In 2025, Mega Securities' **Audit Committee** officially commenced operations, marking a new milestone in corporate governance.

Mega Securities continued to maintain its **Tier 1 (excellent) rating** in the 2025 risk management evaluation conducted by the Taipei Exchange (evaluated every three years).

100% of directors, supervisors, and those at the level of manager and above signed the "Statement of Compliance with the Ethical Corporate Management Policy.

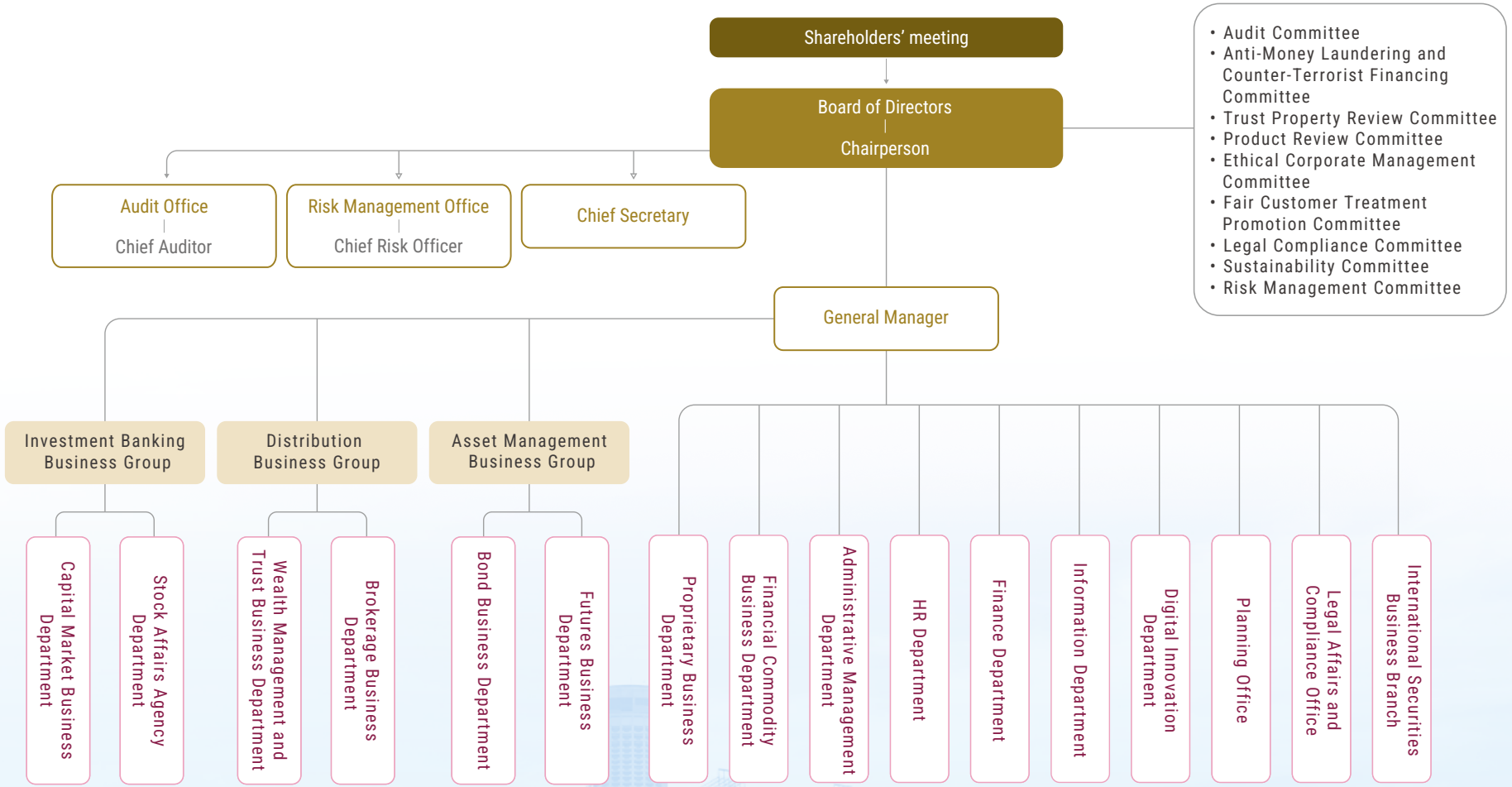
3.1 Corporate Governance and Ethical Management

