

Sustainability Disclosure Indicators for Securities Firms

Serial number	Indicators
I.	Number of data 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 Small and medium-sized enterprises (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

I. Sustainability disclosure indicator for securities firms - information leakage

Sustainability disclosure indicator for securities firms - information leakage	
information leakage	2023
Complaints from external parties that have been substantiated by the organization	0
Complaints from regulatory authorities	0
Number of information leakage incidents	0
Percentage of personal data-related leakage incidents (%)	0
Number of customers affected by information leakage incidents	0

Note: The assurance indicator refers to the sustainability disclosure indicator number 1 of securities firms in accordance with the "Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms." (The independent limited assurance report issued by KPMG can be found under the company's 2023 Sustainability Report(Chinese version)-Appendix 8.3 External Independent Assurance Statement)

II. Number and amount of funds assisted for SMEs to raise funds in the capital market

Small and medium-sized enterprises (SMEs) account for more than 98% of all enterprises in Taiwan. In order to assist potential domestic enterprises with continuous upgrades, Mega Securities assisted four SMEs in 2023, namely, WAVE POWER TECHNOLOGY, WASTE RECOVERY TECHNOLOGY, Bausen Inc., and ATE ENERGY INTERNATIONAL. The enterprise successfully raised funds from the capital market, and the total amount of counseling amounted to NTD 1.626 billion.

Company name	Type	Number of issued shares (shares)	Funds raised in 2023 (NT\$)	Implementation status
Wave Power Technology Inc.	Cash capital increase	3,100,000	395,677,330	Fundraising completed
WASTE RECOVERY TECHNOLOGY INC.	Cash capital increase	3,398,000	433,830,310	Fundraising completed
Bausen Inc.	Cash capital increase	3,190,000	245,704,260	Fundraising completed
ATE ENERGY INTERNATIONAL CO. LTD.	Cash capital increase	10,000,000	250,000,000	Fundraising completed
ATE ENERGY INTERNATIONAL CO. LTD.	Convertible corporate bonds	3,000,000	301,500,000	Fundraising completed
Total				1,626,711,900

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 for Small and Medium Enterprises" published by the Small and Medium Enterprise Division; unless otherwise stated, the relevant statistics from 2020 are defined based on the 2023 "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. (The independent limited assurance report issued by KPMG can be found under the company's 2023 Sustainability Report (Chinese version)-Appendix 8.3 External Independent Assurance Statement)

3、Number of participants in financial education for disadvantaged groups lacking securities services

- Note:**
1. A total of 4 "University Financial Literacy Seminars" were held in partnership with the Taiwan Academy of Banking and Finance on 1/6 (Brokerage), 3/21 (Financial Business), 5/2 (Brokerage), and 9/26 (Brokerage), with a total student attendance of 271. (Note 1)
 2. The 1-day "Everything, Everywhere All at Mega Securities" 1-day financial workshop at Mega Securities Headquarters was held on 9/23. Almost a hundred students registered for the event. On the day, 56 senior high school and university students visited the company and learned about the everyday work of securities firms. (Note 1) (Link: <https://www.megasec.com.tw/emega/news/in.do?id=20230925102009292991>)
 3. On 12/7, Invited to organize an "University Financial Literacy Seminar" at Fu Jen Catholic University on the topic of internal bond investment practices and financial career planning that was attended by 85 people. (Note 1)
 4. On 6/7, the Company held a financial literacy workshop for elementary and middle school teachers at Hengshan Junior High School in Hsinchu County for 2022 for a total of 23 teachers. The workshop aimed to help teachers integrate basic financial concepts and risk awareness into their lessons, further promoting inclusive financial education. (Note 2)
 5. On 9/13, the Company held a financial literacy workshop for elementary and middle school teachers at Datong Elementary School in the East District of Tainan City for a total of 46 teachers. The workshop aimed to assist teachers in integrating basic financial concepts and risk awareness into their lessons, further promoting inclusive financial education. (Note 2)
 6. On 11/2, the Company held a financial literacy seminar specifically for elementary and middle school educators, with 29 principals and directors from Tainan City schools in attendance. The seminar aimed to support educators in integrating basic financial concepts and risk awareness into their teaching curricula. (Note 3)

Industry-academia collaboration

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. Mega Securities actively develops the industry-academia cooperation. During 2023, 22 university students were offered internships or part-time careers with the Company. Internship agreements were also signed with 8 universities

Note: 1. The assurance indicator refers to the sustainability disclosure indicator number 3 of securities firms in accordance with the "Regulations Governing the Preparation and Filing of Sustainability Reports by Securities Firms."

2. Mega Securities has partnered with the Taiwan Reading Culture Foundation to target schools with fewer resources as part of their cooperation efforts. They have organized financial literacy seminars for teachers and established "Libraries of Love" to promote financial literacy and risk awareness.

