

2.3 Stakeholders and Material Topics

Stakeholder communications

To fulfil our corporate social responsibility and engage in stakeholder communications, Mega Securities has established transparent and open channels of engagement with our stakeholders. Stakeholder opinions are also incorporated into our corporate management approach and business activities to achieve the goal of sustainable management. Key stakeholders were defined by Mega Securities following the five principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES): Responsibility, Influence, Tension, Diverse Perspectives, and Dependency. A stakeholder identification survey was then answered by 80 people including members of the Sustainable Development Committee, the heads of the five Committee's five working groups, managers at subsidiaries, and colleagues involved with ESG affairs. The 80 responses were used to identify our 7 key stakeholders as customers, Employees & Unions, Government/Competent Authority and Industry Associations, Shareholders and Investors, Suppliers, Communities/Schools and Non-profit Organizations, and the Media. Mega Securities used a variety of communication channels such as our corporate website, questionnaire survey, press releases, and in-house/Group seminars as well as this Report to listen, understand, and respond to the needs of our stakeholders. Sustained communication and engaged was utilized to create mutual benefits and trust. To help stakeholders understand the UN SDGs and our national sustainability policy, Mega Securities hosted 950 employee training sessions (both internal and external training) (see 5.1.5 Talent Development), and 10 classroom and 31 routine anti-fraud awareness events (see 4.3.1 Fair Treatment of Customers). A total of 991 training sessions or activities were therefore held in 2023. Accounting for 105% of the total assets of 94 billion at the end of 2023.

Stakeholders	Implications for the Company	Topic of Concern	Communication Channel and Frequency	Key Communication Accomplishments in 2023
Customer	Listening to the needs of customers, provide quality financial services, and work together with customers to create a sustainable future.	<ul style="list-style-type: none"> Information Security Digital Innovation Compliance Customer Relations Responsible Finance 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> Annual customer satisfaction survey Implementation of mystery call mechanism Ad Hoc <ul style="list-style-type: none"> Organizing of online/physical investment and wealth management seminars and investment forums News, advertisements Standing <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Organized a digital customer satisfaction survey that collected 5,084 valid responses with an overall service satisfaction rating of 86.05%. Overall service satisfaction among middle-aged and older customers (over 65) was 88.58%, and overall satisfaction among younger customers (18 ~ 30) was 83.07%. Organized a digital customer satisfaction survey for wealth management staff that collected 2,431 valid responses with an overall service satisfaction rating of 96%. Overall service satisfaction among middle-aged and older customers (over 65) was 97%, and overall satisfaction among younger customers (18 ~ 30) was 95%. Mystery calls were conducted at 43 securities operating locations. 108 staff members were tested to identify the top 10 and bottom 10 operating locations. Additional education was provided to under-performing operating locations. Participated in the TWSE “Glorious 20 ETF Start Your Wealth Journey Expo” and the 2023 “Taipei International Financial Expo” organized by Business Today Organized 4 investment seminars at 3 locations in Taipei, Kaohsiung, and Changhua in partnership with TWSE and TPEx. Organized 21 customer information sessions at all domestic Mega Securities operating locations. 1 investment outlook conference was held on the Mega Securities YouTube channel. An offline and online investment outlook conference was also held concurrently. Completed the development of sub-accounts and introduced flash orders for overseas futures on the mobile platform. Mega Securities LINE@ account is followed by 12,864 people, has 68,144 cumulative friends, and has made 126 posts. The Mega Securities Facebook fan page has accumulated 15,000 followers and 70 posts. Mega Securities IG also made 67 posts. In 2023, there were 17 customer complaints and financial consumer disputes. All cases were closed within the given time.

