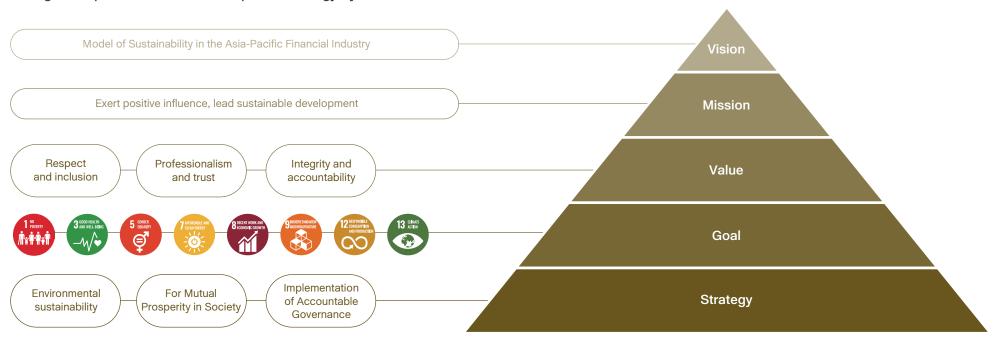


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2.2 Sustainability Vision and Strategy

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 Sustainability Paradigm of the Financial Industry in Asia Pacific." We uphold the values of "Respect and Inclusion, Professionalism and Reliability, Integrity and Accountability" in our business activities, and abide by the commitment 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).

Mega Group's Sustainable Development Strategy Pyramid



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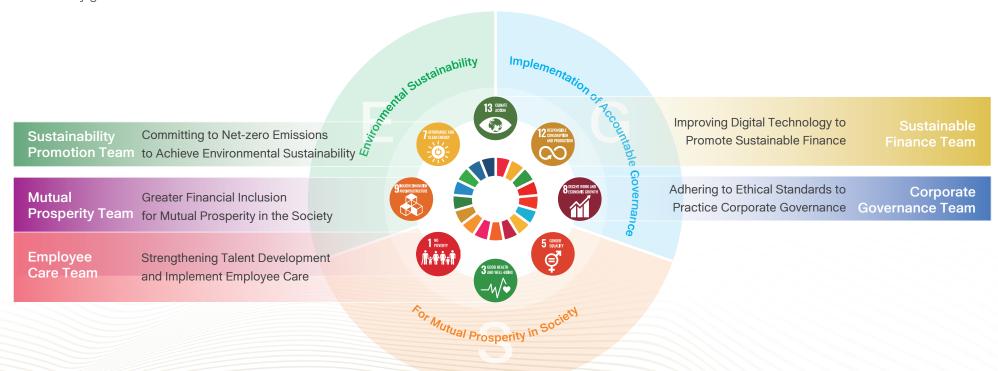
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Sustainability Strategy Roadmap

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 strategy of the Mega Group. The 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.