3.1.1 Corporate Governance Structure

Mega Securities is an investee 100% owned by Mega Holdings (as of the record date of June 30, 2026). 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 exercising the power of the shareholders' meeting when deliberating on dividend distribution, the Articles of Incorporation and key regulations, and other major issues or decisions, the Board of Directors also conducts 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 established several functional committees, including the Audit Committee, the Risk Management Committee, the AML/CFT Committee, the Trust Property Review Committee, the Product Review Committee, the Ethical Corporate Management Committee, the Fair Customer Treatment Promotion Committee, the Legal 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.

Name	Member Composition	Authorities	Meeting frequency
Board of Directors	All nine directors (including three independent directors)	I. Establishment of an effective and appropriate internal control system. II. Selection and supervision of managerial officers. III. Review of the Company's management decisions and business plans, and supervision of the implementation. IV. Review of the Company's financial goals and supervision of the achievement. V. Supervision of the Company's operation results. VI. Performance appraisals and remuneration standards for managerial officers and sales personnel. VII. Supervision and handling of the risks faced by the Company. VIII. Ensure that the Company complies with relevant laws and regulations. IX. Planning of the Company's future development. X. Establishment and maintenance of the Company's image and fulfillment of social responsibilities. XI. Appointing professionals such as accountants or lawyers. XII. Protection of the rights and interests of investors.	At least once every quarter. In 2025, a total of 18 board meetings were held, with a director attendance rate (including attendance by proxy) of 100% and an in-person attendance rate of 96.05%. At least two independent directors attended each meeting.

Corporate Governance Structure Chart



Information on the Committee

Committee Name	Convener	Member Composition	Authorities	Meeting frequency	2025 Number of Meetings and Attendance Rate
Audit Committee	Independent Director	All independent directors, a total of 3 members	Review the amendments to and effectiveness assessment of the internal control system; the revision of procedures for handling major financial and operational actions such as the acquisition or disposal of assets, engaging in derivative transactions, lending of funds to others, and en-dorsements or guarantees for others; matters involving the interests of directors; major asset or derivative transactions; major loans, en-dorsements, or guarantees; the raising or issuance of equity-type secu-rities; the appointment and dismissal of accountants; the appointment and dismissal of financial, accounting, and audit supervisors; annual and second-quarter financial reports; the formulation and revision of annual audit plans; and amendments to the accounting system and corporate governance best practice principles.	At least once every quarter	A total of 11 meetings were convened during the year. The committee attendance rate was 100%.
Risk Management Committee	Independent Director	The committee consists of 13 members, including one independent director, the general manager, the chief risk officer, the chief infor-mation security officer, and the heads of nine departments (Brokerage Business Department, Capital Market Business Department, Bond Busi-ness Department, Proprietary Business Department, Futures Business Department, Financial Business Department, Wealth Management De-partment, Finance Department, and Legal Compliance Department).	Supervise the implementation of risk management operations; review risk management policies, annual goals, the committee charter, and related rules; examine the overall risk appetite or limits, as well as ac-tion plans and corrective measures for exceeding such limits; and de-liberate on other significant risk management matters.	At least once every quarter	A total of five meetings were held during the year (Note 2) The committee attendance rate (including attendance by proxy) reached 100%.
Legal Compliance Committee	Chairperson	The committee consists of 18 members, including the chairman, gen-eral manager, chief risk officer, and the heads of 15 departments (Bro-kerage Business Department, Capital Market Business Department, Bond Business Department, Financial Business Department, Wealth Management Department, Proprietary Business Department, Futures Business Department, Shareholder Services Department, IT Depart-ment, Administration Department, HR Department, Digital Innovation Department, Finance Department, Planning Office, and Legal Compli-ance Department).	Review compliance risk management reports and significant regula-tions required to be submitted to the Board of Directors by law; exam-ine the causes of and improvement plans for penalties imposed on the Company by regulatory authorities or major illegal cases; evaluate compliance testing results and peer cases to ensure the adequacy of control measures; regularly monitor the implementation of systems and related reports; and deliberate on other key compliance issues while supervising the execution of various measures.	At least once every quarter	A total of 4 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 100%.
Product Review Committee	Director and General Manager	The committee consists of 7 members, including the director and general manager, the chief risk officer, and heads of five departments (Financial Business Department, Legal Compliance Department, Bond Business Department, Brokerage Department, and Wealth Management Department). Note: When the general manager concurrently serves as a Director, the two positions may be held by the same individual.	Deliberate on the pre-sale review of the acceptance of trust or sale of offshore structured products.	Held from time to time as needed based on the product launch	A total of 3 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 100%.