Stakeholders	Implications for the Company	Topic of Concern	Communication Channel and Frequency	Key Communication Accomplishments in 2023
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.	<ul style="list-style-type: none"> Information Security Corporate Governance and Ethical Management Economic performance Compliance 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Holding of employee health seminars or activities Standing <ul style="list-style-type: none"> Hosting of employee bulletin board on intranet 	<ul style="list-style-type: none"> "Mega Health" e-newsletters on health knowledge and motivational content were sent a total of 24 times and also reposted to the Health section of the corporate intranet. Hosted 4 labor-management to promote mutual cooperation. The Mega Securities employee engagement survey sampled 1,507 people and average engagement was 3.89 (out of 5) Hosted 4 health promoting activities, 7 "Basic Strength & Conditioning" employee healthcare events, and 2 maternal care seminars. 37 posts were made to the employee bulletin board and all have been responded to.
			<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> Filing or disclosure of information by the statutory deadlines Attendance at association committees Ad Hoc <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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. Participation in policy information conferences or forums on topics such as ESG policy, assessing the fair treatment of customers, and public hearing on evaluation of sustainable finance in the financial industry. Cooperate with peripheral agencies and industry associations on responding to business surveys. These include survey for AML/CFT risk assessment report and FinTech developments. Cooperated with the audits of competent authorities and peripheral agencies by providing information and responding in a timely manner.
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.	<ul style="list-style-type: none"> Responsible Finance Information Security Compliance Corporate Governance and Ethical Management Sustainable Finance 		

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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.	<ul style="list-style-type: none"> Corporate Governance and Ethical Management Digital Innovation Operational Performance Climate Action 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Reporting of related information based on the supervisory requirements of Mega Holdings. 	<ul style="list-style-type: none"> Convened 12 Board meetings. Actively cooperated with Mega Holdings on the preparation of the Sustainability Report, and providing Mega Holdings with quarterly updates on the implementation of sustainable development goals at Mega Securities. Regular attendance of Mega Holdings meetings 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. Routine audits were conducted in conjunction with Mega Holdings every six months. All 12 material contingencies that took place were reported to Mega Holdings in a timely manner and dealt with appropriately.
		<ul style="list-style-type: none"> Operational Performance Compliance Corporate Governance and Ethical Management Sustainable Finance Information Security 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> Supplier self-assessment surveys are conducted annually Supplier evaluations are conducted annually Supplier ESG seminars are mutual organized with the Mega Group every year Ad Hoc <ul style="list-style-type: none"> Inviting suppliers to sign the Sustainability Declaration 	<ul style="list-style-type: none"> 21 key suppliers were invited to participate in the "Sustainability Self-Assessment Questionnaire Survey" and completed responses were received from 15 suppliers. ESG seminar was mutual organized with the Mega Group and attended by 6 suppliers to Mega Securities. "Supplier Sustainability Declaration" signed by 100% of contract suppliers. Green purchasing amounted to \$18,740,160 (9.26%) where total purchasing amounted to \$202,271,229.

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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.	<ul style="list-style-type: none"> Information Security Corporate Governance and Ethical Management Combating Crime Operational Performance 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> Promotion of industry-university collaboration programs every year Ad Hoc <ul style="list-style-type: none"> Promotion of internship programs; hosting of alumni conferences Hosting of social finance seminars Hosting of charity activities or encouraging employees to participate in the Group's volunteer activities 	<ul style="list-style-type: none"> 22 students were offered part-time work or internships with the Company; internship agreements were signed with 8 universities and we 13 internship recruitment information events were held. Hosted 3 alumni conferences. Collaborated with the Taiwan Academy of Banking and Finance to hold 4 "Financial Literacy Seminars for Universities" that were attended by 271 people. A "Financial Literacy Seminar for Universities" was also hosted independently that was attended by 85 people. Hosted 1 financial workshop for senior high school and university students that was attended by 56 people. Hosted 3 finance and wealth management workshops for elementary and junior high school students that were attended by 98 people. Participated in coast clean-ups, tree plantings, social welfare and other volunteer 112 times for a total of 401.5 volunteer hours.
		<ul style="list-style-type: none"> Operational Performance Compliance Corporate Governance and Ethical Management Sustainable Finance Information Security 	<ul style="list-style-type: none"> Periodic <ul style="list-style-type: none"> Press releases are sent to columns in leading media every month. Ad Hoc <ul style="list-style-type: none"> Media interviews and promotions Standing <ul style="list-style-type: none"> Appointment of spokesperson and PR personnel to establish a line of communication 	<ul style="list-style-type: none"> A total of 47 press releases were released during the year. Between 2021 and 2023, we were listed in the TWSE "List of Companies with Better Institutional Investor Stewardship Disclosures" for three consecutive years; between 2021 and 2023, we won the "Happy Enterprise - Financial Management and Consulting Industry - Gold Award" presented by 1111 Job Bank; between 2019 and 2023, we rated by the FSC among the to 25% of large integrated securities firms in its evaluation on "Principle of Fair Customer Treatment" in the securities industry three times in a row.