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

Guiding Principle of Strategic Axis	Corresponding	Material	Promotion	2023	Short-term Goal	Medium- and Long-term Goals
	SDGs	Topics	Strategy	Performance	(2024)	(Up to 2029)
Committing to Net-zero Emissions to Achieve Environmental Sustainability	7 HUGGILLS OF CLUB INDICATE IN A PRODUCTION CONSISTENT AND PRODUCTION	Climate Action	 Improve employees' understand and professional knowledge of climate change issues. Continue to participate in and support environmental sustainability initiatives and activities. Coordinate with the Group on the continued achievement of GHG reduction targets. reduce 2024 GHG (Scope 1+2) emissions by at least 10.5% from 2022 levels.) Expand "ISO 14064-1 GHG Inventory" certification to all domestic operating locations Expand the introduction of "ISO 14001 Environmental Management Systems" to all domestic operating locations Renew "ISO 50001 Energy Management Systems" certification for Headquarters building. 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. Continue to practice supplier sustainable development management. 	took part. 2. Green electricity was introduced at the Headquarters building in August 2023. Total green electricity consumption amounted to 730,020 kWh at the end of the year and amounted to 30.52% of total electricity consumption for the year 3. All Mega Securities domestic operating locations passed "ISO 14064-1 Greenhouse gases" certification 4. All 24 operating locations north of Hsinchu passed "ISO 14001 Environmental management systems" certification. 5. "ISO 50001 Energy management systems" certification renewed for Mega Securities Headquarters building. 6. Mega Securities Headquarters building received Diamond-class Green Building award. 7. To enforce responsible purchasing, \$18,740 thousand in green purchases were made in 2023 and accounted for 9.26% of total purchases of \$202,271 thousand.	 Organize at least 1 training session on climate change topics. Xinying branch obtained "Green Building Label" in 2024. Increase ratio of green electricity at Headquarters building to 60%. 80% of company vehicle purchases for the year should be electric vehicles (cars and scooters) or hybrids. Renew "ISO 14064-1 GHG Inventory" certification for all domestic operating locations "ISO 14001 Environmental Management Systems" certification (including renewal certification) for all domestic operating locations "ISO 50001 Energy management systems" certification renewed for Headquarters building. Green purchasing to account for 2.5% of total purchasing by amount. "Supplier Sustainability Declaration" signed by 100% of contract suppliers. 	 Organize at least 1 training session on climate change topics, and extend invitation to value chain partners. Using 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. 100% green electricity use at domestic company-owned operating locations by 2030. 100% of company vehicle purchases (leases) for the year should be electric vehicles (cars and scooters) or hybrids by 2026. Continue to renew "ISO 14064-1 GHG Inventory" certification for all domestic operating locations. Continue to renew "ISO 14001 Environmental Management Systems" certification for all domestic operating locations,. Continue to renew "ISO 50001 Energy Management Systems" certification for Headquarters build and assess the feasibility of expanding the scope of ISO 50001 coverage. Green purchasing to account for 3.5% of total purchasing by amount. Conduct supplier sustainability self-evaluation survey on a regular basis, and formulate relevant improvement measures.







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Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2023 Performance	Short-term Goal (2024)	Medium- and Long-term Goals (Up to 2029)
Improving	3 GOOD HEALTH TO CRUMENT TATORRABLE AND	Sustainable Finance	increase the ratio of sustainable securities 2. Practice sustainable investment, and increase the value of investments in sustainability bonds (including green bonds, social responsibility bonds and sustainable development bonds).	to \$10.319 billion, or 31.26% of \$33.013	Invest up to \$1.5 billion in sustainability bonds. Annotate and identify the SBT status of investment objects, and compile a SBT object list to implement the Scope 3 investment and financing carbon reduction roadmap. Engage with domestic mentoring and fundraising customers through sustainability self-assessment surveys to establish the sustainability progress of the investee and facilitate future mentoring on sustainability.	approved by SBTi on June 2024. The Group aims to have investment positions with SBTi commitments reach 39.56% of holdings by 2028.
Digital Technology to Promote Sustainable Finance	3 MIGHT MORE AND TO COMMITTE AND THE CONSUMPTION AND THE CONS	Information Security	privacy protection system, and	Core system for broker business passed "ISO 22301 Business continuity" certification. Ongoing "ISO 27001:2013 Information Security Management Systems" certification	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 Systems" certification for PIMS.	1. Strengthen information security awareness and training by achieving 100% training completion rate for all employees to reduce risk from potential vulnerabilities and threats, and upgrade the defensive mechanism for the trading system. 2. Continue to comply with international privacy protection trends through international certification. In addition to compliance with the rules of the EU "General Data Protection Regulation (GDPR)", the updated rules will be progressively implemented in the personal information protection process of business operations. 3. Continue to introduce information security management system standards such as ISO27001, or other systems and standards in the same class or better.