Note:

1. Important motions of the Audit Committee and Risk Manage-ment Committee

(1) For important motions of the Audit Committee, please refer to pages 41–45 of Mega Securities 2025 Annual Report.

(2) Important motions adopted by the Risk Management Committee: January 13, 2025 (reported on the implementation of risk management in November and December 2024); April 9, 2025 (reported on the im-plementation of risk management in Q1 2025); April 25, 2025 (re-viewed the amendments to the Risk Management Rules); July 18, 2025 (reported on the implementation of risk management in Q2 2025 and reviewed the proposal for the maximum credit limit for clients using TSMC shares as collateral); October 27, 2025 (reported on the imple-mentation of risk management in Q3 2025 and reviewed the draft an-nual risk management objectives for 2026).

2. The Risk Management Committee was reorganized on April 24, 2025; the chairperson was changed from the Chairman to an independent director. A total of 5 meetings were held in 2025 (2 before the reorgan-ization and 3 after).

Committee Name	Convener	Member Composition	Authorities	Meeting frequency	2025 Number of Meetings and Attendance Rate
Sustainable Development Committee	Director and General Manager	The committee consists of 17 members, including the director、general manager, chief risk officer, and the heads of 14 departments (Brokerage Business Department, Wealth Management Department, Proprietary Business Department, Bond Business Department, Financial Business Department, Capital Market Business Department, Shareholder Services Department, IT Department, Administration Department, Finance Department, Legal Compliance Department, Planning Office, HR Department, and Digital Innovation Department). Note: When the general manager concurrently serves as a Director, the two positions may be held by the same individual.	Review the sustainability development plan and major projects; review the sustainable finance policy and related regulations; regularly assess sustainability and climate-related opportunities; review response strategies and target plans for sustainability and climate-related risks and opportunities; 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 sustainability report and the "Sustainability-related Financial Information" chapter of the annual report; evaluate the implementation results of the sustainability development plan, projects, activities, and response strategies and tar-gets for sustainability and climate-related risks and opportunities; and promote and coordinate with relevant departments to conduct educa-tion and training and implement sustainability-related affairs.	At least once every quarter	A total of 7 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 100%.
Fair Customer Treatment Promotion Committee	General Manager	The committee consists of 11 members, including the general manager and the heads of ten departments (Brokerage Business Department, Capital Market Business Department, Bond Business Department, Financial Business Department, Finance Department, Shareholder Services Department, Legal Compliance Department, Planning Office, IT Department, HR Department).	Review policies, strategies, and the consumer dispute resolution system related to the principle of fair treatment of customers; promote the fair treatment of customers and fraud prevention plan; review the imple-mentation status of self-assessments for the regulatory authority as-sessment; regularly evaluate the implementation results and self-check results of each department; review customer complaints and adjudica-tion cases; promote education, training, and awareness programs; and deliberate on other important matters related to fair customer treat-ment and fraud prevention.	At least once every quarter	A total of 9 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 100%.
Ethical Corporate Management Committee	General Manager	The committee consists of 17 members, including the general manager, chief risk officer, and heads of 15 departments (Brokerage Business De-partment, Capital Market Business Department, Bond Business De-partment, Financial Business Department, Finance Department, Shareholder Services Department, Proprietary Business Department, Futures Business Department, Legal Compliance Department, Planning Office, IT Department, Digital Innovation Department, HR Department Finance Department, Administration Department).	Assist in integrating integrity and ethical values into the Company's business strategies and establishing preventive measures; regularly analyze and evaluated the risk of dishonest conduct; formulate prevention programs, operating procedures, and conduct guidelines; plan organizational responsibilities and establish a supervision and checks and balances mechanism; promote integrity policy advocacy and training; review the whistleblower system to ensure its effectiveness; and assist the Board of Directors and management in auditing and evaluating the operational effectiveness and compliance of preventive measures.	At least once every year	A total of 3 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 100%.
Trust Property Review Committee	General Manager	The committee consists of 5 members, including the general manager, the chief risk officer, and the heads of three departments (Legal Compliance Department, Planning Office, and Finance Departments).	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 4 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 95%.
AML/CFT Committee	General Manager	The committee consists of 10 members, including the general manager and the heads of ten departments (Brokerage Business Department, Capital Market Business Department, Bond Business Department, Fi-nancial Business Department, Finance Department, Shareholder Ser-vices Department, IT Department, Administration Department, HR De-partment)	Supervise the implementation of anti-money laundering and counter-ing the financing of terrorism measures; review the causes of regulatory authority penalties or corrective actions; propose improvement plans; refer to peer cases and major issues to ensure the appropriateness of control measures; and regularly review implementation results reports and examine important regulations, methodologies, and other major matters required by law to be submitted to the Board of Directors for approval.	At least once every quarter	A total of 4 meetings were convened during the year. The committee attendance rate (including attendance by proxy) reached 97.5%.

