies and impacts on nature.		
	c	Describe the organization' s objectives for managing natural-related dependencies, impacts, risks, and opportunities, and the performance of the response objectives.		

Sustainability Disclosure Indicators for Securities Firms

Serial number	Indicators
I.	Number of information breach incidents, percentage of personal data breach incidents, number of customers affected by data breach incidents
II.	The number and amount of funds assisted for SMEs to raise funds in the capital market
III.	Number of participants in financial education for disadvantaged groups lacking securities services
IV.	Products or services designed by each operating business to create environmental or social benefits

Summary of Subject Matter Assured

Serial number	Assurance subject information	Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Corresponding Chapter
1.1	In the "Information Leakage" table, the number of information leakage incidents in 2024, the percentage of information leakage incidents related to personal data, and the number of customers affected by information leakage incidents.	Number of information leakage incidents of Mega Securities, Mega Futures, and Mega International Investment Services in 2024, percentage of information leakage incidents related to personal data, and number of customers affected by information leakage incidents. Note 1. Number of information leakage incidents ● The Company used the securities and futures market information and communication security reporting system in accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets" to report the incident record to the competent authority (Securities and Futures Bureau). The Company confirmed whether the incident included the number of information leakage incidents, and compiled the number of information leakage incidents that occurred in 2024.	Article 2 Schedule No. 1	5.3.1 Information Security Management
1.2		Note 2. Percentage of personal data-related leakage incidents (%) ● The Company used the securities and futures market information and communication security reporting system in accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets" to report the incident record to the competent authority (Securities and Futures Bureau). The Company confirmed whether the incident included the number of information leakage incidents, and the percentage of information leakage incidents related to personal data in 2024, as specified in "personal data protection and management policy". ● Personal information refers to the name, birth date, national ID card number, passport number, facial features, fingerprints, marriage, family, education, occupation, medical history, medical treatment, genetics, sex life, health examination, criminal record, contact information, financial status, social activities, and other information that can be used to, directly or indirectly, identify the personal information.	Article 2 Schedule No. 1	5.3.1 Information Security Management
1.3		Note 3. Number of customers affected by information leakage incidents ● The Company used the securities and futures market information and communication security reporting system in accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets" to report the incident record to the competent authority (Securities and Futures Bureau). The Company confirmed whether the incident record included the number of information leakage incidents, calculating the number of customers affected by the information leakage incidents in 2024.	Article 2 Schedule No. 1	5.3.1 Information Security Management

Serial number	Assurance subject information	Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Corresponding Chapter
2	In order to assist potential domestic enterprises with continuous upgrades, Mega Securities assisted five SMEs in 2024, namely, Yield Microelectronics Corp., ATE Energy International Co. Ltd., TMP Steel Corporation, Forcelead Technology Corp., and Potens Semiconductor Corp. The enterprise successfully raised funds from the capital market, and the total amount of counseling amounted to NTD 3.084 billion.	The number and amount of financing raised by Mega Securities to assist SMEs in the capital market in 2024 Note：According to Question the “FAQ issued by the Taipei Exchange and related laws and regulations", "SME" is defined in the latest "White Paper on SMEs" published by the Small and Medium Enterprise Division. Unless otherwise stated, SMEs referred to in the 2024 "White Paper on SMEs" are defined according to the "Criteria for the Recognizing Small and Medium Enterprises", as amended on June 24, 2020: enterprises with paid-in capital less than NT$100 million, or enterprises with less than 200 full-time employees.	Article 2 Schedule No. 2	4.1.2 Responsible Investment
3.1	2024/6/7 - The Company held two seminars, “Financial Practice" and "Introduction to Financial Theory", at Chung Cheng University, sharing knowledge covering the scope of the securities business, wealth management concepts, and anti-fraud controls. A total of 31 and 86 students participated in the seminars, respectively.	2024/6/7 - Number of students participating in the two seminars of Mega Securities, namely, "Financial Practice" and "Introduction to Financial Theory”. Note：According to the “FAQ issued by the Taipei Exchange and related laws and regulations”, the definition of disadvantaged groups is as follows: According to the definition of SASB, the disadvantaged groups that lack access to securities services may include, but are not limited to, students, teenagers, new immigrants, elderly, minority groups, low-income households, etc.; or financial firms may define the disadvantaged groups on their own.	Article 2 Schedule No. 3	5.2.1 Quality Services
3.2	2024/9/10 - The Company joined hands with the Southern Taiwan Joint Services Center, Executive Yuan to organize the “Mega Securities Public Welfare Train for the Elderly” seminar, with 108 participants.	2024/9/10 - Number of people who participated in the “Mega Securities Public Welfare Train for the Elderly” organized by Mega Securities and the Southern Taiwan Joint Services Center, Executive Yuan. Note：According to the “FAQ issued by the Taipei Exchange and related laws and regulations”, the definition of disadvantaged groups is as follows: According to the definition of SASB, the disadvantaged groups that lack access to securities services may include, but are not limited to, students, teenagers, new immigrants, elderly, minority groups, low-income households, etc.; or financial firms may define the disadvantaged groups on their own.	Article 2 Schedule No. 3	5.2.1 Quality Services