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	3 000 HEATH AND WELL-SEINC TOURTY TOURTY TOURTY TOURTY TOURTY TOURTY TOURTY	Customer Relations	Organize customer satisfaction surveys to enhance service quality. Refine the implementation of Principle of Fair Customer Treatment " for the financial services industry.	evaluation on "Principle of Fair Customer Treatment" in the securities industry. Mega	 Enforce Fair Customer Treatment training with each employee taking part in at least 3 hours of training each year. Optimize the browsing experience on the corporate website, and enrich the contents of the Friendly Financial Service, Senior Citizens, and Anti-Fraud sections. Continue to improve the service quality of first-tier personnel at each operating location and add more friendly service facilities/equipment. Organize annual channel customer satisfaction surveys. 	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.
Improving Digital Technology to Promote Sustainable Finance	3 COMMENT NOR AND PRODUCTION AND PRO	Digital Innovation	Accelerated digital transition through technology in order to boost paperless operations and use of online services.	transition by continuing to streamline the	Electronic orders account for 80% of transactions. Continue to improve the customer experience by enhancing the online account opening process and electronic trading platform. Enhance the digital operating process to improve accessibility of financial products and digital services.	Continue to enhance the digital experience to build an ubiquitous financial services that improves the digital financial service experiences and establishes digital technology as the main axis for digital finance development to deliver secure and convenient financial services.







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Guiding Principle	Corresponding	Material	Promotion	2023	Short-term Goal	Medium- and Long-term Goals
of Strategic Axis	SDGs	Topics	Strategy	Performance	(2024)	(Up to 2029)
Adhering to Ethical Standards to Practice Corporate Governance	5 GENER TOURITY TOURISH MORE AND TOURISH	Corporate Governance and Ethical Management	that they remain up to date on international trends in corporate governance and the latest domestic regulatory changes. 2. Strengthen the competency of the directors by continuing to organize	 The 7 directors and 3 supervisors completed a total of 262.5 hours of continuing education, or an average of 26.25 hours per person. "Board of Directors Performance Evaluation Guidelines" formulated and approved by the Board of Directors. The Corporate Governance Officer completed 18 hours of continuing education on corporate governance courses. 7 directors including 4 female directors. 3 supervisors including 2 female supervisors. 100% of directors, supervisors and employees above the grade of manager have signed the "Ethics and Compliance Statement." 	 Directors engaged in continuing education as required by the "Guidelines and Map of Continuing Education for Directors and Supervisors of Securities Firms." New directors must complete at least 12 hours continuing education and existing directors must complete at least 6 hours of continuing education including at least 3 hours of ESG-related courses. Strengthen professional training for Corporate Governance Officer to provide greater support for directors. The Corporate Governance Officer must complete at least 18 hours of continuing education on corporate governance courses. Organize at least one ethical corporate management training session for all employees with a completion rate of 95%. Signing of "Ethics and Compliance Statement" by directors and employees above the grade of manager. 	independent directorship to a majority of the Board. 2. Increase the ratio of directors from each gender to 40% ~ 50% of total Board membership. 3. Strengthen the competency of the directors by continuing to organize annual performance evaluations for the Board of Directors and functional committees, and reporting the outcomes of the evaluations to the Board. 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.



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Guiding Principle of Strategic Axis	Corresponding SDGs	Material Topics	Promotion Strategy	2023 Performance	Short-term Goal (2024)	Medium- and Long-term Goals (Up to 2029)
Adhering to Ethical Standards to Practice Corporate Governance	5 GENSER TOWNER TOWNER BECOTH WORK AND COOKING SHOWER TOWNER TOWNER	Compliance		1. Established a Compliance Committee reporting directly to the Board of Directors that is chaired by the Chairperson. The Committee's responsibilities include reviewing the cause analysis and proposed improvements for penalties more severe than corrections, fines, or other major violations. 2. In 2023, a total of 3 penalties were issued by the competent authorities for total fines of \$720,000. Improvements were completed for all of the aforementioned cases. 3. Compliance testing was introduced in 2023 in the form of annual testing and special testing for penalties. The Legal Affairs and Compliance Office carried out compliance testing for 14 units in 2023. Recommendations were made based on the findings and approved by the General Manager. 4. Mega Holdings referred 1 grievance case to us for handling. The case was investigated and reviewed in accordance with the Mega Securities "Procedures for the Handling of Grievance Cases."	 Attend additional compliance training courses in addition to the statutory hours of compliance training. Continue to organize compliance testing. Publication of grievance channels on internal and external websites to strengthen the effectiveness of the grievance system and ensure proper whistleblower protection. 	1. Compliance specialists and their supervisors are required to not only complete the statutory hours of training each year but also attend a compliance training course. Employee compliance training courses are also organized on an ongoing basis to strengthen employee compliance knowledge and ability. 2. Continue to strengthen the compliance culture, refine the grievance channels and system, as well as cultivate a corporate culture of transparency and sound management.