Note: Important motions adopted by the Sustainable Development Committee:

January 6, 2025 (reported on the materiality assessment results for the 2024 sustainability report); February 10, 2025 (reported on the im-plementation of the 2024 annual ESG promotion plan as of the fourth quarter, reviewed and amended the Sustainable Development Com-mittee Charter, and reviewed the 2024 core operating system evalua-tion report); April 9, 2025 (reviewed and amended the 2025 annual ESG promotion plan, specific targets, and medium- and long-term targets); May 12, 2025 (reported on the implementation of the 2025 ESG pro-motion plan as of the first quarter and reviewed the 2024 sustainability report); August 5, 2025 (reported on the implementation of the 2025 ESG promotion plan as of the second quarter and reviewed and amended the stewardship principles); October 15, 2025 (reported on investments in industries or entities with ESG risks and sustainable in-dustries as of the end of the third quarter of 2025); November 12, 2025 (reported on the implementation of the 2025 ESG promotion plan as of the third quarter)

3.1.2 Status of the Operation of the Board of Directors



Director Election

Mega Securities is an investee 100% owned by Mega Holdings (as of the record date of June 30, 2026)., which appoints all members of the board of directors.

The 13th Board of Directors (effective from April 22, 2025) consists of 9 directors (including 3 independent directors) with a term of 3 years. The number of directors and independent directors complies with the Articles of Incorporation, which stipulates that there shall be no fewer than 3 independent directors and they shall represent at least one-third of the board seats. Furthermore, starting from this term, an Audit Committee consisting of all independent directors will be established under the Board of Directors to exercise relevant powers in accordance with the law, ensuring a complete corporate governance structure.

Board Independence and Conflict of Interest Avoidance

Mega Securities emphasizes the independence of directors. All independent directors comply with the "Corporate Governance Best Prac-tice Principles", explicitly stipulating that terms may not exceed three consecutive re-elections. Furthermore, they meet the independence criteria established by the competent authority and do not concur-rently serve as a director (including an independent director) or super-visor for more than five companies.The positions of Mega Securities chairman and general manager are not held by the same individual, nor do the individuals share a relationship as a spouse or first-degree relative. Furthermore, no director is a spouse or is a relative of second degree to another director.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 Re-sponsible Persons and Associated Persons of Securities Firms", none of the other directors serve as a manager of Mega Securities, meeting the independence criteria.No Mega Securities employees serve as directors of Mega Holdings.(For related information, please refer to pages 12–14 of 🔗 Mega Securities 2025 Annual Report.)