Serial number	Assurance subject information	Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Corresponding Chapter
3.3	2024/11/12 - The Company jointly organized the "Eye Care and Financial Anti-Fraud" public welfare lecture with the Taiwan Prevent Blindness Foundation, with the goal to promote eye care and anti-fraud awareness among the elderly, with a total of 32 participants.	2024/11/12 - The number of participants of Mega Securities' joint organization of the "Eye Care and Financial Anti-Fraud" public welfare lecture with the Taiwan Prevent Blindness Foundation was 32. Note：According to the "FAQ issued by the Taipei Exchange and related laws and regulations", the definition of disadvantaged groups is as follows: According to the definition of SASB, the disadvantaged groups that lack access to securities services may include, but are not limited to, students, teenagers, new immigrants, elderly, minority groups, low-income households, etc.; or financial firms may define the disadvantaged groups on their own.	Article 2 Schedule No. 3	5.2.1 Quality Services
4.1	In 2024, the Company underwrote a total of 6 sustainable development bonds, including 5 green bonds and 1 sustainable development bond.	The issue year for the underwriting of the securities of Mega Securities is 2024, with the securities listed for trading on TPEx. Note：According to the definition of sustainable development bonds in Article 2 of the "Taipei Exchange Operation Directions for Sustainable Bonds", the sustainable development bonds mentioned in these Key Points refer to green bonds, social responsible bonds, sustainable development bonds, and sustainable development-linked bonds authorized by the Center.	Article 2 Schedule No. 4	4.1.3 Sustainable Financial Products
4.2	Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN	As of December 31, 2024, ETNs issued by Mega Securities had still been listed on TPEx.	Article 2 Schedule No. 4	4.1.3 Sustainable Financial Products
4.3	In 2024, the Company launched the "Mega Bond" as an overseas bond electronic trading platform.	In 2024, the Company launched the "Mega Bond" as a platform for overseas bond electronic trading.	Article 2 Schedule No. 4	5.1 Financial Inclusion
5	"Total number, amount underwritten, handling fee income, and distribution by industry for all equity underwriting cases" in the table shows that the industry category (TICS) and service charge income (NTD thousand) in the table, and "Note 2: The above underwriting cases have been included in the ESG evaluation mechanism, and the consultation and securitization transactions in 2024 were not included in the ESG evaluation mechanism. Please refer to 4.1.2 Responsible Investment for related regulations."	SASB FN-IB-410a.1	Not applicable	4.1.3 Sustainable Financial Products

Serial number	Assurance subject information		Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Corresponding Chapter
6	Identification of stakeholders	In accordance with the five principles of Influence, Tension, Responsibility, Dependency and Diverse Perspectives defined by the AA1000 Stakeholder Engagement Standard (AA1000 SES), a questionnaire was distributed in 2023 to identify the seven key stakeholders: Customers, Employees and Unions, Government/ Competent Authorities and Industry Associations, Shareholders and Investors, Suppliers, Communities/Schools and Non-profit Organizations, and Media. Considering that there was no significant change in the category of stakeholders, the 2023 questionnaire of employees were used in 2024.	GRI 3-1：2021 Process to determine material topics	Not applicable	2.4 Material Topic Analysis and Management
	Gathering of sustainability topics	With reference to international sustainability standards such as GRI and TCFD, the United Nations Sustainable Development Goals (SDGs), the Company’s goals and vision, industry characteristics, material topics of Mega Holdings and benchmarking companies, sustainable development trends, and stakeholder concerns, each topic was discussed and assessed by the organizing unit of the “Sustainable Development Committee.” A total of 21 sustainability topics were compiled after consulting with external consultants.			
	Assess impact	The Sustainable Development Committee of Mega Securities, the heads of various executive teams, branch managers, ESG-related executive employees, and the ESG-related employees of the subsidiaries Mega Futures, and Mega International Investment Services completed a sustainability issue impact assessment survey, focusing on the probability of positive and negative impacts of various sustainability topics on the economy, environment, and society, as well as the level of financial impact. 104 and 96 valid questionnaires were recovered, respectively.			

Serial number	Assurance subject information		Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Corresponding Chapter
6	Survey results and major topics	● The questionnaire results were compiled, and the positive and negative impact scores were added and the financial impact scores were calculated. Each issue was sorted through the impact matrix according to the scores, and the threshold values of the material topics were set. The 11 sustainability topics for 2024 were selected, namely, "information security", "corporate governance and ethical management", "regulatory compliance", "risk management", "operational performance", "customer relations", "happy workplace", "talent attraction and development", "digital innovation", "responsible finance", and "inclusive finance". ● Considering the sustainability report to be fair and balanced, the Financial Supervisory Commission' s Green Finance Action Plan 3.0, which encourages the financial sector to conduct GHG inventory, encourages the support of green industries and sustainable development fields with funds, and encourages pathways to achieving the government' s 2050 net zero policy, "climate action" has been added to the 2024 material topics. Considering industry sustainability trends, such as the Financial Supervisory Commission' s Green Finance Action Plan 3.0, two material topics identified through questionnaires, "responsible finance" and "sustainable finance", have been judged to be quite similar in nature. Therefore, these two material topics have been merged and renamed "sustainable finance and responsible finance". ● The 12 material topics for 2024 were determined and reported to the Sustainable Development Committee and the Board of Directors after being approved by the general manager.	GRI 3-1：2021 Process to determine material topics	Not applicable	2.4 Material Topic Analysis and Management
	Disclosure of Material Topics	Company management then followed the relevant reporting requirements for material topics from the GRI Standards to describe the corresponding response strategies, management actions, indicators, and targets in this Report to ensure that the Report provides an appropriate and faithful representation on ESG implementation by the Company.			