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	Gs Topics	Strategy	Performance	(2024)	(Up to 2029)

of risk and asset liability management information to improve risk management performance.

- Encourage employee participation in internal and external risk management training. In 2023, 66,387 hours of risk management training were conducted at Mega Securities and total attendance for risk management training courses was 25,218 person-times.
- 2. In accordance with the "Procedures for the Risk Management Evaluation of Subsidiaries" established by the Mega Group, Mega Holdings also link the number of people who participate in the risk management training at Mega Securities each year to Mega Securities' risk management performance in its annual performance evaluation.
- Continue to analyze and apply all kinds 1. Encourage employee participation in of risk and asset liability management internal and external risk management climate change in the TCFD report.
 - Continue to organize risk management training courses to raise employee risk awareness
- accordance 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."
- Assess the physical and transition risks to investee enterprises from climate change, and continue to assess the potential losses from breach of contract, credit loss, or rating impairment.

Adhering to Ethical Standards to Practice

Corporate Governance





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.

Operational Performance

Risk

Management

- Brokerage, underwriting and proprietary trading are the core businesses of Mega Securities. The brokerage and underwriting businesses in particular are the dual drivers of profit growth. Proprietary trading is focused on the development of diversified trading strategies. In 2023, the brokerage, proprietary trading and underwriting departments accounted for 63.13%, 21.99%, and 11.54% of the Company's income. (*Please refer to p.179 of the Mega Securities Annual Report for details)
- Mega Securities reported consolidated net income of \$2,002,610 thousand with an EPS of \$1.73 and ROE of 11.04%.

- 1. Brokerage, underwriting and proprietary 1. Diversification of handling fee income 1. Diversification of the brokerage, trading are the core businesses of Mega sources.
 - 2. Development of diversified trading strategies.
 - 3. Periodic review of financial position and honest reporting of financial performance.
- Diversification of the brokerage, underwriting, and proprietary trading businesses to steadily improve the Company's operational performance while adhering to the sustainability strategy.
- Improve business resilience, strengthen the long-term value of the Company, and demonstrate sustainable management ability.



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Strengthening Talent Development Implement Employee Care	3 GOOD MEATH 3 AND WELL-SENG 5 COUNTY COUNT	Happy Workplace	various subsidy plans.	Health and Safety Management Systems" certification 2. Mega Securities employee absentee rate was 0.193%. 3. \$216,000 in marriage subsidy was issued to 14 people; \$107,900 in childbirth subsidy was issued to 17 people.	 Maintenance of "ISO 45001:2018 Occupational Health and Safety Management Systems" certification Keep employee absentee rate under 0.56%. Organize employee health checkup subsidies. Continue to provide employees with health checkups, marriage and childbirth subsidies. Organize at least 2 health promotion activities (including health seminars) each year. Continue to organize Employee Assistance Programs (EAP). 	 Obtain and maintain "ISO 45001 Occupational Health and Safety Management Systems" certification Continue to organize Employee Assistance Programs (EAP). Provide for better-than-statutory maternal leave/paternal leave days and implement friendly maternal care measures. Continue to provide employees with a variety of subsidy programs including subsidies for employee health checkups, marriages, and childbirth. Organize at least 14 health seminars or related health promoting activities.



