

5.1.5 Talent training

Mega Securities emphasizes the importance to education, training and talent development, and actively strengthens on-the-job training for directors, supervisors and employees. Pursuant to the "Sustainable Development Best Practice Principles" of Mega Holdings (applicable to Mega Securities), sustainable development is incorporated into the Company's operating activities and development directions, and the specific promotion plans for sustainable development are approved, with the education and training to promote sustainable development advisable to be held regularly, or participation in external trainings. The Regulations of Continuing Education Related to ESG of Mega Group also specify the required hours of annual continuing education by directors, supervisors, personnel ranked as manager or above, and general employees (3, 6, and 3 hours, respectively), as well as the extents of the same. Mega Securities budgets the annual education and training budget (NT\$7,979 thousand in 2023), approved by the Board of Directors. The Sustainable Development Committee promotes and coordinates the education and training with relevant departments, and organizes various education and training and voluntary learning in the format of internal or external training according to different functions. In addition to assigning employees to participate in various qualification acquisition and statutory education training courses and statutory education and training courses (including on-the-job trainings of futures, securities, and sub-brokerage, trust, and related pre-job trainings, regulations related to anti-money laundering and counter terrorism financing, Personal Data Protection Act, information security, Ethical Corporate Management Best Practice Principles, Principles for Fair Customer Treatment, Financial Consumer Protection Act, and Volcker Act) as the compliance with the regulatory requirements, through the establishment of digital learning platforms and depending on the business requirements and evolution of financial situations, the Company also arranges lecturers to conduct internal education and training for employees to continue to develop their functions and stimulate their potential. In 2023, Mega Securities conducted a total of 950 sessions of education and training courses, divided into three categories: E (environment), S (social), and G (governance). The total number of training hours for employees was 77,168 hours, and the average training hours for employees was approximately 50.87 hours, an increase of about 25% from the average of 40.81 hours in 2022. Please refer to Appendix 8.1.2 Social Indicator Data for the hours of employees' education and training, and 7.1.2 Operations of the Board of Directors for the hours of education and training for directors and supervisors.

Functional training

Management training	Professional training	General training	Voluntary learning
<p>Workshops for Middle and Senior Executives:</p> <ol style="list-style-type: none"> 1. Consensus Camp 2. Course for Middle and Senior Executive - Employee Care and Communication 	<ul style="list-style-type: none"> • Annual training plans: <ol style="list-style-type: none"> 1. ESG sustainability courses 2. Safety and health education and training 3. Information security online education and training 4. Principle for Financial Service Industries to Treat Clients Fairly 5. Online courses on anti-money laundering and countering terrorism financing 6. Education and training of email alertness testing 7. Financial Friendliness Service Online Training of the Channel Business Group 8. Financial consumer protection_promotion on fair customer treatment to the elderly and mental/physical challenged 9. Ethical Corporate Management Best Practice Principles, Personal Data Protection Act, whistleblowing system, and Sexual Harassment Prevention Regulations • Professional competency training: <ol style="list-style-type: none"> 1. Corporate Governance_Competition for Corporate Talent 2. Corporate Governance_AI Thinking and Digital Transformation 3. Scenario-based online test on brokerage regulations 4. ESG fair customer treatment Ethical_Accountability System Seminar 5. The online test on the regulations for preventing/avoiding copy trading and conflicts of interest for brokerage business in the first and second half of the year 6. Statutory training courses (securities, futures, fund regulations, Money Laundering Control Act, trust, ESG sustainability courses, and wealth management) • What's New on Financial Regulations: <ol style="list-style-type: none"> 1. Business promotion seminar for senior executives of securities brokers and proprietary traders 	<ul style="list-style-type: none"> • Orientation: <ol style="list-style-type: none"> 1. Quarterly training for new recruits • Trainings of labor laws and regulations: <ol style="list-style-type: none"> 1. Pushes of labor laws and regulations 2. Gender equality promotion 3. Online education and training on workplace sexual harassment prevention mechanism 	<ul style="list-style-type: none"> • Digital learning platforms (e.g. Hami Bookstore): <ol style="list-style-type: none"> 1. Push of healthcare promotion • Subsidies for professional license: <ol style="list-style-type: none"> 1. Digital learning resources in Hami Bookstore 2. Intranet of Mega Securities -168 Elite Academy 3. Mega Securities official website (Wealth Management Website) - Online education platform

Subsidies for licenses

Mega Securities encourages employees to participate examinations of relevant professional licenses or qualification, and subsidizes full or partial registration fees and license fees for employees. The related licenses include analyst, accountant, financial planning consultant, financial analyst, financial risk manager, international risk manager, Teachers, etc. In 2023, a total of 11 employees were subsidized for professional license, for NT\$34 thousand. For detailed information on professional license subsidies, [please refer to Appendix 8.1.2 Social Indicator Data.](#)

Professional talent training program

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

Items of Training Program Outcome	Participants/hours/amount	
Course for Middle and Senior Executive - Employee Care and Communication	Number of trainees	85
	Training hours per person	6
	Expenses invested (NT\$)	311,667
Workshops for Middle and Senior Executives - Workshop of Dialogue with Darkness	Number of trainees	111
	Training hours per person	8
	Expenses invested (NT\$)	1,162,531
ESG Sustainability Course - Accountability System	Number of trainees	138
	Training hours per person	3
	Expenses invested (NT\$)	60,000