3. In light of the rapidly evolving nature of fraud schemes, Mega Securities is assisting teachers in strengthening basic financial literacy and risk awareness, integrating these concepts into their teaching curricula by organizing financial literacy seminars to enhance educators' understanding of financial matters. (The independent limited assurance report issued by KPMG can be found under the company' s 2023 Sustainability Report (Chinese version)-Appendix 8.3 External Independent Assurance Statement)

IV. Products or services designed by each operating business to create environmental or social benefits (The independent limited assurance report issued by KPMG can be found under the company' s 2023 Sustainability Report (Chinese version)-Appendix 8.3 External Independent Assurance Statement)

All sustainability bonds underwritten by Mega Securities in 2023

Bond type	Item
Green bonds (GBP-compliant bonds)	Bond name
	1. TSMC 112-1
	2. TSMC 112-2
	3. TPC 112-3
	4. TPC 112-6
Social responsibility bonds (SBP-eligible bonds)	Number of Cases
	4
	Amount (NTD thousand)
	1,900,000
	Bond name
	FET 112-1
	Number of cases (cases)
	1
	Amount (NTD thousand)
	150,000

Bond type	Item
Sustainability bonds (bonds in compliance with GBP, SBP, and SBG)	Bond name
	N/A
	Number of cases (cases)
Sustainability-linked bonds (bonds in compliance with SLB)	N/A
	Amount (NTD thousand)
	N/A
Sustainability-linked bonds (bonds in compliance with SLB)	Bond name
	Hon Hai 112-4
	Number of cases (cases)
	1
	Amount (NTD thousand)
	100,000

ESG ETN issued by Mega Securities in 2023

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. 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.

ETN name	Mega TPEX FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN
ETN ticker	Mega Semiconductor Climate N
Stock Code	020041
ETN Category	Domestic Component ETN
Date established	December 25, 2023
Maturity date	December 24, 2028, or the next business day if the maturity date is a non-business day.
Investment ratio allocation	N/A (the ETN is issued by Mega Securities, not invested)
Underlying Index	Mega TPEX FactSet Semiconductor Climate Net-Zero Elite Total Return Index ETN
Links to Public Information	https://www.tpex.org.tw/web/etn/etn_specification_domestic_detail.php?l=zh-tw&code=020041

The "TIP Customized TPEX ESG IT Elite Total Return Index" focuses on two key aspects: the electronics industry and sustainable performance. 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. 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.

ETN name	Mega TIP Customized TPEX ESG IT Elite Total Return Index
ETN ticker	Mega TIP TPEX ESG ITE Total Return Index
Stock Code	020026

ETN Category	Domestic Component ETN
Date established	June 25, 2021
Maturity date	June 24, 2024, or the next business day if the maturity date is a non-business day.
Investment ratio allocation	N/A (the ETN is issued by Mega Securities, not invested)
Underlying Index	TIP Customized TPEx ESG IT Elite Total Return Index
Links to Public Information	https://www.tpex.org.tw/web/etn/etn_specification_domestic_detail.php?l=zh-tw&code=020026

Barrier-free website	Remarks
Business profile <ol style="list-style-type: none"> The Mega Securities website (Corporate Site) has obtained the Accessibility Level A certification issued by the Ministry of Digital Affairs, Executive Yuan. The Mega Securities website (Wealth Management Site) 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. 	<ul style="list-style-type: none"> Mega Securities Corporate Site https://www.megasec.com.tw/index.do Mega Securities Wealth Management Site - Financial Friendly Service Zone https://www.megasec.com.tw/emegaTranAccessibility/index.do Mega Securities Wealth Management Site - Elderly Friendly Section https://www.megasec.com.tw/emegaTranAccessibility/ageFriendly.do
Warrant Competition	Remarks

Business profile <ol style="list-style-type: none"> Mega Securities participated 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 earned several accolades in the 13th Economic Daily News Warrant Millionaire Challenge, including the Top Performance Award, Outstanding Promotion Award, and Most Improved Award: <ol style="list-style-type: none"> (1) Mega Securities won the Top Performance Award for its outstanding overall performance, demonstrating the highest total performance among all participating brokerage firms. (2) The Banqiao and Zhongxiao branches of Mega Securities secured first and second place in the Outstanding Promotion Award category. (3) The Zhongxiao and Laifu branches of Mega Securities earned first and second place in the Most Improved Award category. These awards reflect Mega Securities' dedicated efforts and achievements in promoting active account holders and showcase the trust and recognition that warrant investors have in Mega Securities. 	<ul style="list-style-type: none"> Mega Securities Corporate Website Event Highlights (megasec.com.tw)
---	--

DCA		Remarks
Business profile	1. 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 2023, the platform saw a total of 16,928 new securities accounts and 12,484 new sub-brokerage accounts opened.	<ul style="list-style-type: none"> Mega Securities Attracts Eyeballs at the "Mega eStock " and "MegaGo Share Purchase" events https://money.udn.com/money/story/5618/7378371
	2. In September 2022, Mega Securities launched the "Mega eStock " platform to provide share deposit services for fixed time and amount, fixed share, conditional order, and U.S. stock fixed share targeting the fractional shares in the intraday trading, so that retail investors with limited funds or wishing to save shares enjoy a more flexible digital share-deposit experience. As of 2023, the cumulative number of share-deposit plans has reached 30,212.	
Addition of method to bill the service fee of the US stocks		Remarks
Business profile	"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.	<ul style="list-style-type: none"> Mega Securities' Four Advantages in US Stock Trading - Securities - Commercial Times (ctee.com.tw) Mega Securities Corporate Website Latest News (megasec.com.tw)
	Mega Securities provides flexible and adaptable investment services to help clients navigate the ever-changing financial landscape.	