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	SDGs	Topics	Strategy	Performance	(2024)	(Up to 2029)
Strengthening Talent Development Implement Employee Care	3 GOOD HEALTH AND AND WILL-HIPSCH. 5 CENTER TOWN AND A COLUMN NAME OF THE AND A COLUMN NAME OF		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-	 Total employee turnover of 11.47% was lower than the average total turnover of 13.27% for 17 securities dealers as calculated by the Friendship Association of Personnel Executives at Securities Dealers. Employee turnover was 9.61% after deducting retirements and employees on unpaid leave. The Company employed 8 employees with disabilities and exceeded the statutory quota of 5 people. 4 labor-management meetings were convened during 2023 (3/27, 4/19, 8/29, 12/11) Employee engagement survey was conducted in concert with the Mega Group. The employee response rate at Mega Securities was 98.88% and employee engagement score was 3.89 (out of 5), an improvement over the score of 3.69 in 2022. Education and training duration in 2023 amounted to 77,168 hours with total training attendance of 1,517 people. Average hours of training per person was 50.87 hours for an increase of approximately 25% over the 40.81 hours in 2022. 11 people applied for the financial licensing exam subsidy and total subsidies amounted to \$34 thousand. 	 Keep total turnover rate under 8%. Employ more people with disabilities than required by the statutory quota. Convene statutory employer-management meetings to maintain harmonious labor relations. Continue to organize employee engagement surveys with a target survey response rate and employee participation rate of at least 80%. Employees are to receive an average of 40 hours of training. 	In addition to salaries and bonuses, take proper care of employees by also providing better-than-statutory employee benefits and working.



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Inclusion For Mutual Prosperity in	1 WHITE THE TENT OF THE TENT O	_	 Organize art and cultural activities, and support local cultural and economic development. Formulate volunteer service regulations and strengthen volunteer services. Donate the economic resources required for assisting children, youths, older people, and people with disabilities, and promote social assistance programs. 	to Datong Elementary School in the East District of Tainan City to set up a second Mega Securities Financial Literacy Charity Library, promote reading, and cultivate a healthy understanding of investment and wealth management among elementary and junior school students from an early age. 2. Donated \$50,000 in funding to the of the Taiwan Foundation for the Blind Band. 3. Participated in the coastal clean-up event organized by the Mega Bank C&E Foundation near the Keelung Ocean Museum. 16 volunteers contributed 64 volunteer hours. 4. Participated in the "2023 Taichung Metropolitan Park Guardian of Mt. Dadu Family Tree-planting Event" organized by Mega Insurance and the Taiwan Reforestation Association. 14 volunteers contributed 56 volunteer hours. 5. Participated in the Mid-autumn Charity Sale Volunteer event for the Down Syndrome Foundation R.O.C. organized by Mega Charity Foundation. 22 volunteers contributed 78 volunteer hours. 6. Mega Securities organized the Everything Everywhere All at Mega Securities	and diversified art and cultural activities. 2. Continue to strengthen volunteer service activities. 3. Supporting sporting events	1. Cultivation of local art and cultural activities to revitalize local cultural development. 2. Continue to support grassroot training of sporting talent, promot the development of Taiwanese sport and support green competitions for carbon and plastic reduction. 3. Promote the establishment of volunteer clubs to encourage greate employee participation, and continuint to visit or provide environmental services at institutions of charities for the disadvantaged to leverage or influence for social welfare. 4. Uphold the spirit of philanthrop by continuing to monitor the need of charity groups and people with disabilities, and providing them with the economic resources they need.
Financial Inclusion For Mutual Prosperity in Society	Deeper iinancial nclusion for Mutual Prosperity in	-		Family Tree-planting Event" organized by Mega Insurance and the Taiwan Reforestation Association. 14 volunteers contributed 56 volunteer hours. 5. Participated in the Mid-autumn Charity Sale Volunteer event for the Down Syndrome Foundation R.O.C. organized by Mega Charity Foundation. 22 volunteers contributed 78 volunteer hours. 6. Mega Securities organized the Everything		

of Dajia Mazu Social Welfare Foundation for looking after disadvantaged children, youth support services, and health/

physiotherapy expenses.