Comparison Table of Terms in Chinese and English

Sustainable Development Goals, SDGs	聯合國永續發展目標
The Global Reporting Initiative, GRI	全球永續性報告協會
Sustainability Accounting Standards Board, SASB	永續會計準則委員會
The Taskforce on Nature-related Financial Disclosures, TNFD	自然相關財務揭露
Task Force on Climate-related Financial Disclosures, TCFD	氣候相關財務揭露
Science Based Targets, SBT	科學基礎減量目標
Science Based Targets initiative, SBTi	科學基礎減量目標倡議

Carbon Disclosure Project, CDP	碳揭露專案
Principles for Responsible Investment, PRI	責任投資原則
UN Global Compact, UNCG	聯合國全球盟約
Convention on Biological Diversity, CBD	生物多樣性公約
IFC Performance Standards & EHS Guidelines	國際金融公司績效標準及環境健康與安全指南
IFC Exclusion List	國際金融公司排除名單

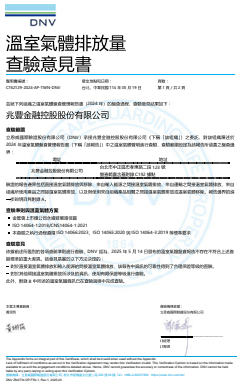
9.3 External Independent Verification Statement

Third Party Verification Certificate for Sustainability Information

ISO 14001: 2015 Environmental Management Systems


bsi.
Certificate of Registration
ENVIRONMENTAL MANAGEMENT SYSTEM
EMS 773881
...making excellence a habit.

ISO 14064-1:2018 Greenhouse Gases


DNV
溫室氣體排放量
查驗意見書
兆豐金融控股股份有限公司

ISO 50001: 2018 Energy Management Systems


SGS
兆豐證券股份有限公司
(兆豐證券大樓)
ISO 50001:2018

ISO 22301 Business Continuity


bsi.
Certificate of Registration
BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019
BCMS 799829
...making excellence a habit.

ISO 27001:2013 Information Security Management Systems


SGS
Mega Securities Corporation
兆豐證券股份有限公司
ISO/IEC 27001:2013

ISO 45001:2018 Occupational Health and Safety Management System


bsi.
Certificate of Registration
OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018
OHS 771407
...making excellence a habit.

BS 10012 PIMS (Personal Information Management System)


SGS
MEGA SECURITIES CO., Ltd.
兆豐證券股份有限公司
BS10012:2017

CPA’s Limited Assurance for Sustainability Report


bsi.
Certificate of Registration
BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019
BCMS 799829
...making excellence a habit.

CPA’s Limited Assurance for Sustainability Report

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Independent Limited Assurance Report

PWCM 24000805

To Mega Securities Co., Ltd

We have been engaged by Mega Securities Co., Ltd (the “Company”) to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2024 Sustainability Report (hereinafter referred to as the “Identified Key Performance Indicators”) and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the “Summary of Subject Matter Assured” of the Sustainability Report. The scope of the Identified Key Performance Indicators is set out in the “Reporting Scope” of the Sustainability Report.

The respective applicable criteria referred to above are the Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms and FAQ issued by the Taipei Exchange and related laws and regulations, the latest edition of the GRI Sustainability Reporting Standards (GRI Standards) published by the Global Reporting Initiative (GRI), disclosure standards issued by the Sustainability Accounting Standard Board (SASB) for the Investment Banking & Brokerage industry and the other criteria referred to or designed by the Company based on the Company’s industry characteristics and sustainability performance information reported (hereinafter referred to as the “Applicable Criteria”).

Management’s Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the Applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitation

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial information. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

資誠聯合會計師事務所　PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F:+ 886 (2) 2729 6686, www.pwc.tw

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Compliance of Independence and Quality Management Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, “Quality Management for Public Accounting Firms” of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information” of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company’s use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information, to identify the areas where there may be risks of material

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misstatement; and

- Based on the above understanding and the areas identified, performed substantive testing on the Identified Key Performance Indicators on a selective basis, including inquiries, observation and inspection to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2023 or prior periods.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the Applicable Criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the Applicable Criteria have been subsequently modified.

Kuo, Puo-Ju
For and on behalf of PricewaterhouseCoopers, Taiwan
August 26, 2025

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Mega Securities