Additionally, Mega Securities has established clear regulations on di-rector conflict of interest avoidance. All directors have maintained a high degree of self-discipline. During board meetings, the essential content of any interest related to a proposal is explained. In the event of a potential conflict of interest, the relevant directors recuse themselves and do not act as proxies for other directors to exercise their voting rights, thereby maintaining the legitimacy of independent board operations.

Diversity of the Board of Directors

Mega Securities values board diversity, with directors possessing exten-sive industry experience and professional expertise across finance, economics, accounting, law, digital finance, and corporate sustainabil-ity. Relevant procedures are established within the Mega Securities "Corporate Governance Best Practice Principles", which outline a board diversity policy formulated according to the Company's opera-tions, business model, and development needs.

The 13th Board of Directors of Mega Securities consisted of seven male and two female directors; those aged 50 and below accounted for 11.1%, while those aged over 50 accounted for 88.9%.

Information on Director Independence and Diversity

Name	Job Title	Nationality	Gender	Date of first appointment	Term (year)	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	2016/11/23	9.1	>50	●		●	●	●	●	●	●	●	●	None
Pan Rong-Yaw	Independent Director	Republic of China	Man	2025/4/22	0.7	>50	●	●	●	●	●	●	●	●	●	●	None
Chou Pin-Huang	Independent Director	Republic of China	Man	2025/4/22	0.7	>50		●			●			●			None
Shaw Ming-Fu	Independent Director	Republic of China	Man	2025/4/22	0.7	>50	●	●				●		●		●	None
Wu Ming-Tsung	Director and General Manager	Republic of China	Man	2021/12/29	4	>50	●	●	●	●	●		●	●	●	●	None
Chiu Jun-Mao	Director	Republic of China	Man	2025/4/22	0.7	<50	●	●	●	●	●	●	●	●	●	●	None
Cheng Chih-Yang	Director	Republic of China	Man	2025/4/22	0.7	>50					●					●	None
Lee Ming-Sung	Director	Republic of China	Man	2025/4/22	0.7	>50	●	●	●		●						None
Li Ching-Yi	Director	Republic of China	Woman	2025/4/22	0.7	>50		●									None

Note 1: For detailed information on director external independence, please refer to pages 12–14 of Mega Securities 2025 Annual Report.

Note 2: Mr. Ming-Fu, Shaw resigned from his position as Independent Director on June 9, 2026.

Communication Content of the Board of Directors

Mega Securities held 18 board meetings in 2025 to report on the im-plementation progress of key business operations, functional commit-tee meeting minutes, and discussions concerning significant corporate decisions. The major reports, discussion items, and their frequencies for 2025 are listed below. For further details on other communication matters, please refer to pages 35–38 of 🔗 Mega Securities 2025 Annual Report.

Items reported	Communication content and results	Communication frequency
Financial aspect	The annual budget and business plan, as well as the financial reports aud ited (or reviewed) by accountants	Annually
	Are submitted to the Board of Directors for approval	Quarterly
	Profit and loss of the Company and its subsidiaries are reported	Monthly
Audit aspect	Annual internal audit work plan	Annually
	Summary audit report	Monthly
Compliance	Implementation of legal compliance, anti-money laundering	Every six months
	Implementation of anti-money laundering, and counter-terrorism financing	Every six months
Risk Management	Establish risk management goals	Annually
	Risk management overview and implementation	Quarterly
Corporate Sustainability	Formulation of the ESG promotion planFormulation of the ESG promotion plan, specific goals, and medium- and long-term goals	Annually
	Implementation status of ESG promotion; investment in ESG risk industries and sustainable industries	Quarterly
	Fair treatment of customers and fraud prevention plans; status of customer complaints and financial consumer dispute handling	Quarterly
	Implementation status of ethical management	Annually

Continuing education for directors

In response to international corporate governance and the development trend of legal compliance, money laundering prevention, 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.