Program Description	Training target	Training benefits				
		Number of employees trained in 2023	Cumulative number of employees trained	Number of unit head appointment	Percentage (%)	Trainee satisfaction
Course for Middle and Senior Executive - Employee Care and Communication: To establish the habit of caring for and interactions with employees by the heads of departments and managerial officers of branches every day, increase mutual trust, and improve employees' self-performance and team loyalty.	Middle and senior executives	85	85	85	100	4.67 (out of 5 points)
Workshops for Middle and Senior Executives: To make the officers at all levels company-wide form the loyalty, and work hard for the goals for 2023. It is sought that after participating in the event, officers at all levels can communicate more efficiently and form consensus in the future work, to accelerate the efficiency of team operations, and exert the power of the team.	Middle and senior executives	111	111	103	93	4.83 (out of 5 points)
ESG Sustainability Course - Accountability System: In accordance with the Group's ESG education and training regulations (three hours for directors and supervisors/ six hours for managers/ three hours for general employees), courses of E (environment), S (social) and G (governance) are held every year, and at least one course is about the sustainability trend, to make ESG become a DNA of each employee.	All employees	138	138	87	63	4.5 (out of 5 points)



Course for Middle and Senior Executive - Employee Care and Communication



Workshops for Middle and Senior Executives - Workshop of Dialogue with Darkness



5.1.6 Rotation and evaluation

Performance appraisal

In order to achieve organizational performance goals and explore the potential of employees, Mega Securities has formulated the "Rules of Employee Performance Appraisal" to establish a fair and equal performance appraisal system. Performance appraisal is divided into four categories, namely "goal-oriented management appraisal," "department and team performance evaluation," "agile dialogue," and "ranking appraisal."

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

Internal rotation

The purpose of personnel rotation is to cultivate all-rounded talents in the financial business, increase employees' interest in work, stimulate their work potential, and achieve the goal where the personnel management is suitable for both talents and position. According to the "Regulations Governing the Reappointment of Employees," Mega Securities divides the rotation adopted for employees into two categories: self-initiated transfer and designated transfer. The internal rotation mechanism allows

employees to be suitable for their talents and position, retains outstanding talents, with supports to each other if the business is busy or short manpower. Relevant transfer operations were handled by complying with the "Five Principles of Transfer" stipulated in laws and regulations. In 2023, the ratio to fill internal job vacancy based on the ranking appraisal is 35.5%.

Internal promotion and transfer mechanism

Number of internal promotions in the year		52
	Management roles	52
Number of vacancies filled by internal employees of the Group in the year	Non-management roles	35
	Total	87
Total number of vacancies for the year (Note 1)		245
Internal vacancy filling rate (%) (Note 2)		35.5
Internal management vacancy filling rate (%) (Note 3)		21.2
Internal non-management vacancy filling rate (%) (Note 4)		14.3

Note: 1. The number of vacancies in the current year includes the number of voluntary transferees and the number of new recruits in the same year.

2. Internal vacancy filling rate (%) = (number of vacancies filled by internal employees in the year/number of all vacancies in the same year) x 100%

3. Internal management vacancy filling rate (%) = (number of management vacancies filled by internal employees in the year/number of all management vacancies in the same year) x 100%

4. Internal vacancy fill rate for non-management positions (%) = (number of non-management vacancies filled by internal employees in the year/number of all vacancies in the same year) x 100%

5.1.7 Employee engagement survey

To enhance employee engagement and improve the workplace atmosphere, Mega Securities conducts an annual employee engagement survey. The survey includes the following dimensions: engagement, feeling in the work, willingness to act, and policy atmosphere. The dimensions of each issue are as follows:

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

Survey results

The engagement survey was conducted by using a 5-point scale. The options on the 5-point scale were Strongly Agree, Agree, Average, Disagree, and Strongly Disagree. For the “actively engaged employees,” the watershed for highly scored group is three points (out of five points), to calculate the highly scored groups in the Company at different dimensions. According to the survey results, the proportion of employees actively participating in the aspect of engagement has increased from 90.6% in 2021 to 95.4% in 2023, indicating that since 2021, employees have actual improvements in terms of job requirements, contributions made, sense of belonging, and growth opportunities.

Item / Year	2021	2022	2023
Number of Replies	1,496	1,470	1,507
Questionnaire coverage rate (%)	100.00	96.33	98.88
Percentage of employees actively participating (%)	90.6	91.1	95.4

Managerial positions have higher scores than non-managerial positions, indicating that the higher the job rank, the higher the engagement scores.

Item / Year		2021		2022		2023	
		Number of samples	Score	Number of samples	Score	Number of samples	Score
Employee engagement survey	Female	984	3.63	966	3.64	966	3.85
	Male	512	3.68	504	3.77	541	3.96
Position	Management roles	200	3.78	211	3.83	217	3.99
	Non-management roles	1,296	3.63	1,259	3.66	1,290	3.87
Total		1,496	3.65	1,470	3.69	1,507	3.89