Upon taking office or during their term of office, board members continue to participate in continuing education courses organized by designated institutions 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". Furthermore, Mega Group ESG-related continuing education measures explicitly stipulate that directors must complete at least three hours of ESG-related training annually.

In 2025, the nine directors of the 13th Board of Directors completed a total of 282.1 hours of continuing education, averaging 31.3 hours per director. The courses covered areas such as corporate governance, anti-money laundering, risk management, internal control, ESG, fair cus-tomer treatment, ethical management, and information security, aiming to strengthen directors' professional capabilities and optimize cor-porate governance.

For the Board of Directors' continuing education status (including attending directors, dates, course information, organizers, and hours), please refer to pages 53–59 of 🔗 Mega Securities 2025 Annual Report.

Board Performance Evaluation

To implement corporate governance and enhance board function, the Board of Directors of Mega Securities approved the "Board Performance Evaluation Guidelines" on December 20, 2023. In accordance with these guidelines, the Board of Directors conducts an annual performance evaluation at the end of each year based on established evaluation procedures and evaluation indicators. The evaluation scope covers the Board of Directors as a whole, individual director members, and functional committees. Furthermore, such evaluation is conducted by an external professional independent institution or an external expert and scholar team at least once every three years.

🔗Board Performance Evaluation Guidelines

In 2025, in addition to conducting a self-evaluation, Mega Securities also engaged an independent external organization, the Taiwan Institute of Ethical Business, to conduct a board performance evaluation. The overall score for the Board of Directors ranged between 4.5 and 5 (out of 5). The evaluation results provided positive recognition of the sound board operations, clear risk management, and emphasis on internal control and sustainable talent development, demonstrating good governance and competitiveness. Optimization suggestions were also provided, which Mega Securities has already taken into consideration for further action.

The evaluation results were reported to the Board of Directors in February 2026 and published on the Board Effectiveness of 🔗 Mega Securities Image Website.

3.1.3 Remuneration and Shareholding Policy

Remuneration Policy for Directors (Including Independent Directors)

Type of Personnel Item	Director, 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. Other directors: Monthly transportation allowance. 4. The directors are appointed by the single corporate shareholder, Mega Holdings. The Articles of Incorporation stipulate that no earnings will be distributed to directors. 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 performance indicators, ESG management performance indicators, and the comprehensive risk management ap-praisals for the subsidiaries of Mega Holdings (including Mega Securi-ties) 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. Chairman and director and general manager: As they are responsible for the actual implementation of the Company's business, reasonable remuneration is paid in accordance with the procedures of the parent company, Mega Holdings. Mega Holdings evaluates and determines the bonuses of the chairman, the directors and general manager based on the operating performance of Mega Securities. For 2025, the evaluation items were categorized into three aspects—finance, strategy, and man-agement—with weightings of 53%, 20%, and 27%, respectively. Indi-cators directly related to ESG included ESG business performance 2% (growth rate of sustainable development bond investment and under-writing amount), ESG management performance 5% (including com-pliance with social and environmental regulations, cybersecurity inci-dents and customer personal data breaches, and the achievement of targets for GHG Scopes 1 to 3 and general waste reduction), and com-prehensive assessment of risk management 5% (implementation of im-portant risk management goals and participation in emerging risk management (including climate risks)). 2. Independent directors: A fixed monthly remuneration (NT$50,000) is paid monthly, along with an attendance fee for personally attending functional committee meetings, which is NT$10,000 for the committee convener and NT$8,000 for committee members. 3. Other directors: A monthly transportation allowance of NT$15,000 is paid.
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 Com-panies and Their Invested Companies", stipulated by the Ministry of Fi-nance with Letter Tai-Cai-Ku-Zi-09903506650 dated March 23, 2010. 2. The remuneration to independent directors is subject to the "Remu-neration Criteria for Independent Directors", stipulated by Mega Hold-ings with Letter Zhao-Guan-Zi-No.0990011483 dated September 30, 2010.

Note: For details on the remuneration policy, please refer topages 31-32 of 🔗 Mega Securities 2025 Annual Report.

Remuneration policy for senior management

Mega Securities has established employee job grade salary rules. Remuneration to managers is determined based on the internal salary range and external market salary survey, ensuring that remuneration is commensurate with the managers' duties and responsibilities. The performance of managers—including financial and non-financial indicators—is evaluated regularly, with performance bonuses determined by these results. Evaluation categories include professional competency, work attitude, and attendance, among other adjustment factors. Specific evaluation criteria and weightings vary by department according to their nature. For example, the Business 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:

Evaluation Subjects	Description of 2025 Assessment Items
Chairman and General Manager	» 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" and the "Procedures for the Risk Management Evaluation of Subsidiaries" which apply to Mega Securities. These rules include ESG business and management performance indicators for the subsidiaries of Mega Holdings as an important basis for adjustment of bonuses and remuneration to the chairman and general manager.The assessment items and ESG-related indicators applicable for 2025 included ESG business performance (2% - growth rate of sustainable development bond investment and underwriting amount), ESG management performance (5% - including compliance with social and environmental regulations, cybersecurity incidents and customer personal data breach, and achievement of goals for GHG Scopes 1 to 3 and general waste reduction), and comprehensive assessment of risk management (5% - including active participation in and implementation of emerging risk management, including climate risks).
Department heads and branch managers	» ESG (including fair customer treatment): 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. Department heads and branch managers set ESG(including fair treat-ment)management performance weightings at 5% to 10% based on the nature of their business. Evaluation items include ensuring the proper handling of fair treatment and Sustainable Development Committee affairs, managing customer complaints, implementing responsible investment and active engagement, executing IFRS S1 and S2 related matters, performing risk management for emerging risks, climate risks, and biodiversity risk management, and implementing sustainability-related software and hardware system projects. In the future, the Company will continue to promote the linkage between senior executive performance and sustainability performance and perform rolling adjustments to ESG multifaceted performance appraisal indicators.
General employees	» 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 anti-money laundering and counter terrorism financing 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 determines annual bonus amounts based on the Company's overall operational performance and individual employee performance evaluation results. Compared to 2024, the average employee remuneration change (excluding the highest-paid employee) in 2025 decreased by 6.61%, and the median employee remuneration change (excluding the highest-paid employee) decreased by 11.63%. The change for the highest-paid employee was 6.61%. The ratio of the highest-paid employee's remuneration change percentage to the median remuneration change percentage of other employees was -0.57.

Item	2023	2024	2025
Average remuneration of all employees excluding the highest paid employee (NTD)	1,223,600	1,392,538	1,300,502
Median remuneration of all employees excluding the highest paid em-ployee (NTD)	984,695	1,195,333	1,056,270
Annual total remuneration of the highest paid employee (NTD)	10,683,043	17,489,409	18,644,649
Annual total compensation ratio (average) (Note 2)	9	13	14
Annual total compensation ratio (median) (Note 3)	11	15	18

Note 1: The annual total remuneration of the highest paid employees and other employees 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 remuneration ratio (average) is the annual total remuneration of the highest paid employees/the average of remu-neration of all employees excluding the highest paid employees.

Note 3: The annual total remuneration ratio (median) is the annual total remuneration of the highest paid employee/median of the remu-neration of all employees excluding the highest paid employees.

The remuneration to the senior managers of Mega Securities is as follows. Bonuses and special expenses are variable remuneration, accounting for 45.52% of the total remuneration.

Remuneration category	Percentage
Salary	52.68%
Bonuses and special expenses	45.52%
Employee remuneration	1.80%
Total	100%

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

3.1.4 Ethical Corporate Management

Ethical Corporate Management

To establish a sound corporate governance system and foster a culture of integrity, Mega Securities has formulated the “Ethical Corporate Management Best Practice Principles”, “Ethical Corporate Management Procedures and Code of Conduct”, “Ethical Code of Conduct”. These measures govern anti-corruption, fair trade, donations, conflicts of in-terest, intellectual property rights, and trade secrets. Furthermore, the Company regularly reports its compliance with ethical corporate man-agement to the Ethical Corporate Management Committee and the Board of Directors.

Mega Securities has established the Ethical Corporate Management Committee under the Board of Directors to assist in auditing and eval-uating the implementation of ethical corporate management. The Committee reports to the Board of Directors annually on the execution of the Ethical Corporate Management Best Practice Principles (includ-ing whistleblowing cases) to ensure that the code's provisions are effec-tively implemented.In 2025, no incidents of corruption, bribery, discrimination, money laundering, or insider trading occurred that violated ethical corporate management, nor were there any cases involving a higher risk of dis-honest conduct as defined in the "Ethical Corporate Management Pro-cedures and Code of Conduct". Additionally, no employees were dis-missed or subject to disciplinary action due to incidents of corruption.There were no cases reported through the reporting channels. However, one case was referred by Mega Holdings for investigation; following the investigation, the case was dismissed, and a formal response has been sent to Mega Holdings.Subsidiaries have also established relevant ethical corporate manage-ment procedures in reference to Mega Securities' regulations, and no whistleblowing cases occurred in 2025.

In 2025, Mega Securities and its subsidiaries had one substantiated harassment case investigated through non-reporting channels, which had been handled appropriately in accordance with relevant regulations.

Mega Securities and its subsidiaries conduct an annual self-evaluation of the Ethical Corporate Management Best Practice Principles, requir-ing directors, supervisors, and managers (including management at or above job grade 7 and branch managers) to sign a statement on adher-ence to ethical corporate management policy. In 2025, the signing rate reached 100%.Any employee found to be in breach of integrity will be disciplined in accordance with the "Employee Reward and Punishment Procedures".In addition, in coordination with the internal control and audit mech-anism, the Company promotes the ethical management policy on an ad hoc basis to ensure the concept of ethical management is deeply rooted in the corporate culture.

The contract suppliers of Mega Securities and its subsidiaries have signed the declaration in accordance with the Company’s policy. In 2025, there were no instances where business cooperation was termi-nated due to corruption violations. Mega Securities has established the “Guidelines for the Management of External Donations and Sponsorships”, which explicitly prohibit polit-ical donations and clearly define the eligible recipients of donations.There were no political donations in 2025.

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

Group Category	Scope of Coverage	Signing of the Statement	Provision of Education and Training
Mega Securities	100%	100% Target: Directors and senior management (Including management positions at or above job grade 7 and branch managers)	100% Target: Directors and full-time employees
Business partners (including contractors, suppliers, and service providers)	100%	100%	100% Target: Key suppliers
Subsidiary	100%	100%	100%

2025 Communication and Training on the Code of Conduct for Employees of Mega Securities and Its Subsidiaries

Employee Category	Number of Employees Trained and Communicated With (Persons)	Percentage of Individuals Communicated With and Trained
Management roles	199	100%
Non-management roles	1,437	100%
Total	1,636	100%

Training type	Total training hours	Total No. of people trained (person-time)
Internal training	4,172	4,912
External training	71	64
Total	4,243	4,976

Note:Mega Securities and its subsidiaries have established an employee code of conduct, which has been posted in the regulatory section of the internal website for the information of all employees.

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 whis-tleblowers. Employees and outsiders of Mega Securities can report vio-lations of the law or regulations to the department accepting the grievance case through internal and external reporting channels di-rectly.If whistleblowing incidents are verified, relevant departments will re-view internal control systems and operating procedures and propose improvement measures to prevent similar incidents from recurring. Whistleblowers who provide concrete contributions to the Company 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 Com-pany, the Investigation Department shall immediately prepare a report and submit it to the Board of Directors. A case classified as a major in-cidental event or a violation of law will be handled in accordance with the "Procedures for Major Incidental Events" of Mega Securities, noti-fied or reported to the relevant authorities.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 iden-tity of the whistleblower shall not be leaked. The whistleblower shall not be dismissed, demoted, or subject to salary reduction or impair-ment 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:

Flowchart of the grievance process



Protection Measures for Whistle blowers

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

1. 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.
2. 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.

Whistleblowing Email | whistle@megasec.com.tw

Whistleblowing Hotline | (02) 3322-7254

Guidelines for Handling Whistleblowing Cases